



# JAPAN P&I NEWS

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To the Members

## **Philippines—Key Changes from POEA to the New DMW Standard Employment Contract (Effective on 3 July 2026)**

We have obtained information from Del Rosario Pandiphil Inc., our correspondents in Manila, concerning the key changes in the New DMW Standard Employment Contract Governing Overseas Filipino Seafarers (SEC-S), hereinafter referred to as the "new SEC."

The new SEC replaces the traditional "POEA Standard Employment Contract," which has long been the industry standard.

We quote the circular (Issue 2026/04) from Del Rosario Pandiphil Inc. below. For the full text of the new DMW-SEC, please refer to the attached "DMW Department Circular No. 07, Series of 2026."

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### **Key Changes in the New DMW Standard Employment Contract**

The new DMW Standard Employment Contract (SEC) for Overseas Filipino Seafarers introduce significant changes that may materially affect claims handling, compensation exposure, and dispute resolution. The new SEC aligns itself with the Magna Carta of Filipino Seafarers and its Implementing Rules and Regulations and will be effective on 3 July 2026 or 15 days after publication.

Set out below are the **key amendments** and their practical implications.

#### **1. Increased Base Rate by 10% for Disability Compensation**

The SEC introduces an updated base compensation:

- Base disability amount: **US\$55,000** from previous US\$50,000
- For example, a Grade 1 disability corresponding to 120% is now equivalent to US\$66,000 from the previous US\$60,000

Below is now the updated Schedule of Disability Allowances

<b>Impediment Grade</b>	<b>Base Amount</b>	<b>Percentage</b>	<b>Disability Allowance (base amount x percentage)</b>
1	US\$55,000.00	120%	US\$66,000.00
2	US\$55,000.00	88.81%	US\$48,845.50
3	US\$55,000.00	78.36%	US\$43,098.00
4	US\$55,000.00	68.66%	US\$37,763.00
5	US\$55,000.00	58.96%	US\$32,428.00
6	US\$55,000.00	50.00%	US\$27,500.00
7	US\$55,000.00	41.80%	US\$22,990.00
8	US\$55,000.00	33.59%	US\$18,474.50
9	US\$55,000.00	26.12%	US\$14,366.00
10	US\$55,000.00	20.15%	US\$11,082.50
11	US\$55,000.00	14.93%	US\$8,211.50
12	US\$55,000.00	10.45%	US\$5,747.50
13	US\$55,000.00	6.72%	US\$3,696.00
14	US\$55,000.00	3.74%	US\$2,057.00

This increase in base amount raises the baseline exposure across all disability grades. In cases where the seafarer has been assessed with two or more disabilities, the total aggregate disability benefits corresponding to the assessed disabilities shall in no case exceed the maximum compensation for Grade 1 disability or USD66,000.

Payment is based on the exchange rate at the time of payment or in US Dollars at the option of the seafarer. In case of death, the option belongs to the next of kin.

## **2. Calibrated and Expanded List of Occupational Diseases (Section 36-B)**

The new SEC has significantly **broadened the scope of compensable illnesses**, including:

- Infectious diseases (e.g., COVID-19, influenza)
- Cardiovascular and cerebrovascular events
- Mental and behavioral disorders (e.g., PTSD)
- Musculoskeletal disorders and occupational strain conditions

These conditions and the rest of the diseases and illnesses listed in Section 35-B are now paired with specific disability gradings (Grades 1–14 equivalents) depending on severity. The SEC moves from a relatively limited disease framework to a more comprehensive, medically detailed classification system.

### **3. Clear Third Doctor Procedure and Strengthened Disability Grading Framework (Section 24.A)**

The new SEC has incorporated provisions of the Magna Carta of Filipino Seafarers on the third doctor procedure and in strengthening the disability grading framework.

As to the appointment of a third doctor, the now Section 24.A.5 of the SEC states that a seafarer who disagrees with the company-designated physician's final assessment may obtain a second medical opinion from his chosen doctor who specializes in the illness or injury. If the seafarer's doctor issues a disability grading that is different or contrary to the medical findings of the company-designated physician, the seafarer must file a written request with the DMW to refer the conflicting medical grading to a third doctor.

The third doctor will be mutually selected by the parties from a pool of Department of Health (DOH)-accredited medical specialists relevant to the injury or illness of the seafarer. In case of inability to appoint a third doctor, the DMW shall facilitate the appointment of the third doctor from the same pool.

The third doctor shall determine the final disability grading which shall be binding upon the parties. This process is mandatory before any arbitration proceeding or case may be filed, when the issue is the disability grading, fitness to work, or the illness or injury of the seafarer.

To strengthen the framework of disability grading, the medical assessment of the company designated physician, seafarer's doctor, and the third doctor shall strictly adhere to the Schedule of Disabilities as provided in Section 36 (Schedule of Disability or Impediment for Occupational Injuries Suffered or Occupational Illnesses Contracted) or the applicable CBA, as warranted. (Section 24.A.9)

To compliment the strengthening of the disability grading framework, the now Section 36 B further states that disability compensation shall not be measured or determined by the number of days a seafarer is under treatment or the number of days in which sickness allowance is paid.

### **4. Reinforced Role of CBA Arbitration Mechanisms (Section 33.A)**

The SEC strengthens the use of **Collective Bargaining Agreement (CBA) dispute mechanisms** and the parties are mandated to strictly adhere to the provisions of the CBA on the manner of selection and appointment of the Voluntary Arbitrators or Panel of Voluntary Arbitrators who are listed in the CBA.

### **5. Expanded Definition of Beneficiaries (Incapacitated Children) (Section 24.B.1)**

In entitlement to additional death benefits, the SEC, aside from children under 21 year of age, now includes those above said age with the qualification that they are unable to care for themselves due to physical or mental incapacity.

## **Other Changes introduced in the SEC**

### **Abandonment (Section 2.1)**

The SEC now provides for the definition of abandonment, which exists where the shipowner fails to fulfill fundamental obligations, including non-payment of wages for at least two (2) months, failure to arrange repatriation, or failure to provide basic support such as food, accommodation, and medical care. This formal definition is significant because it establishes a triggering mechanism for claims, effectively allowing seafarers to invoke abandonment as a contractual breach with corresponding entitlements, thereby strengthening enforcement against prolonged non-compliance and increasing the risk exposure of principals and manning agencies.

### **Allotments (Section 2.3 in relation to Section 10.B)**

The SEC, in accordance with the IRR of the Magna Carta of Filipino Seafarers revises the computation of allotments by redefining and providing a broader base upon which the mandatory remittance is calculated. It now requires that allotments be at least eighty percent (80%) of the seafarer's monthly salary, expressly defined to cover basic wage plus fixed or guaranteed overtime, rather than basic wage alone.

### **Pre-existing Illness (Section 2.28 in relation to Section 3.B.6)**

The SEC has now slightly modified the definition of pre-existing illness as:

- An illness existing prior to the commencement of the contract where a doctor has diagnosed and prescribed treatment for said condition, or,
- A pathological abnormality suffered by the seafarer prior to the conduct of a PEME and such condition cannot be diagnosed during the PEME.

The SEC has now expressly made it a duty on the part of the seafarer to disclose a pre-existing illness or condition in the PEME.

### **Work-related Death (Section 2.34)**

SEC has now defined work-related death as death of the seafarer from work-related injury or illness occurring between the date of commencing duty and the date upon which they are deemed duly repatriated, or arising from their employment between those dates. This was lifted from the Magna Carta of Filipino Seafarers.

### **Work-related injury (Section 2.36)**

SEC has now defined work-related injury as those resulting to disability or death of the seafarer occurring between the date of commencing duty and the date upon which they are deemed duly repatriated, or arising from their employment between these dates. This was lifted from the Magna Carta of Filipino Seafarers.

### **New and expanded duties of employer (Section 3.A)**

The SEC, incorporating the provisions of the Magna Carta of Filipino Seafarers, has introduced new and expanded duties of the employer in the now Section 3. They are:

Access to Information – The employer must provide relevant information to the seafarer (refers to the information, including the terms and conditions of employment, company policies affecting seafarers, and conditions and realities attending to their profession, that must be readily available, accessible and furnished to the seafarer upon proper request), including medical records.

Financial Security for Abandonment and Claims - Employer must maintain expeditious and effective financial security system in the event of their abandonment and to assure compensation for contractual claims.

Next-of-Kin Notification – it is the duty of the employer to immediately inform the seafarer’s family / next of kin in case of critical incidents and to furnish them with copies of reports, actions taken and plan regarding remedies, mitigation or repatriation. The duty to inform the next-of-kin is also applicable in case seafarer has any incident that requires a doctor’s medical attention.

Anti-Harassment / Anti-Bullying / Anti-Discrimination Policy – Employer must adopt policies to prevent harassment, bullying and discrimination and to establish complaint mechanisms and reporting procedures.

### **Free Passage from the Point of Hire to the Port of Embarkation (Section 5)**

Seafarers shall be accorded the rights to safe passage and safe travel.

To this end, the shipowner shall:

1. Inform the seafarer about the possible hazards of the voyage and the ports of call;
2. Advise about the precautions to be taken; and
3. Issue the necessary documents.

### **Wages (Section 8)**

The SEC has included a provision on the continuity of wages and entitlements during periods of captivity of a seafarer. Section 8 provides that, in cases involving piracy, armed robbery, war-related violence, or other forms of detention of the ship, the seafarer’s wages and related benefits—including allotments—shall continue to be paid for the entire duration of captivity until release and repatriation. This was previously contained in the POEA Memorandum Circular No. 34, Series of 2020.

Also, the seafarer who is abandoned by the employer shall be entitled to full payment of wages and other benefits provided under the employment contract or the CBA.

Lastly, the SEC prohibits deductions from seafarer’s wages without the seafarer’s prior written consent.

### **Hours of Work (Section 12)**

The SEC now follows the Magna Carta of Filipino Seafarers’ guidelines on hours of work which in turn follows the MLC guidelines.

### **Leave Pay (Section 14)**

The now Section 14 of the SEC clarifies that the following should not be counted as part of annual leave with pay:

1. periods of incapacity for work resulting from illness or injury or from maternity, under conditions as determined by the competent authority or through the appropriate machinery in each country;
2. temporary shore leave granted to a seafarer while under an employment agreement; and
3. compensatory leave of any kind, under conditions as determined by the competent authority or through the appropriate machinery in each country.

### **Subsistence (Section 16.B)**

In keeping with the MLC, the SEC mandates the employer to provide the seafarer with food and drinking water of appropriate quality, nutritional value, and quantity, taking into consideration the differing cultural and religious backgrounds of the seafarers on board the ship. The food, drinks, and the preparation thereof shall be in accordance with the MLC 2006, local laws, rules and regulations and international standards.

### **Accommodation and Recreational Facilities (Section 17)**

The SEC has introduced a new provision in the SEC on accommodation and recreational facilities in line with the MLC and the Magna Carta of Filipino Seafarers. The provision provides:

1. The seafarer on board a ship shall be provided with safe, decent, and adequate accommodations, including but not limited to recreational facilities, for seafarers that meet the minimum standards set out in MLC 2006, taking into account the need to protect the health and well-being of seafarers working or living on board the ship, or both. There shall be a basic shipboard facility for women, such as separate sleeping rooms and appropriate and sufficient menstrual hygiene products and means of disposal.
2. The seafarer shall be provided with reasonable access to ship-to-shore telephone communications, email and internet facilities, where available, especially during his/her free time or when he/she is not on duty.
3. Access to communication during critical incidents, such as but not limited to maritime accidents, warlike incidents, piracy, injuries, detention, and complaints on board, shall be provided by the shipowner to the seafarer, as may be practicable.

### **Medical Care On Board Ships and Ashore and Health and Safety Protection and Accident Prevention (Section 18)**

Another new provision introduced in the SEC is with respect to medical care, health and safety. These again are largely due to the MLC and the Magna Carta of Filipino Seafarers. The provision requires the employer to:

1. Provide adequate medical facility, equipment, paraphernalia, medical supplies, and medicines on board, and shall ensure access to shore medical facilities, including mental health services for seafarers, as well as corresponding medical or trained personnel who shall provide first aid and medical care.
2. Supply the medicine chest and its contents, including, but not limited to, the common emergency and maintenance medications prescribed by licensed physicians to seafarers during Pre-Employment Medical Examination (PEME), the medical equipment, and the medical guide on board shall be maintained and inspected regularly to ensure that labelling, expiry dates, and conditions of storage of all medicines and the directions for their use are checked, and all equipment are functioning properly.

3. Ensure that the seafarer shall have access to medical care, including assessment, counselling, psychotherapy and other forms of mental health intervention in relation to the treatment of any mental or behavioral disorder; necessary medicines; therapeutic appliances; board and lodging away from home until the seafarer has recovered, for any illness or injury, hospitalization, and dental treatment until the sick or injured seafarer has recovered or until the sickness or incapacity has been declared of a permanent character. The medical care shall be at no cost to the seafarer.
4. Employers shall institute measures on health emergency prevention in accordance with flag state health regulations and World Health Organizations (WHO) guidelines, including necessary disinfection, decontamination, deratting, or other measures necessary to prevent the spread of infection or contamination, which may include, but not limited to, the conduct of disease surveillance activity.
5. Where access to shore-based medical facilities is limited, employers shall ensure reasonable access to duly licensed health facilities for telemedicine and tele-mental health services to Filipino seafarers.

### **Transfer Clause (Section 19)**

The amendment introduced in the new SEC is that the transfer of the seafarer must now be with the consent unlike in the old contract where the consent of the seafarer to the transfer was already pre-determined when the seafarer signs the contract.

### **Grievance Machinery (Section 20)**

The grievance machinery under the new SEC is significantly strengthened compared to the 2010 contract. While the old SEC merely provided a basic onboard complaint mechanism, the new SEC formalizes the process into a structured, documented system that generally should be exhausted before disputes are elevated to arbitration or litigation.

### **Disciplinary Procedures (Section 21)**

The new SEC maintains the old provision on the disciplinary procedure against an erring seafarer with the only change that where the disciplinary proceedings are to be initiated against the Master/Skipper of the vessel, the officer next-in-rank shall have the duty and responsibility to comply with the listed procedures.

### **Termination of Employment (Section 22)**

The new SEC has retained the previous provision on termination of employment with the following additions:

1. A seafarer's contract is terminated when he signs off due to medical reasons and after an illness and he is declared fit to work, the employer is unable to find employment for him on board the ship or on another ship of the shipowner.
2. In case of voluntary resignation, there is now a need for the seafarer to serve a written notice to the employer at least one (1) month prior to the intended date of resignation, subject to exemptions provided by law.

### **Repatriation (Section 23)**

The general rule is that seafarer shall be repatriated to the point of hire. The SEC has now added as an exception the following circumstances:

- When the seafarer is incapacitated during the time of repatriation, the seafarer has the option to be repatriated to his place of address as stated in the contract;

- When the seafarer dies, the option for the remains to be repatriated to the point of hire or home address of the seafarer as reflected in the contract belongs to the next-of-kin;
- When the parties mutually agreed on a specific place in the Philippines.

Also, instead of the 72 hours reporting period of the seafarer to the manning agent it is now within three (3) working days upon arrival at point of hire.

Further, in case of an epidemic or pandemic declared by the World Health Organization (WHO), the employer shall be responsible for medical care expenses and board and lodging for periods spent by seafarers in self-isolation or quarantine, whether or not the seafarers have symptoms, have been exposed or are quarantined as a safety precaution for the community, until the seafarers have been duly repatriated to the point of hire.

Repatriation expenses shouldered by the employer was also specifically provided to include:

1. Basic pay and allowances from the moment the seafarers leave the ship until they reach the repatriation destination;
2. Accommodation and food from the moment the seafarers leave the ship until they reach the repatriation destination;
3. Transportation charges, wherein the default mode of transport should be by air;
4. Deployment cost of the shipowner; and
5. Immigration fees, fines, and penalties.

A waiver of entitlement to repatriation shall be valid only if it is written, and made freely and voluntarily, with full knowledge of its consequences. When a seafarer is abandoned, held captive on or off the ship as a result of acts of piracy or armed robbery against the ship, or is incapable of traveling due to illness, injury or incapacity, or other causes that affect the seafarer's safety and security, no waiver shall be allowed or presumed.

In case of the employer's failure to fulfill their obligations on repatriation, the DMW and Overseas Workers Welfare Administration (OWWA) will shoulder the repatriation cost subject to reimbursement from those primarily responsible for the repatriation. Imposition of administrative sanctions by the DMW against those primarily responsible may also be made.

### **War/High Risk Zone (Section 25)**

Under the SEC, the war, warlike, and high-risk area provisions introduce several new elements not found in the 2010 SEC. Section 25 now provides that declared war or high-risk areas may be identified not only by the DMW but also based on advisories from the DFA and internationally recognized bodies such as the ITF/IBF, thereby broadening the basis for classification. More significantly, the provision expressly grants seafarers the right to make an informed decision on whether to proceed to such areas, requiring the employer to disclose voyage risks and corresponding entitlements prior to passage. If a war-risk situation arises during the contract, the seafarer is given the right to refuse sailing into the area without discrimination or prejudice to current and future employment, coupled with the employer's obligation to ensure immediate and safe repatriation. The SEC also mandates that, where deployment to a war-risk area is already known at the time of engagement, the seafarer's written consent must be secured and appended to the contract for DMW approval.

## **Recognition of Mental Health (Section 18)**

Section 18 of the SEC expands the obligations on employers with respect to medical care, particularly through the express recognition of mental health services as part of the employer's duty. It provides that the shipowner must ensure access not only to conventional medical treatment—such as medicines, hospitalization, and board and lodging until recovery—but also to mental health care, including assessment, counselling, psychotherapy, and other forms of intervention for mental or behavioral disorders. The provision further requires that such medical care be provided at no cost to the seafarer and extends access even where shore-based facilities are limited by mandating the availability of telemedicine and tele-mental health services. This is a notable development, as it formally integrates mental health into compensable and employer-funded care, thereby expanding the scope of potential claims beyond physical injury or illness and reinforcing the employer's continuing responsibility for both the physical and psychological well-being of seafarers.

## **Social Media Restriction (Section 3.B.10)**

The SEC introduces a new restriction on the digital conduct of seafarers by expressly regulating the use of social media and other forms of communication. It requires that seafarers refrain from posting or transmitting any unauthorized information that may disclose **vessel location, voyage plans, operational details, or maritime incidents prior to official release**, as well as any content that may compromise maritime safety, security, or commercial interests.

## **Gender-Sensitive Provisions (Section 3.A.9 and 10)**

The SEC likewise incorporates explicit gender-sensitive and anti-discrimination protections, marking a shift toward a more inclusive regulatory framework. Under Section 3, employers are required to adopt policies that protect seafarers against discrimination, harassment, and bullying, including the conduct of gender sensitivity programs and the establishment of safe complaint mechanisms. Complementing this, Section 17 mandates the provision of gender-appropriate accommodation on board, including separate sleeping facilities for women and the availability of menstrual hygiene products and proper disposal systems.

## **Applicable Law (Section 35)**

The SEC has now recognized the fundamental principle that parties to the individual employment contract are allowed to stipulate and mutually agree to other terms and conditions over and above the minimum standards; provided, that the stipulations are mutually beneficial to both parties and are not contrary to law, public policy and morals.

## **Table of Offenses and Corresponding Administrative Penalties (Section 37)**

The SEC expanded the list of offenses and now includes the following: (a) submitting, furnishing, or using false material information or documents or any form of gross misrepresentation for the purpose of job application or employment; (b) other forms of misrepresentation relative to the overseas employment of seafarer; (c) sexual assault, rape, murder, acts of terrorism, and other heinous crimes; (d) unjustified breach of employment contract by the seafarer; (e) gross violations of LMA policies and regulations; (f) conviction for violation of the Anti-Violence Against Women and Children Act (RA 9262) or any other relevant laws involving gender-based violence; and (g) violation of the Code of Discipline for seafarers.

The penalties for the above enumerated offenses would be reprimand or warning, dismissal and payment of cost of repatriation.

#### Looking Ahead: Implementation and What to Watch

We will continue to monitor developments closely and provide further updates as additional issuances, guidelines, or implementing rules are released by the Department of Migrant Workers. At this stage, while the SEC outlines significant structural and substantive changes, the manner of its final implementation—including transition arrangements, effectivity, and alignment with existing CBAs and industry practices—will be critical in determining its full impact on claims handling and operational compliance. Clients are encouraged to stay apprised of these developments as the framework evolves.

For full copy of the DMW Department Circular No. 07 series of 2026, please see the downloads page on our website or click

<https://www.delrosariolaw.com/en/e-library/downloads>

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Yours faithfully,

**The Japan Ship Owners' Mutual Protection & Indemnity Association**

Attachement: DMW Department Circular No. 07 series of 2026



Republic of the Philippines  
**Department of Migrant Workers**

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**DEPARTMENT CIRCULAR NO. 07**

**PROMULGATING THE 2026 DEPARTMENT OF MIGRANT WORKERS  
STANDARD TERMS AND CONDITIONS GOVERNING OVERSEAS FILIPINO  
SEAFARERS**



**WHEREAS**, Republic Act (R.A.) No. 11641, or the *Department of Migrant Workers Act*, was signed into law on 30 December 2021 and took effect on 03 February 2022;

**WHEREAS**, the DMW is the primary agency under the Executive Branch of the Philippine government tasked to protect the rights and promote the welfare of Overseas Filipino Workers (OFWs), including Filipino seafarers who are engaged, employed, or who work in any capacity on board a ship or vessel plying international waters, whether Philippine-registered or foreign-registered;

**WHEREAS**, Section 2 of R.A. No. 11641 declares it the duty of the State to protect the rights and promote the welfare of OFWs and their families by, among others, obtaining the best possible conditions of work that uphold the dignity of OFWs;

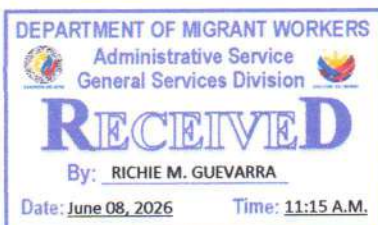
**WHEREAS**, Section 6(b) of R.A. No. 11641 states that the DMW shall have the power to regulate the recruitment, employment, and deployment of OFWs;

**WHEREAS**, R.A. No. 12021, or the *Magna Carta of Filipino Seafarers*, was signed into law on September 23, 2024 and took effect on October 12, 2024;

**WHEREAS**, Section 2 of R.A. No. 12021 mandates the State to secure decent working and living conditions for seafarers; standardize the terms and conditions of their employment; promote their skills and competencies; regulate operations of manning agencies; incentivize maritime stakeholders; establish and enhance mechanisms for administrative, adjudicative, and social and welfare services for seafarers and their families;

**WHEREAS**, Section 8(c) of R.A. No. 11641 provides that the Secretary shall have the power to issue orders, directives, rules, regulations, and other issuances, upon due consultation with the stakeholders, to carry out policies, plans, programs, or projects pursuant to the provisions of R.A. No. 11641, and exercise such other powers as may be required to implement and realize the objectives of the said law;

**WHEREAS**, by virtue of Section 8(c) of the DMW Act and the enactment of R.A. No. 12021, there is a need to create a unified contract embodying the minimum terms and conditions of employment of overseas Filipino seafarers for the protection of their rights and promotion of their welfare;



**NOW THEREFORE**, in consideration of the foregoing, and with the consensus of all stakeholders after a series of tripartite consultations, the DMW hereby issues and promulgates the attached Standard Employment Contract Governing Overseas Filipino Seafarers.

This Circular shall take effect fifteen (15) days after publication in a newspaper of general circulation.

Issued on the 7<sup>th</sup> of June 2026, in Quezon City, Philippines.

  
**HANS LEO J. CACDAC**  
*Secretary*

**CONTROLLED AND DISSEMINATED**

By: DMW General Services Division on June 08, 2026



## STANDARD EMPLOYMENT CONTRACT GOVERNING OVERSEAS FILIPINO SEAFARERS (SEC-S)

### SECTION 1. COVERAGE

This Contract shall cover Filipino seafarers who are engaged, employed, or who work in any capacity on board a ship or vessel plying international waters, whether Philippine-registered or foreign-registered.

### SECTION 2. DEFINITION OF TERMS

For purposes of this Contract, the following terms are defined as follows:

1. **Abandonment** – refers to a situation where, in violation of the terms of the employment contract, the shipowner:
  - a. Fails to cover the cost of the seafarer's repatriation; or
  - b. Has left the seafarer without the necessary maintenance and support, which include adequate food, accommodation, drinking water supplies, essential fuel for survival on board the ship and necessary medical care; or
  - c. Has otherwise unilaterally severed its ties with the seafarer, including failure to pay contractual wages for a period of at least two (2) months;
2. **Allottee** – refers to any person/s named or designated by the seafarer as the recipient of remittance to the Philippines.
3. **Allotment** – refers to the amount of remittance to be received by the seafarer's allottee/s, which shall be at least eighty percent (80%) of the seafarer's monthly salary. Monthly salary consists of the basic wage plus fixed or guaranteed overtime.
4. **Armed robbery against ships** – shall refer to any illegal act of violence or detention or any act of depredation, or threat thereof, other than an act of piracy, committed for private ends and directed against a ship or against persons or property on board such ship, within a State's internal waters, archipelagic waters and territorial sea, or any act inciting or intentionally facilitating an act described above.
5. **Basic Wage** – refers to the salary of the seafarer exclusive of overtime, leave pay, and other allowances and benefits.
6. **Beneficiary(ies)** – refers to the person(s) to whom the death compensation and other benefits due under the employment contract are payable in accordance with rules of succession under the Civil Code of the Philippines, as amended.
7. **Bullying** – is a form of harassment that includes hostile or vindictive behavior, which can cause the recipient to feel threatened or intimidated. It results in a work environment in which a group of people or an individual may become threatened or intimidated because of the negative or hostile behavior of another group of people or individual.
8. **Collective Bargaining Agreement (CBA)** – refers to the negotiated contract between a legitimate labor organization and the shipowner or principal concerning wages, hours of work, and all other terms and conditions of employment onboard the vessel or ship. It can also refer to a document which sets out standards, terms, and conditions of employment applicable to overseas seafarers negotiated and agreed between the overseas seafarer's authorized representative and the shipowner.

9. **Compassionate Ground** – refers to incidence of death of an immediate member of the seafarer's family which includes his/her parents, spouse, or children.
10. **Convenient Port** – any port where it is practicable, economical, safe, and convenient to repatriate the seafarer.
11. **Dental Treatment** – covers tooth extraction, or dental surgery if necessary, due to accident.
12. **Departure** – refers to the actual departure from the point of hire of the seafarer through air, sea, or land travel transport to join his/her ship at a Philippine or foreign port.
13. **Employment Contract** – refers to the agreement between a Filipino seafarer and principal/shipowner that establishes their employer-employee relationship including the terms thereof;
14. **Grievance** – refers to any issue or complaint raised by a seafarer concerning the interpretation or implementation of this Standard Employment Contract (SEC), the CBA, applicable personnel policies, or any other employment-related dispute or controversy.
15. **Harassment** – is a form of discrimination which has the purpose or effect of violating the dignity of a person and of creating an intimidating, hostile, degrading, humiliating or offensive environment.
16. **Hours of Rest** – refers to the seafarer's normal resting hours which shall not be less than ten (10) hours in any twenty-four (24)-hour period and seventy-seven (77) hours in any seven (7)-day period.  
  
The hours of rest are divisible in two (2) periods, one (1) of which shall be at least six (6) hours in length, and the interval between the two (2) periods of rest shall not exceed fourteen (14) hours.
17. **Hours of Work** – refers to the seafarer's normal work hours which shall not exceed fourteen (14) hours in any twenty-four (24)-hour period and seventy-two (72) hours in any seven (7)-day period.
18. **International Maritime Convention or International Convention** – refers to any written treaty or agreement, or any protocol or amendment thereto, affecting the maritime industry, which has come into force and effect, including the Maritime Labour Convention 2006 (MLC 2006), as amended.
19. **Legitimate Labor Organization of Seafarers** – is any union or association of Filipino seafarers that exists in whole or in part for the purpose of collective bargaining, mutual aid, interest, cooperation, protection, or other lawful purposes, registered or reported with the Department of Labor and Employment (DOLE) in accordance with the rules and regulations of DOLE.
20. **Licensed Manning Agency (LMA)** – refers to a natural or juridical person duly licensed by the Secretary of the Department of Migrant Workers (DMW), or the latter's duly authorized representative, to engage in the recruitment and placement of seafarers.
21. **Maritime accident** – refers to any unforeseen occurrence or physical event connected to the navigation, operations, maneuvering, or handling of ships, machinery, equipment, material, or cargo on board such ships which may result in the detention of seafarers.
22. **Master/Captain** – refers to the person having command of a ship and who also acts as the shipowner's representative in accordance with international maritime conventions or agreements.
23. **Officer** – refers to a member of the crew, other than the master/captain, who has been designated as such by national law or regulation, or in the absence of such designation, by collective agreement or custom.

24. **Piracy** – shall refer to maritime piracy as defined under the United Nations Convention on the Law of the Sea (UNCLOS), 1982.
25. **Philippine Port** – refers to any Philippine airport or seaport.
26. **Place of domicile** – refers to the home address of the seafarer as declared in the standard employment contract or contract of employment.
27. **Point of Hire** – refers to the place indicated in the standard employment contract or contract of employment, which shall be the basis for determining the commencement and termination of the contract.

The commencement of a contract is upon the seafarer's actual departure from the Philippine airport or seaport at the point of hire. Likewise, the termination of the contract is upon the seafarer's actual arrival in the Philippine airport or seaport at the point of hire.

28. **Pre-existing illness** – refers to any illness, disease, condition, or pathological abnormality that exists prior to the commencement of this Contract, whereby a duly licensed physician or medical specialist has diagnosed and prescribed the treatment for such illness, disease, condition, or pathological abnormality suffered by the seafarer prior to the conduct of a Pre-Employment Medical Examination (PEME), and such illness, disease, condition, or pathological abnormality cannot be diagnosed during the PEME.
29. **Relevant information** – refers to the information, including the terms and conditions of employment, company policies affecting seafarers, and conditions and realities attending to their profession, that must be readily available, accessible and furnished to the seafarer upon proper request, in accordance with Sections 10 and 20 of Republic Act (RA) No. 12021 or the Magna Carta of Filipino Seafarers.
30. **Repatriation** – refers to the process of returning a seafarer, seafarer's remains, or personal effects to the point of hire. In case of permanent or temporary incapacity, or death, the seafarer, or their remains, shall be repatriated to the point of hire or the seafarer's place of domicile, at the option of the seafarer or the seafarer's next of kin.
31. **Seafarer** – refers to a Filipino who is engaged, employed, or working in any capacity on board a ship covered under RA No. 12021.
32. **Shipowner/Principal/Employer/Company** – refers to the owner of the ship employing Filipino seafarers or any other organization or person, such as the manager, agent, or bareboat charterer, who has assumed the responsibility for the operation and management of the ship from the shipowner and who, in assuming such responsibilities, has agreed to take over all the attendant duties and responsibilities of a shipowner under RA No. 12021, regardless of whether any other organization or person fulfills certain duties or responsibilities on behalf of the shipowner
33. **Shipwreck** – refers to the damage or destruction of a ship at sea caused by collision, allision, storm, grounding, weapons of war or any other armament, or any other peril at sea or in port rendering the ship absolutely unable to pursue her voyage.
34. **Work-related death** – refers to death of the seafarer from work-related injury or illness occurring between the date of commencing duty and the date upon which they are deemed duly repatriated, or arising from their employment between those dates.
35. **Work-related illness** - any sickness resulting to disability or death as a result of an occupational disease listed under Section 36-B (Occupational Diseases/Illnesses) of this Contract or the CBA with the conditions set therein satisfied.
36. **Work-related injury** – refers to injury/injuries resulting to disability or death of the seafarer occurring between the date of commencing duty and the date upon which they are deemed duly repatriated, or arising from their employment between those dates.

## SECTION 3. DUTIES

### A. Duties of the Shipowner/Principal/Employer/Master/Company:

1. To faithfully comply with the stipulated terms and conditions of this Contract, particularly the prompt payment of wages, remittance of allotment, provision of relevant information, including pertinent medical records of the seafarer, and the expeditious settlement of valid claims of the seafarer.
2. To extend coverage to the seafarers under the Philippine Social Security System (SSS), Philippine Health Insurance Corporation (PhilHealth), Employees' Compensation Commission (ECC) and Home Development Mutual Fund (Pag-IBIG Fund), in accordance with their respective charters, implementing rules and regulations, without prejudice to multilateral or bilateral agreements that are more beneficial to the Filipino seafarers entered into by the Philippine government with other countries including benefits provided by the flag state. Such benefits shall be supplementary and shall not diminish the minimum benefits of the seafarers from the SSS, PhilHealth, ECC, and Pag-IBIG Fund.
3. To ensure that the seafarer has undertaken the required PEME performed by a Department of Health (DOH)-accredited Medical Facility for Overseas Workers and Seafarers (MFOWS) at the employer's expense, whatever the results of such examination, and has been issued with a certification stating that the seafarer has met the minimum health requirements for performing duties and is physically and mentally fit to work.
4. To make operational on board the ship the grievance machinery provided in this Contract and ensure its free access at all times by the seafarer.
5. To provide a seaworthy ship for the seafarer and take all reasonable precautions to prevent accident and injury to the crew including provision of safety equipment, fire prevention, safe and proper navigation of the ship and such other precautions necessary to avoid accident, injury or sickness to the seafarer.
6. To provide a workplace conducive to the promotion and protection of the health and safety of the seafarers in accordance with the standards and guidelines in Title 4 of the International Labour Organization (ILO) MLC 2006, as amended, and Sections 45, 46, 47, 48, and 49 of RA No. 12021.
7. To provide an expeditious and effective financial security system to assist seafarers in the event of their abandonment and to assure compensation for contractual claims in the event of work-related sickness, injury, or death occurring while they are serving under a seafarer's employment contract, or arising from their employment under such agreement.
8. To immediately inform the seafarer's family or next of kin in case of critical incidents, such as accidents or deaths on board or offshore, piracy, abandonment of vessel, missing seafarers and other similar cases, and to furnish them with copies of any reports, action/s taken, and plans with regard to remedies, mitigation, or repatriation.
9. To adopt policies for the protection of seafarers against discrimination, both onboard and during their application for employment, which shall include policies for the conduct of continuous awareness programs on gender sensitivity and anti-discrimination for seafarers.
10. To adopt policies for the protection of all crew members against harassment, bullying, and other workplace violence, including but not limited to creating a culture of safe space while onboard the vessel, and to provide clear, safe and effective complaints procedures.
11. To immediately notify the seafarer's next of kin in case of any medical incident that requires a doctor's medical attention.

## **B. Duties of the Seafarer:**

1. To faithfully comply with and observe the terms and conditions of this Contract, violation of which shall be subject to disciplinary action pursuant to Section 37 (Table of Offenses and Corresponding Administrative Penalties) of this Contract.
2. To abide by the Code of Discipline as provided in the DMW rules and regulations governing overseas contract workers, the Code of Ethics for Seafarers, and the lawful and reasonable company personnel policies and procedures.
3. To follow the lawful orders of the Master and observe the chain of command on board the ship or while ashore, without prejudice to one's religious freedom.
4. To be responsible and diligent in performing his/her duties relating to the ship, its stores, equipment, machineries, and cargo, whether on board, in transit, or ashore.
5. To conduct himself/herself at all times in an orderly and respectful manner towards shipmates, passengers, shippers, stevedores, port authorities and other persons on official business with the ship.
6. To be responsible for his/her health while on board by maintaining a healthy lifestyle, complying with prescribed medical policies, and taking appropriate medications when necessary, which includes the duty to disclose a pre-existing illness or condition in the PEME.
7. To continually improve his/her professional competency by keeping up-to-date with the latest technological and scientific developments applied in various maritime fields, keen observation of shipboard activities and continuous education and training.
8. To conduct oneself in accordance with moral, ethical and social norms, and in strict compliance with RA No. 10173, or the Data Privacy Act of 2012.
9. To perform one's duties in a responsible and sustainable manner, should one engage in various economic activities related to oceans, seas, and coasts, in compliance with maritime safety and marine environment protection standards.
10. To refrain from publishing, posting, or transmitting through social media or any form of mass media, any unofficial or unauthorized information, images, or recordings that: (a) disclose the vessel's location, voyage plans, or operational details; (b) reveal confidential or sensitive matters concerning maritime safety, security, or commerce; (c) depict any maritime incident or accident prior to the release of an official public statement by the competent authority; or (d) may cause damage or harm to any person, property, or the reputation of the maritime industry. This does not preclude the DMW from obtaining necessary information from the seafarer whenever necessary.

## **SECTION 4. COMMENCEMENT/DURATION OF CONTRACT**

- A. The employment contract between the employer and the seafarer shall commence upon actual departure of the seafarer from the Philippine airport or seaport at the point of hire and with a DMW-approved contract. It shall be effective until the seafarer's date of actual arrival at the point of hire upon termination of his employment pursuant to Section 22 (Termination of Employment) of this Contract.
- B. The period of employment shall be for a period mutually agreed upon by the seafarer and the employer but not to exceed twelve (12) months. Any extension of the contract shall be subject to mutual consent of both parties. The original contract duration including any extension of the term shall not exceed twelve (12) months.

If the term of the seafarer's employment is extended, the seafarer shall be:

1. Furnished with a copy of the new or supplemental contract covering the extension; and

2. Given adequate time to review and obtain expert advice on the terms and conditions of the extension of his/her employment.

The terms and conditions of the extension shall not be lower than the terms of the original employment.

Shipowners and manning agencies shall:

1. Ensure that the seafarer has carefully studied and voluntarily accepted the effects of the extension to any accumulated entitlement, repatriation benefits and other entitlements; and
2. Submit periodic reports to the DMW on the welfare and well-being of the seafarers subject of the contract extensions.

#### **SECTION 5. FREE PASSAGE FROM THE POINT OF HIRE TO THE PORT OF EMBARKATION**

- A. The seafarer shall join the ship and be available for duty at the date and time specified by the employer. The seafarer shall travel by air or as otherwise directed at the expense of the employer.
- B. Seafarers shall be accorded the rights to safe passage and safe travel.

To this end, the shipowner shall:

1. Inform the seafarer about the possible hazards of the voyage and the ports of call;
2. Advise about the precautions to be taken; and
3. Issue the necessary documents.

#### **SECTION 6. BAGGAGE ALLOWANCE**

The seafarer traveling by air to join a ship or on repatriation shall be entitled to the normal free baggage allowance offered by the airlines. The cost of the excess baggage shall be for the account of the seafarer.

#### **SECTION 7. HYGIENE AND VACCINATION**

- A. The seafarer shall keep his/her quarters and other living spaces such as: mess rooms, toilets, bathrooms, alleyways, and recreation rooms in clean and tidy condition to the satisfaction of the master. Such work is to be performed outside the seafarer's regular working hours and for which no overtime pay shall be claimed.
- B. The seafarer shall submit to the order of the master or to the laws of any country within the territorial jurisdiction of which the ship may enter to have such vaccination or inoculation or to undertake measures to safeguard his/her health and the entire crew complement.
- C. The employer shall provide sanitary facilities that meet the minimum standards for health and hygiene, which shall be accessible to overseas seafarers on board ocean-going ships of Philippine registry, and sanitation standards set by Chapter XV - "Port, Airport, Vessel and Aircraft Sanitation" of Presidential Decree No. 856, otherwise known as the "Code on Sanitation of the Philippines", and its Implementing Rules and Regulations (IRR). The sanitary facilities shall be located in convenient places, allowing easy access to work stations. Separate sanitary facilities shall also be provided for male and female crew members of the ship.

- D. The company/employer shall provide the necessary information to the seafarer through the Pre-Departure Orientation Seminar (PDOS) on the cause, prevention, consequences, treatment, and management of Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (HIV/AIDS) and other sexually transmitted infections.

## **Section 8. WAGES**

- A. All seafarers shall be paid for their work regularly and in full in accordance with this Contract. They shall be paid monthly wages not later than fifteen (15) days of the succeeding month from the date of commencement of the contract until the date of arrival at point of hire upon termination of their employment pursuant to Section 22 (Termination of Employment) of this Contract.
- B. Seafarers shall be given a monthly account of the payments due and the amounts paid to them, including wages, additional payments, and the rate of exchange used.
- C. Where a seafarer is held captive on or off the ship as a result of acts of piracy, armed robbery, acts of aggression, war-related violence, terrorism, or other acts of violence against ships or its crew, or any form of detention of the ship, the wages and other entitlements under the seafarer's employment agreement, SEC or relevant CBA, including the remittance of any allotments, shall continue to be paid during the entire period of captivity and until the seafarer is released and duly repatriated at the point of hire, or where the seafarer dies while in captivity, until the date of death as determined under Philippine law.
- D. Unless stipulated in the employment contract, or otherwise provided by law, deductions shall not be allowed without the seafarer's prior written consent.
- E. The seafarer who is abandoned by the shipowner/employer, as defined in this Contract, shall be entitled to full payment of wages and other benefits provided under the employment contract or the CBA.

## **SECTION 9. PAYMENT ON BOARD**

Payment of shipboard pay in foreign ports shall be subject to the currency control regulations at the port abroad and to the official rate of exchange prevailing at the time of payment, subject to the concurrence of the seafarer. Advances shall be at the master's/employer's discretion and in accordance with the foregoing conditions.

## **SECTION 10. ALLOTMENTS AND REMITTANCES**

- A. The seafarer is required to make an allotment which shall be payable once a month to the seafarer's designated allottee/s in the Philippines through any authorized Philippine bank.
- B. The principal/employer/master/company shall provide the seafarer with facilities to remit the allotments to the seafarer's designated allottee/s at no expense to the seafarer. The allotment shall be at least eighty percent (80%) of the seafarer's monthly salary, which shall consist of basic wage plus fixed or guaranteed overtime.
- C. The principal/employer/master/company may also provide facilities for the seafarer to remit any amount earned in excess of the seafarer's allotment, including backwages, if any, to his/her designated allottee/s in the Philippines through any authorized Philippine bank without any charge to him/her.
- D. The allotments shall be paid to the designated allottee/s in Philippine currency at the rate of exchange at the time of remittance indicated in the credit advice of the local authorized Philippine bank, which information shall be provided to the designated allottee/s.

## SECTION 11. FINAL WAGE ACCOUNT & CERTIFICATE OF EMPLOYMENT

Upon the expiration of the term of the employment contract of the seafarer, the seafarer shall be given a record of his/her employment on board the ship or a certificate of employment, specifying the length of service and the position the seafarer occupied, an account of his/her final wages reflecting all deductions therefrom, and such other relevant information that would facilitate the acquisition of further work or to satisfy the sea-service requirements for upgrading or promotion. The seafarer shall be provided the certificate of employment/service record, written account of final wages, and other relevant information/document without any charge.

In case of termination of the employment contract for reasons other than the expiration of the term of the employment contract, the principal, shipowner and/or employer shall promptly provide the above-mentioned documents, including the records of medical services and medical procedures undertaken during employment on board the ship, if applicable, for purposes of filing claims under Presidential Decree No. 626, upon the request of the seafarer. The principal, shipowner and/or employer shall issue a certificate of employment within three (3) working days from the time of the request by the seafarer.

## SECTION 12. HOURS OF WORK

A. In accordance with the MLC 2006, as amended, the limits on hours of work or rest shall be as follows:

A seafarer's normal work hours shall be eight (8) hours a day with one (1) rest day per week. If the seafarer is required to work beyond eight (8) hours, the maximum hours of work shall not exceed fourteen (14) hours in any twenty-four (24)-hour period and seventy-two (72) hours in any seven (7)-day period; *or*

The hours of rest for every seafarer shall be at least ten (10) hours in any twenty-four (24)-hour period and seventy-seven (77) hours in any seven (7) day period. The hours of rest are divisible into two (2) periods, one (1) of which shall be at least six (6) hours in length, and the interval between the two (2) periods of rest shall not exceed fourteen (14) hours.

B. Normal working hours for the seafarer shall be eight (8) hours with one (1) rest day per week. The normal practice is as follows:

1. The day worker shall observe the eight (8) regular working hours during the period from 06:00 hours to 18:00 hours.
2. The steward personnel shall observe the eight (8) regular working hours during the period from 05:00 hours to 20:00 hours.
3. The Radio Operator shall observe the eight (8) regular working hours every twenty-four (24) hours, midnight to midnight, from Monday to Sunday as established by International Telecommunication Conventions and as prescribed by the master.
4. For those who are on sea watch, their working hours shall be eight (8) hours per day. Staggering of working hours will be at the master's discretion.

C. The record of the seafarer's daily hours of work or his/her daily hours of rest shall be maintained to allow monitoring of compliance with the above provisions. The seafarer shall be provided a copy of the records pertaining to him/her which shall be endorsed by the master or a person authorized by the master, and by the seafarer.

The seafarer shall be allowed a reasonable rest period in accordance with international standards.

D. In exceptional cases, seafarers in watchkeeping duties may work beyond fourteen (14) hours as may be required: *Provided*, That the rest period shall not be less than seventy (70) hours in any seven (7)-day period: *Provided, further*, That such watchkeeping duties shall not be allowed for more than two (2) consecutive weeks: *Provided, finally*, That the intervals between

the two (2) periods shall not be less than twice the duration of the watchkeeping duties in such exceptional cases.

### SECTION 13. OVERTIME & HOLIDAYS

- A. The seafarer shall be compensated for all work performed in excess of the regular eight (8) hours as prescribed above. Overtime pay may be classified as open, fixed or guaranteed.

In computing overtime, a fraction of the first hour worked shall be considered as one full hour. After the first hour overtime, any work performed which is less than thirty (30) minutes shall be considered as half an hour and more than thirty (30) minutes shall be considered one full hour.

- B. Overtime work may be compensated at the following rates:

1. **Open overtime** - not less than 125 percent (125%) of the basic hourly rate computed based on two hundred eight (208) regular working hours per month.
2. **Guaranteed or fixed overtime** - not less than thirty percent (30%) of the basic monthly salary of the seafarer, which shall include overtime work performed on rest days and holidays but shall not exceed one hundred five (105) hours a month.
3. Overtime work for officers shall be computed based on the fixed overtime rate.
4. For ratings, overtime work shall be based on guaranteed or open overtime rate, as mutually agreed upon by the contracting parties. For ratings paid on guaranteed overtime, overtime work in excess of 105 hours a month for ratings shall be further compensated by their hourly overtime rate.

- C. Any hours of work or duty including hours of watchkeeping performed by the seafarer on designated rest days and holidays shall be paid rest day or holiday pay. The following shall be considered as holidays at sea and in port:

- |  |   |                       |
|--|---|-----------------------|
| 1. <b>New Year's Day</b>                                   | - | January 1             |
| 2. <b>Maundy Thursday</b>                                  | - | movable date          |
| 3. <b>Good Friday</b>                                      | - | movable date          |
| 4. <b>Araw ng Kagitingan (Bataan &amp; Corregidor Day)</b> | - | April 9               |
| 5. <b>Labor Day</b>  | - | May 1                 |
| 6. <b>Independence Day</b>                                 | - | June 12               |
| 7. <b>National Heroes Day</b>                              | - | Last Monday of August |
| 8. <b>All Saints Day</b>                                   | - | November 1            |
| 9. <b>Bonifacio Day</b>                                    | - | November 30           |
| 10. <b>Christmas Day</b>                                   | - | December 25           |
| 11. <b>Rizal Day</b>                                       | - | December 30           |
| 12. <b>All other holidays as provided by law</b>           |   |                       |

- D. Emergency Duty

Nothing in this Contract shall be deemed to impair the right of the master of a ship to require a seafarer to perform any hours of work necessary for the immediate safety of the ship, persons on board or cargo, for the purpose of giving assistance to other ships or persons in distress at sea, or to conduct fire, boat, or emergency drill. Accordingly, the master may suspend the schedule of hours of work or hours of rest and require a seafarer to perform any hours of work necessary until the normal situation has been restored or the drill has been completed. As soon as practicable after the normal situation has been restored or the drill has been completed, the master shall ensure that any seafarer who has performed work in a scheduled rest period is provided with an adequate period of rest.

No overtime work and pay shall be considered for such an emergency service or for fire, boat, or emergency drill.

#### **SECTION 14. LEAVE PAY**

Unless higher annual leave is provided under the CBA, the SEC, or by the shipowner as company practice or policy, seafarers shall be paid an annual leave to be calculated on the basis of a minimum of 4.5 calendar days per month of employment, without prejudice to any future increase as may be prescribed by laws, rules, or regulations.

Towards this end, the following should not be counted as part of annual leave with pay:

- a. periods of incapacity for work resulting from illness or injury or from maternity, under conditions as determined by the competent authority or through the appropriate machinery in each country;
- b. temporary shore leave granted to a seafarer while under an employment agreement; and
- c. compensatory leave of any kind, under conditions as determined by the competent authority or through the appropriate machinery in each country.

Leave pay shall be settled onboard or settled within two (2) weeks after arrival of the seafarer at the point of hire.

#### **SECTION 15. SHORE LEAVE**

The seafarer shall be entitled to reasonable periods of shore leaves if the vessel is safely berthed or anchored for their health and well-being while the vessel is docked subject to rules, regulations, and measures of the port state, in compliance with MLC 2006, as amended, taking into consideration the operations and safety of the ship.

#### **SECTION 16. SUBSISTENCE, SHIP STORES AND PROVISIONS**

- A. The seafarer on board a ship shall be provided with food free of charge during the period of engagement.
- B. The seafarer shall be provided by the principal/employer/master/company with food and drinking water of appropriate quality, nutritional value, and quantity, taking into consideration the differing cultural and religious backgrounds of the seafarers on board the ship. The food, drinks, and the preparation thereof shall be in accordance with the MLC 2006, as amended, Presidential Decree No. 856, when applicable, and other pertinent laws, rules, regulations, and international standards.
- C. All stores and provisions issued to the seafarer are only for use and consumption on board the ship and any unused or unconsumed stores or provisions shall remain the property of the employer. The seafarer shall not take ashore, sell, destroy or give away such stores and provisions.

## **SECTION 17. ACCOMMODATION AND RECREATIONAL FACILITIES**

- A. The seafarer on board a ship shall be provided with safe, decent, and adequate accommodations, including but not limited to recreational facilities, for seafarers that meet the minimum standards set out in MLC 2006, as amended, taking into account the need to protect the health and well-being of seafarers working or living on board the ship, or both. There shall be a basic shipboard facility for women, such as separate sleeping rooms and appropriate and sufficient menstrual hygiene products and means of disposal.
- B. The seafarer shall be provided with reasonable access to ship-to-shore telephone communications, email and internet facilities, where available, especially during his/her free time or when he/she is not on duty.
- C. Access to communication during critical incidents, such as but not limited to maritime accidents, warlike incidents, piracy, injuries, detention, and complaints on board, shall be provided by the shipowner to the seafarer, as may be practicable.

## **SECTION 18. MEDICAL CARE ON BOARD SHIPS AND ASHORE AND HEALTH AND SAFETY PROTECTION AND ACCIDENT PREVENTION**

- A. The shipowner shall provide adequate medical facility, equipment, paraphernalia, medical supplies, and medicines on board, and shall ensure access to shore medical facilities, including mental health services for seafarers, as well as corresponding medical or trained personnel who shall provide first aid and medical care.
- B. The medicine chest and its contents, including, but not limited to, the common emergency and maintenance medications prescribed by licensed physicians to seafarers during PEME, the medical equipment, and the medical guide on board shall be maintained and inspected regularly to ensure that labelling, expiry dates, and conditions of storage of all medicines and the directions for their use are checked, and all equipment are functioning properly.

This provision shall not, in any way, diminish the personal responsibility of the seafarer for the seafarer's health while onboard by practicing a healthy lifestyle which includes bringing onboard sufficient number of the seafarer's maintenance medications and lifestyle changes as prescribed by the duly-licensed doctor.

- C. The shipowner shall ensure that the seafarer shall have access to medical care, including assessment, counselling, psychotherapy and other forms of mental health intervention in relation to the treatment of any mental or behavioral disorder; necessary medicines; therapeutic appliances; board and lodging away from home until the seafarer has recovered, for any illness or injury, hospitalization, and dental treatment until the sick or injured seafarer has recovered or until the sickness or incapacity has been declared of a permanent character. The medical care shall be at no cost to the seafarer.
- D. The seafarer shall have the right to consult a qualified physician or dentist without delay in ports of call, where practicable.
- E. The health protection and medical care shall be provided at no cost to the seafarer, in accordance with rules and regulations issued for this purpose.
- F. Shipowners shall institute measures on health emergency prevention in accordance with flag state health regulations and World Health Organizations (WHO) guidelines, including necessary disinfection, decontamination, deratting, or other measures necessary to prevent the spread of infection or contamination, which may include, but not limited to, the conduct of disease surveillance activity.
- G. Where access to shore-based medical facilities is limited, shipowners/LMAs shall ensure reasonable access to duly licensed health facilities for telemedicine and tele-mental health services to Filipino seafarers.

## SECTION 19. TRANSFER CLAUSE

The seafarer, upon mutual consent with the principal/employer, may be transferred at any port to any ship owned or operated, manned or managed by the same employer, provided it is accredited to the same manning agent and provided further that the position of the seafarer and the rate of his/her wages and terms of service are in no way inferior and the total period of employment shall not exceed that originally agreed upon.

Any form of transfer shall be documented and made available when necessary.

## SECTION 20. GRIEVANCE MACHINERY

- A. The employer shall create fair, effective, and expeditious onboard and onshore grievance or complaint resolution mechanisms readily accessible and at no cost to the seafarer.
- B. In cases where a seafarer is a member of a legitimate labor organization of seafarers and covered by a CBA, the seafarer shall be assisted by a union-designated representative in the proceedings. Any agreement reached at the grievance machinery level must be in writing and duly signed by the parties and shall be final and binding between them.
- C. The parties to a CBA shall establish a machinery onboard and onshore for the expeditious resolution of grievances arising from the interpretation or implementation of the CBA and those arising from the interpretation, or enforcement of company personnel policies. The seafarer shall be assisted by a union-designated representative in the proceedings.
- D. In the absence of a specific provision in the CBA or existing onboard machinery or company practice prescribing the procedures in handling a grievance, the following shall apply:
  1. The seafarer shall present his or her grievance as follows:
    - a. The seafarer shall first approach and explain his/her grievance to the head of the Department in which he or she is assigned within three (3) to five (5) days following the cause of the grievance.
    - b. The seafarer shall present the grievance in writing and in an orderly manner and shall choose a time when the grievance can be properly heard.
    - c. The seafarer shall have the right to be accompanied, assisted, or represented by any seafarer of his or her choice onboard the ship.
    - d. The Department head shall handle the grievance personally and shall:
      - i. Ensure that the grievance is settled or resolved within three (3) to five (5) days from the receipt of the grievance.
      - ii. Endeavor to settle the grievance promptly, mutually and amicably at his or her level.
      - iii. Ensure proper documentation of the process, by the head of the Department as the case may be and its settlement or resolution, which shall be signed by him/her and the grievant, copy furnished the grievant. Settlement or resolution of the grievance to the satisfaction of both parties shall be final and binding.
      - iv. Refer the grievance to the Master if the matter is not settled or resolved satisfactorily within the three (3) to five (5)-day period stated in Section 20(D)(1)(d)(i) (Grievance Machinery).
  2. In case the grievance is elevated to the Master, the latter shall handle the case personally and shall:

- a. Ensure that the grievance is settled or resolved within three (3) to five (5) days from the Master's receipt of the grievance.
  - b. Ensure proper documentation of the process by the Master as the case may be, and its settlement or resolution, which shall be signed by him/her and the grievant, copy furnished the grievant. Settlement or resolution of the grievance to the satisfaction of both parties shall be final and binding.
  - c. Inform the grievant that he/she may appeal onshore to the management of the Company, if such appeal procedure exists, if the grievance is not settled or resolved within the period stated in Section 20(D)(2)(a) (Grievance Machinery), or if the grievant is not satisfied with the resolution. The Master shall afford such facilities necessary to enable the grievant seafarer to transmit his or her appeal.
3. In case the grievance is referred to the onshore machinery of the Company, the latter shall:
- a. Ensure that the grievance is settled or resolved within three (3) to five (5) days from receipt of the onshore grievance.
  - b. Ensure the availability of online access or other means of communication to enable the seafarer, including any person accompanying, assisting or representing him or her, to participate in the proceedings.
  - c. Ensure proper documentation of the process, and its settlement or resolution, which shall be signed by the seafarer, the authorized Company representative handling the case, copy furnished the grievant. Settlement or resolution of the grievance to the satisfaction of both parties shall be final and binding.
  - d. Certify that the grievance process has been completed and terminated without a satisfactory settlement or resolution of the issue submitted to grievance, if the grievance is not settled or resolved within the period stated in Section 20(D)(3)(a) (Grievance Machinery), or if the grievant is not satisfied with the resolution. When availed of by the seafarer, the grievance procedure and all actions or decisions agreed upon shall be properly documented for the protection and interest of both parties.
- E. When availed of by the seafarer, the grievance procedure and all actions or decisions agreed upon shall be properly documented for the protection and interest of both parties.
- F. No wage deductions may be made, and no direct or indirect retaliatory action may be taken against a seafarer on account of having brought up a grievance or having participated in any grievance proceeding.
- H. Any grievance or complaint shall first be referred to the appropriate grievance mechanism provided under this Section.

Any agreement reached at the grievance machinery level must be in writing and duly signed by the parties and shall be final and binding between them.

If no agreement is reached by the parties at the grievance machinery level, the other modes of voluntary settlement of disputes may be availed subject to the jurisdiction of the appropriate agency over any unresolved complaints arising out of shipboard employment that shall be brought before it by the seafarer or the principal/employer.

## **SECTION 21. DISCIPLINARY PROCEDURES**

The Master shall comply with the following disciplinary procedures against an erring seafarer:

- A. The Master shall furnish the seafarer with a written notice containing the following:

1. Ground/s for the charge/s as listed in Section 37 (Table of Offenses and Corresponding Administrative Penalties) of this Contract or analogous act constituting the same.
  2. Date, time and place for a formal investigation of the charges against the seafarer concerned.
- B. The Master or his/her authorized representative shall conduct the investigation or hearing, giving the seafarer the opportunity to explain or defend himself/herself against the charges. These procedures must be duly and officially documented and entered into the ship's logbook.
- C. If after the investigation or hearing, the Master is convinced that imposition of a penalty is justified, the Master shall issue a written notice of penalty and the reasons for it to the seafarer, with copies furnished to the Philippine manning agent.
- D. Dismissal for just cause may be effected by the Master without furnishing the seafarer with a notice of dismissal if there is a clear and existing danger to the safety of the crew or the ship. The Master shall send a complete report to the manning agency substantiated by witnesses, testimonies, and any other documents in support thereof.
- E. Where the disciplinary proceedings are to be initiated against the Master/Skipper of the vessel, the officer next-in-rank shall have the duty and responsibility to comply with the foregoing procedures.

## **SECTION 22. TERMINATION OF EMPLOYMENT**

- A. The employment of the seafarer shall cease when the seafarer completes his/her period of contractual service aboard the ship, signs-off from the ship, and arrives at the point of hire.
- B. The employment of the seafarer is also terminated effective upon arrival at the point of hire for any of the following reasons:
1. When the seafarer signs off and is disembarked for medical reasons in the event that the seafarer is declared: (i) fit for repatriation; or (ii) when after an illness, the seafarer is declared fit to work, but an employer is unable to find employment for the seafarer on board the ship originally boarded or on another ship of the shipowner;
  2. When the seafarer signs off due to the sale of the ship, lay-up of the ship, discontinuance of voyage or change of ship principal, shipwreck, grounding, or unseaworthiness;
  3. When the seafarer voluntarily resigns in writing and signs off prior to the expiration of the contract. The seafarer shall serve a written notice to the employer at least one (1) month prior to the intended date of resignation, subject to exemptions provided by law; or
  4. When the seafarer is discharged for just cause/s in accordance with the provisions of this Contract or the applicable CBA.
- C. The employment shall also be considered terminated when the seafarer commits any of the acts which are grounds for dismissal under Section 37 (Table of Offenses and Corresponding Administrative Penalties) of this Contract or the applicable CBA.

## **SECTION 23. REPATRIATION**

- A. In all cases of repatriation, the seafarer shall be repatriated to the point of hire based on the travel itinerary arranged by the employer: *Provided*, That in case of permanent or temporary incapacity or death, the seafarer or his/her remains shall be repatriated to the point of hire or the seafarer's place of domicile, at the option of the seafarer or the seafarer's next of kin. All costs related to the repatriation and transport of the personal effects and remains of seafarers, including the provision of financial security in case of abandonment of seafarers, shall be

borne by the shipowner or manning agency concerned. The shipowner or manning agency shall expedite the repatriation without prior determination of the cause of repatriation or termination of the seafarer's employment.

- B. For purposes of this section, the place of repatriation may be a location within the Philippines as mutually agreed upon by the seafarer and the LMA/principal, consistent with Section 22 (Termination of Employment) of this Contract as well as applicable laws, rules and regulations.
- C. If the ship is outside the Philippines upon the expiration of the contract, the seafarer shall continue his/her service on board until the ship's arrival at a convenient port and/or after the arrival of the replacement crew provided that, in any case, the continuance of such service shall not exceed three (3) months. The seafarer shall be entitled to earned wages and benefits as provided in his/her contract.
- D. If the ship arrives at a convenient port before the expiration of the contract, the principal/employer/master/company may repatriate the seafarer from such port, provided the unserved portion of his/her contract is not more than one (1) month. The seafarer shall be entitled only to his/her earned wages and earned leave pay and to his/her basic wages corresponding to the unserved portion of the contract, unless within sixty (60) days from disembarkation, the seafarer is rehired at the same rate and position, in which case the seafarer shall be entitled only to his/her earned wages and earned leave pay.
- E. If the ship arrives at a convenient port within a period of three (3) months before the expiration of his/her contract, the principal/employer/master/company may repatriate the seafarer from such port provided that the seafarer shall be paid all his/her earned wages. In addition, the seafarer shall also be paid his/her leave pay for the entire contract period plus a termination pay equivalent to one (1) month of his/her basic pay, *provided*, however, that this mode of termination may only be exercised by the principal/employer/master/company if the original contract period of the seafarer is at least nine (9) months; *provided, further*, that the conditions for this mode of repatriation shall not apply to dismissal for cause.
- F. The seafarer, if discharged at a port abroad for any reason, shall be repatriated to the Philippines via sea or air or as may otherwise be directed by the principal/employer/company. He/she shall be provided with accommodation and food, allowances and medical treatment, if necessary, until he/she arrives at the point of hire.
- G. In cases where the termination of employment is for just cause, voluntary resignation or upon the request of the seafarer, the costs of his/her repatriation and replacement shall be for the account of the seafarer in accordance with the employment agreement. The employer may, in case of compassionate grounds, assume the transportation cost of the seafarer's replacement.
- H. The seafarer, when discharged and repatriated as directed by the principal/employer/master/company shall be entitled to basic wages from date of signing off until arrival at the point of hire except when the discharge is in accordance with the above or for disciplinary reasons.

If the seafarer delays or makes a detour or proceeds to a destination other than through the travel itinerary arranged by the employer to the point of hire, the employment of the seafarer shall be considered terminated on the date the seafarer signs off the ship and all additional expenses shall be for the seafarer's account. The seafarer shall be entitled to earned wages and basic wage calculated based on the original scheduled date of arrival at the point of hire. All other liabilities of the company in this event shall cease at the time the seafarer is terminated. Any illness, injury or death sustained by the seafarer, due to the above shall be considered non-work related and shall not be compensated;

- I. The entitlement to repatriation may lapse if the seafarer concerned does not claim it within a reasonable period of time to be defined by national laws or regulations or collective agreements, if applicable; except where the seafarer is held captive on or off the ship as a result of acts of piracy or armed robbery against ships.

- J. The seafarer shall report to the manning agency within three (3) working days upon arrival at point of hire.
- K. In case of an epidemic or pandemic declared by the WHO, the shipowner or manning agency shall be responsible for medical care expenses and board and lodging for periods spent by seafarers in self-isolation or quarantine, whether or not the seafarers have symptoms, have been exposed or are quarantined as a safety precaution for the community, until the seafarers have been duly repatriated to the point of hire.
- L. The repatriation expenses that shall be borne by the shipowner or the manning agency concerned shall include:
  - 1. Basic pay and allowances from the moment the seafarers leave the ship until they reach the repatriation destination;
  - 2. Accommodation and food from the moment the seafarers leave the ship until they reach the repatriation destination;
  - 3. Transportation charges, wherein the default mode of transport should be by air;
  - 4. Deployment cost of the shipowner; and
  - 5. Immigration fees, fines, and penalties.

However, in cases where the termination of employment is for just cause, voluntary resignation or upon the request of the seafarer, the cost of repatriation shall be for the account of the seafarer in accordance with the employment agreement.

In case the seafarer lost his/her passport, seaman's book, and other travel documents, and was detained by immigration authorities enroute to embarkation port due to negligence, cost of repatriation shall be for the account of the seafarer.

- M. The responsibility to provide for the repatriation costs shall be without prejudice to the right to civil, criminal, or other claims in accordance with law or otherwise, particularly in cases of maritime accident or death other than natural causes.
- N. When those primarily responsible for the repatriation fail to fulfill their obligations, the DMW and Overseas Workers Welfare Administration (OWWA) will shoulder the repatriation cost through the *Agarang Kalinga at Saklolo para sa mga OFW na Nangangailangan* (AKSYON) Fund and/or Emergency Repatriation Fund respectively, subject to reimbursement from those primarily responsible for the repatriation. This is without prejudice to the imposition of appropriate administrative sanctions by the DMW against those primarily responsible.
- O. A waiver of entitlement to repatriation shall be valid only if it is written, and made freely and voluntarily, with full knowledge of its consequences. When a seafarer is abandoned, held captive on or off the ship as a result of acts of piracy or armed robbery against the ship, or is incapable of traveling due to illness, injury or incapacity, or other causes that affect the seafarer's safety and security, no waiver shall be allowed or presumed.

## **SECTION 24. COMPENSATION AND BENEFITS**

### **A. Compensation and Benefits for Injury or Illness**

When the seafarer suffers work-related injury or illness occurring between the date of commencing duty and the date upon which they are deemed duly repatriated, or arising from their employment between those dates and still requires medical attention upon repatriation, the liabilities of the employer shall be as follows:

- 1. The employer shall continue to pay the seafarer his/her wages during the time he/she is on board the ship;
- 2. If the injury or illness requires medical and/or dental treatment in a foreign port, the employer shall be liable for the full cost of such medical, serious dental, surgical and hospital treatment as well as board and lodging until the seafarer is declared fit to work or to be repatriated. However, if after repatriation, the seafarer still requires medical attention

with a company designated physician arising from said injury or illness, he/she shall be so provided at cost to the employer but at no cost to the seafarer until such time he/she is declared fit or the degree of his/her disability has been established by the company-designated physician.

3. In addition to the above obligation of the employer to provide medical attention, the seafarer shall also receive sickness allowance from his/her employer in an amount equivalent to his/her basic wages computed from the time he/she signed off until he/she is declared fit to work or the degree of disability has been assessed by the company-designated physician. The period within which the seafarer shall be entitled to his/her sickness allowance shall not exceed one hundred twenty (120) days. Payment of the sickness allowance shall be made on a regular basis, but not less than once a month.

The seafarer shall be entitled to reimbursement of the cost of medicines prescribed by the company-designated physician. In case treatment of the seafarer is on an out-patient basis as determined by the company-designated physician, the company shall approve the appropriate mode of transportation and accommodation. The reasonable cost of actual traveling expenses and/or accommodation shall be paid subject to liquidation and submission of official receipts and/or proof of expenses.

4. For this purpose, the seafarer shall submit himself/herself to a post-employment medical examination by a company-designated physician within three (3) working days upon his/her return except when he/she is physically incapacitated to do so, in which case, a written notice to the agency within the same period is deemed as compliance. In the course of the treatment, the seafarer shall also report regularly to the company-designated physician specifically on the dates as prescribed by the company-designated physician and agreed to by the seafarer. Failure of the seafarer to comply with the three-day mandatory reporting requirement, or refusal to report for or abandonment of his/her medical treatment shall result in his/her forfeiture of the right to claim the above benefits.
5. A seafarer who disagrees with the company-designated physician's final assessment may seek its reevaluation by a physician of choice who specializes in the illness or injury. If the seafarer's doctor issues a disability grading that is different or contrary to the medical findings of the company-designated physician, the seafarer must file, within thirty (30) days from receipt of the findings of the seafarer's doctor, a written request with the DMW to refer the conflicting medical grading to a third doctor. The third doctor shall be mutually selected by the employer and seafarer from a pool of DOH-accredited medical specialists relevant to the injury or illness of the seafarer. The third doctor should be duly trained in the determination of maritime disability grading. In case there is no agreement between the parties on the appointment of a third doctor from the pool of DOH-accredited third doctors, the DMW shall facilitate the appointment of the third doctor from the same pool.

The DOH-accredited medical specialist shall refer to the medical practitioners who are bona fide members of their respective specialty societies duly recognized by an Accredited Professional Organization in accordance with their existing rules and regulations.

Subject to the requirements of RA No. 10173, all of the medical documents considered and issued by the company doctor and the seafarer's doctor, shall be provided to the third doctor who shall determine the final disability grading which shall be binding upon the seafarer and the employer. This process shall be mandatory before any dispute settlement, arbitration proceeding, or case may be filed, when the issue is the disability grading, fitness to work, or the illness or injury of the seafarer.

The medical assessment of the company designated physician, seafarer's doctor, and the third doctor shall strictly adhere to the Schedule of Disabilities as provided in Section 36 (Schedule of Disability or Impediment for Occupational Injuries Suffered or Occupational Illnesses Contracted) of this Contract or the applicable CBA, as warranted.

In the absence of any provisions in the CBA, no other parameters or conditions shall be required by either the seafarer or employer in securing the third opinion.

In the absence of a disability grading from a third doctor, the National Labor Relations Commission (NLRC), Voluntary Arbitrators/Panel of Voluntary Arbitrators shall issue an Order suspending the proceedings and ordering the parties to seek the opinion of a third doctor within fifteen (15) days from receipt of the Order, which shall thereafter be submitted to NLRC, Voluntary Arbitrators/Panel of Voluntary Arbitrators. Failure to seek and submit as provided in this Contract without fault or negligence from either party shall cause the NLRC, Voluntary Arbitrators/Panel of Voluntary Arbitrators to resume proceedings and decide based on the evidence presented. The DMW and DOH shall be furnished with a copy of the Order.

6. When requested, the employer shall furnish the seafarer a copy of all pertinent medical reports or any records at no cost to the seafarer.
7. Those injuries and diseases/illnesses not listed in Section 36-A (Occupational Injuries) and Section 36-B (Occupational Diseases/Illnesses) of this Contract are disputably presumed as work-related.
8. In case a seafarer is disembarked from the ship for medical reasons, the employer shall bear the full cost of repatriation in the event the seafarer is declared (1) fit for repatriation; or (2) fit to work but the employer is unable to find employment for the seafarer on board his/her former ship or another ship of the employer.
9. In case of permanent total or partial disability of the seafarer caused by a work-related injury or illness, the seafarer shall be compensated in accordance with the schedule of benefits enumerated in Section 36 (Schedule of Disability or Impediment for Occupational Injuries Suffered or Occupational Illnesses Contracted) of his/her Contract. For purposes of this section, computation of his/her benefits shall be governed by the rates and the rules of compensation applicable at the time the illness or injury was contracted.

The amount of disability compensation shall be computed and based solely on the schedule of disabilities provided under Section 36 (Schedule of Disability or Impediment for Occupational Injuries Suffered or Occupational Illnesses Contracted) of this Contract or the applicable CBA, as mandated by Section 57 of RA No. 12021, and shall not be measured or determined by the number of days a seafarer is under treatment or the number of days in which sickness allowance is paid.

10. It is understood and agreed that the benefits mentioned above shall be separate and distinct from, and will be in addition to whatever benefits which the seafarer is entitled to under Philippine laws such as from the SSS, OWWA, ECC, PhilHealth, and Pag-IBIG Fund. The process of claiming and entitlement to benefits from the abovementioned government agencies shall be governed by their respective governing laws and procedures.

## **B. COMPENSATION AND BENEFITS FOR DEATH**

1. In case of work-related death of the seafarer, during the term of his/her contract, the employer shall pay his/her legal beneficiaries the amount of Fifty Thousand US dollars (US\$50,000), or its equivalent amount in Philippine currency, at the exchange rate prevailing at the time of payment, at the option of the seafarer's legal beneficiaries. In addition, the amount of Seven Thousand US dollars (US\$7,000) or its equivalent amount in Philippine currency, at the exchange rate prevailing at the time of payment, at the option of the seafarer's legal beneficiaries, shall be paid to each child, but not exceeding four (4) children, under the age of twenty-one (21) years old or those over twenty-one (21) years old but are unable to fully take care of themselves because of a physical or mental disability or condition.
2. Where death is caused by warlike activity while sailing within a declared war zone, warlike, or high-risk area, the compensation payable shall be doubled. The appropriate war-risk insurance shall be provided by the shipowner/principal or the manning agency at no cost to the seafarer.

3. It is understood and agreed that the benefits mentioned above shall be separate and distinct from, and will be in addition to whatever benefits which the seafarer is entitled to under Philippine laws from the SSS, OWWA, ECC, PhilHealth and Pag-IBIG Fund. The process of claiming and entitlement to benefits from the abovementioned government agencies shall be governed by their respective governing laws and procedures.
4. The other liabilities of the employer when the seafarer dies as a result of work-related injury or illness, during the term of employment are as follows:
  - a. The employer shall pay the deceased's legal beneficiary all outstanding obligations due the seafarer under this Contract at the time of death.
  - b. The employer shall transport the remains and personal effects of the seafarer to the Philippines at the employer's expense except if the death occurred in a port where local government laws or regulations do not permit the transport of such remains.
 

In case death occurs at sea, the handling of the remains shall be made or dealt with in accordance with the master's best judgment upon approval of the seafarer's next of kin, subject to applicable laws.

In all cases, the employer/master shall communicate with the manning agency to seek advice for the appropriate handling of the seafarer's remains.
  - c. The employer shall pay the legal beneficiaries of the seafarer the Philippine currency equivalent to the amount of One Thousand US dollars (US\$1,000) for burial expenses at the exchange rate prevailing during the time of payment.
- C. It is understood that computation of the total permanent or partial disability of the seafarer caused by the injury sustained resulting from warlike activities within the warzone, warlike, or high-risk area shall be based on the compensation rate payable within the warzone, warlike, or high-risk area as prescribed in this Contract.
- D. No compensation and benefits shall be payable in respect of any injury, incapacity, disability or death of the seafarer resulting from his/her willful or criminal act or intentional breach of his/her duties, provided however, that the employer can prove that such injury, incapacity, disability or death is directly attributable to the seafarer.
- E. A seafarer who knowingly conceals a pre-existing illness or condition in the PEME shall be liable for misrepresentation and shall be disqualified from any compensation and benefits. This is likewise a just cause for termination of employment and imposition of appropriate administrative sanctions.
- F. When requested, the seafarer shall be furnished a copy of all pertinent medical reports or any records at no cost to the seafarer.
- G. The amounts paid to the seafarer due to accidental or natural death, or permanent total disablement by virtue of the provisions of RA No. 8042, as amended by RA No. 10022, and its IRR shall form part of and shall be deducted from the total amount that the seafarer is determined to be finally entitled to under this Contract.
- H. The principal/employer/company shall grant to the seafarer who is involved in a case or litigation for the protection of his rights in a foreign country, a subsistence allowance of at least One Hundred United States Dollars (US\$100) per month for a maximum of six (6) months pursuant to RA No. 8042, as amended by RA No. 10022.
- I. When a seafarer is hospitalized and has been confined for at least seven (7) consecutive days, he/she shall be entitled to a compassionate visit by one (1) family member or a requested individual pursuant to the Compassionate Visit as provided in RA No. 8042, as amended by RA No. 10022. The employer shall pay for the transportation cost of the family member or requested individual to the major airport closest to the place of hospitalization of the seafarer. It is, however, the responsibility of the family member or requested individual to meet all visa and travel document requirements.

- J. The seafarer or his/her successor-in-interest acknowledges that payment for injury, illness, incapacity, disability or death and other benefits of the seafarer under this Contract, the CBA, and RA No. 8042, as amended by RA No. 10022, shall cover all claims in relation with or in the course of the seafarer's employment, including but not limited to damages arising from the contract, tort, fault or negligence under the laws of the Philippines or any other country.

## **SECTION 25. WAR AND WARLIKE OPERATIONS / HIGH-RISK AREA ALLOWANCE**

- A. The DMW shall, pursuant to prior declaration by the Department of Foreign Affairs or other internationally recognized bodies, such as, but not limited, to the International Transport Workers' Federation (ITF)/International Bargaining Forum (IBF), declare specific areas as war zones, warlike and/or high-risk areas.
- B. Seafarers sailing through areas declared by the DMW as a war zone, warlike and/or high-risk area shall be entitled to premium pay or its equivalent and war risk insurance coverage, the form of which shall be determined by the DMW.

The war risk insurance shall be provided by the shipowner/principal at no cost to the seafarer.

- C. The principal/employer and the manning agency shall ensure that matters relative to the war zones, warlike and/or high-risk areas have been explained to the seafarer prior to their deployment, including the conduct of the mandatory Anti-Piracy Awareness Training for Seafarers in accordance with the existing policy of the DMW.

Further, the principal/employer shall conduct the necessary onboard safety drills to their crew to address piracy, hijacking, terrorism, unmanned attacks, and/or other forms of armed violence.

- D. If at the time of the signing of the contract, an area is declared as a war zone, warlike and /or high-risk area and the seafarer binds himself/herself in writing to sail into that area, the agreement shall be properly appended to the contract for verification and approval by the DMW. The seafarer shall comply with the agreement or shall bear his/her cost of repatriation when he/she opts not to sail into a war zone, warlike and/or high-risk area.
- E. If a war, warlike, and/or high-risk situation arises during the term of this Contract in any country within the ship's trading area, the principal/employer and the manning agency shall afford the seafarer on board ample time, opportunity, and means to signify their intent to either continue with the voyage or refuse to sail with the ship in its scheduled passage in said areas/zones.

The principal/employer and the manning agency shall provide the seafarer on board with the means to make informed decisions by informing them of the scheduled passage of the ship to the identified areas/zones and their rights and entitlements should they consent to continue their voyage.

Further, the principal/employer and the manning agency shall allow the seafarer to freely decide to refuse sailing in the war zone, warlike and /or high-risk areas without discrimination and prejudice to their present and future employment.

- F. The principal/employer and the manning agency shall ensure the immediate and safe repatriation of the seafarer who will invoke his/her right to refuse sailing in the war zone, warlike and/or high-risk area.
- G. The employer shall provide the seafarer access to communication during critical incidents, such as but not limited to maritime accidents, warlike incidents, piracy, injuries, detention, complaints on board, armed attacks, or other forms of armed violence, as may be practicable.

## **SECTION 26. TERMINATION DUE TO SHIPWRECK AND SHIP'S FOUNDERING**

Where the ship is wrecked, necessitating the termination of employment before the date indicated in the contract, the seafarer shall be entitled to earned wages, medical examination at employer's expense to determine his/her fitness to work, repatriation at employer's cost and one-month basic wage as termination pay.

In case of termination of employment of the seafarer before the expiration of the term of his/her contract due to shipwreck, actual or constructive total loss or foundering of the ship, the seafarer shall be entitled to earned wages, medical examination at employer's expense to determine his/her fitness to work, repatriation at employer's cost and one-month basic wage as termination pay.

#### **SECTION 27. TERMINATION DUE TO SALE OF SHIP, LAY-UP OR DISCONTINUANCE OF VOYAGE**

Where the ship is sold, laid up, or the voyage is discontinued necessitating the termination of employment before the date indicated in the Contract, the seafarer shall be entitled to earned wages, repatriation at employer's cost and one (1) month basic wage as termination pay, unless arrangements have been made for the seafarer to join another ship belonging to the same principal within thirty (30) days to complete his/her contract in which case the seafarer shall be entitled to basic wages until the date of joining the other ship.

#### **SECTION 28. TERMINATION DUE TO UNSEAWORTHINESS**

- A. If the ship is declared unseaworthy by a classification society, port state or flag state, the seafarer shall not be forced to sail with the ship.
- B. If the ship's unseaworthiness necessitates the termination of employment before the date indicated in the contract, the seafarer shall be entitled to earned wages, repatriation at cost to the employer and termination pay equivalent to one (1) month basic wage.

#### **SECTION 29. TERMINATION DUE TO REGULATION I/4 CONTROL PROCEDURES OF THE 1978 STCW CONVENTION, AS AMENDED**

If the seafarer is terminated and/or repatriated as a result of port state control procedures/actions in compliance with Regulation I/4 of the 1978 STCW Convention, as amended, his/her termination shall be considered valid.

However, he/she shall be entitled to repatriation and earned wages. He/she shall also be entitled to termination pay equivalent to one (1) month basic wage if the termination is without his/her fault.

#### **SECTION 30. CHANGE OF PRINCIPAL**

- 1. Where there is a change of Principal of the ship necessitating the pre-termination of employment of the seafarer, the seafarer should be entitled to earned wages and repatriation at employer's expense. He/she shall also be entitled to one (1) month basic pay as termination pay.
- 2. In case arrangements have been made for the seafarer to directly join another ship of the same Principal to complete his/her contract, he/she shall only be entitled to basic wage from the date of his/her disembarkation from his/her former ship until the date of his/her joining the new ship.

### **SECTION 31. LOSS OF OR DAMAGE TO CREW'S EFFECTS BY MARINE PERIL**

- A. The seafarer shall be reimbursed by the employer the full amount of loss or damage to his/her personal effects but in no case shall the amount exceed the Philippine currency equivalent to the amount of Two Thousand US dollars (US\$2,000) if his/her personal effects are lost or damaged as a result of the wreck or loss or stranding or abandonment of the ship, or as a result of fire, flooding, collision, piracy, or other marine peril.
- B. In case of partial loss, the amount shall be determined by mutual agreement of both parties but in no case to exceed the Philippine currency equivalent to the amount of Two Thousand US dollars (US\$2,000).
- C. Reimbursement for loss or damage to the seafarer's personal effects shall not apply if such loss or damage is due to (a) the seafarer's own fault; (b) larceny or theft; or (c) robbery.
- D. Payment of any reimbursement shall be computed at the rate of exchange prevailing at the time of payment.

### **SECTION 32. GENERAL SAFETY**

- A. The seafarer shall observe and follow any regulation or restriction that the master may impose concerning safety, drug and alcohol and environmental protection.
- B. The seafarer shall make use of all appropriate safety equipment provided to him/her and must ensure that he/she is suitably dressed from the safety point of view for the job at hand.

### **SECTION 33. MANDATORY CONCILIATION-MEDIATION**

- A. If there is a CBA, the parties shall first comply with the grievance procedures mandated under the CBA. In such case, the parties shall strictly adhere to the provisions of the CBA on the manner of selection and appointment of the Voluntary Arbitrators or Panel of Voluntary Arbitrators who are listed in the CBA.
- B. If no agreement is reached by the parties at the grievance machinery level, the following rules shall apply:
  - 1. If there is a CBA, either party may serve notice upon the other of its decision to submit the issue to voluntary arbitration. The notice shall state the issue or issues to be arbitrated, copy furnished the Regional Branch of the National Conciliation and Mediation Board (NCMB) or the Voluntary Arbitrator or Panel of Voluntary Arbitrators named or designated in the CBA.

If the party upon whom the notice is served fails or refuses to respond favorably within seven (7) days from receipt thereof, the Voluntary Arbitrator or Panel of Voluntary Arbitrators designated in the CBA shall commence voluntary arbitration proceedings.

Where the CBA does not so designate, the Regional Branch of the NCMB shall call the parties for them to agree on whether to submit the matter to a sole Voluntary Arbitrator or to a Panel of Voluntary Arbitrators. In case there is no agreement, the matter shall be submitted to a sole arbitrator.

The parties shall agree on their choice of a Voluntary Arbitrator or Panel of Voluntary Arbitrators. Where there is no agreement, the Regional Branch of the NCMB shall designate the Voluntary Arbitrator or Panel of Voluntary Arbitrators.

Within ten (10) days from receipt of notice of their selection or designation, the Voluntary Arbitrator or Panel of Voluntary Arbitrators shall commence arbitration proceedings.

2. If there is no CBA, the parties shall first avail of the conciliation-mediation services under RA No. 10396. If the matter remains unresolved, the same may be filed as a complaint with the Labor Arbiter of the NLRC or, upon agreement of the parties, referred to a Voluntary Arbitrator or Panel of Voluntary Arbitrators. In the latter case, the selection or appointment of the Voluntary Arbitrator or Panel of Voluntary Arbitrators shall proceed as provided in Section 33 (B)(1) (Mandatory Conciliation-Mediation) of this Contract.
  3. The arbitration proceedings shall be governed by the existing rules and procedures on compulsory and voluntary arbitration.
- C. In the exercise of its regulatory and quasi-judicial powers, the DMW shall exercise its jurisdiction, as provided under RA No. 11641 and its IRR, to hear and decide all cases which are administrative in character involving or arising out of: 1) violation of recruitment rules and regulations including refund of fees collected from OFWs and any violation of the conditions for the issuance of the license to recruit OFWs; and 2) disciplinary action cases that are administrative in character, excluding money claims.

**SECTION 34. PRESCRIPTION OF ACTION**

All claims arising from this Contract shall be made within three (3) years from the date the cause of action arises, otherwise the same shall be barred.

**SECTION 35. APPLICABLE LAW**

Any unresolved dispute, claim or grievance arising out of or in connection with this Contract including the annexes thereof, shall be governed by the laws of the Republic of the Philippines, international conventions, treaties and covenants to which the Philippines is a signatory.

Parties to the individual employment contract are allowed to stipulate and mutually agree to other terms and conditions over and above the minimum standards; *provided*, that the stipulations are mutually beneficial to both parties and are not contrary to law, public policy and morals.

**SECTION 36. SCHEDULE OF DISABILITY OR IMPEDIMENT FOR OCCUPATIONAL INJURIES SUFFERED OR OCCUPATIONAL ILLNESSES CONTRACTED**

- A. Disability or fitness to work, whichever is applicable, shall be determined only after the treatment has reached Maximum Medical Improvement (MMI).
- B. Disability compensation, if warranted, shall not be measured or determined by the number of days a seafarer is under treatment or the number of days in which sickness allowance is paid.

**SECTION 36-A. OCCUPATIONAL INJURIES**

HEAD	
Traumatic head injuries that result to:	
1. Severe paralysis of both upper or lower extremities or one upper and one lower extremity	Gr. 1
2. Severe mental disorder or Severe Complex Cerebral function disturbance or post-traumatic psychoneurosis which require regular aid and attendance as to render the seafarer permanently unable to perform any work	Gr. 1
3. Incurable imbecility	Gr. 1
4. Aperture unfilled with bone over three (3) inches without brain injury	Gr. 3

5. Moderate mental disorder or moderate brain functional disturbance which limits the seafarer to the activities of daily living with some directed care or attendance	Gr. 6
6. Moderate paralysis of two (2) extremities producing moderate difficulty in movements with self-care activities	Gr. 6
7. Aperture unfilled with bone not over three (3) inches without brain injury	Gr. 9
8. Slight paralysis affecting one extremity producing slight difficulty with self-care activities	Gr. 10
9. Slight mental disorder or disturbance that requires little attendance or aid and which interferes to a slight degree with the working capacity of the seafarer	Gr. 10
<b>FACE</b>	
1. Complete loss of the power of mastication and speech function	Gr. 1
2. Severe disfigurement of the face or head as to make the seafarer so repulsive as to greatly handicap him/her in securing or retaining employment, there being no permanent functional disorder	Gr. 2
3. Moderate constriction of the jaw resulting in moderate degree of difficulty in chewing and moderate loss of the power or the expression of speech	Gr. 4
4. Moderate facial disfigurement involving partial ablation of the nose with conspicuous scars on face or head	Gr. 5
5. Partial ablation of the nose or partial avulsion of the scalp	Gr. 9
6. Slight disorder of mastication and speech function due to traumatic injuries to jaw or cheek bone	Gr. 12
<b>EYES</b>	
1. Blindness or total and permanent loss of vision of both eyes	Gr. 1
2. Total blindness of one (1) eye and fifty percent (50%) loss of vision of the other eye	Gr. 5
3. Loss of one eye or total blindness of one eye	Gr. 7
4. Fifty percent (50%) loss of visual field cut of one eye	Gr. 10
5. Lagophthalmos, one eye	Gr. 12
6. Ectropion, one eye	Gr. 12
7. Ephemora, one eye	Gr. 12
8. Ptosis, one eye	Gr. 12
<b>NOSE AND MOUTH</b>	
1. Injuries to the tongue (partial amputation or adhesion) or palate-causing defective speech	Gr. 10
2. Considerable stricture of the nose (both sides) hindering breathing	Gr. 11
3. Loss of the three (3) teeth restored by prosthesis	Gr. 14
<b>EARS</b>	
1. Complete loss of hearing in both ears	Gr. 3
2. Loss of two (2) external ears	Gr. 8
3. Complete loss of the sense of hearing in one ear	Gr. 10
4. Loss of one external ear	Gr. 12
5. Loss of one half (½) of one external ear	Gr. 14

<b>NECK</b>	
1. Throat injury which necessitates the wearing of a tracheal tube	Gr. 6
2. Total stiffness of neck due to fracture or dislocation of the cervical spine	Gr. 8
3. Loss of speech due to injury to the vocal cord	Gr. 9
4. Moderate stiffness or two thirds (2/3) loss of motion of the neck	Gr. 10
5. Slight stiffness or one third (1/3) loss of motion of the neck	Gr. 12
<b>CHEST-TRUNK-SPINE</b>	
1. Injury to the spinal cord as to make walking impossible even with the aid of a pair of crutches	Gr. 1
2. Injury to the spinal cord resulting to incontinence of urine and feces	Gr. 1
3. Injury to the spinal cord as to make walking impossible without the aid of a pair of crutches	Gr. 4
4. Fracture of four (4) or more ribs resulting to severe limitation of chest expansion	Gr. 6
5. Fracture or dislocation of the thoracic or lumbar spines resulting to severe or total rigidity of the trunk or total loss of lifting power of heavy objects	Gr. 6
6. Moderate rigidity or two thirds (2/3) loss of motion or lifting power of the trunk	Gr. 8
7. Fracture of four (4) or more ribs with intercostal neuralgia resulting in moderate limitation of chest expansion	Gr. 9
8. Slight rigidity or one third (1/3) loss of motion or lifting power of the trunk	Gr. 11
9. Slight limitation of chest expansion due to simple rib functional without myositis or intercostal neuralgia	Gr. 12
<b>ABDOMEN</b>	
1. Severe residuals or impairment of intra-abdominal organs which requires regular aid and attendance that will make the seafarer unable to seek any gainful employment	Gr. 1
2. Loss of one kidney	Gr. 7
3. Moderate residuals or disorder of the intra-abdominal organs secondary to trauma resulting to impairment of nutrition, moderate tenderness, nausea, vomiting, constipation or diarrhea	Gr. 7
4. Loss of the spleen	Gr. 8
5. Slight residuals or disorder of the intra-abdominal organs resulting in impairment of nutrition, slight tenderness and/or constipation or diarrhea	Gr. 12
6. Inguinal hernia secondary to trauma or strain	Gr. 12
<b>PELVIS</b>	
1. Fracture of the pelvic rings as to totally incapacitate the seafarer to work	Gr. 1
2. Fracture of the pelvic ring resulting to deformity and lameness	Gr. 6
<b>URINARY AND GENERATIVE ORGANS</b>	
1. Total loss of penis	Gr. 7
2. Total loss of both testicles	Gr. 7
3. Scars on the penis or destruction of the parts of the cavernous body or urethra interfering with erection or markedly affecting coitus	Gr. 9
4. Urinary incontinence secondary to injury to the bladder or urethra	Gr. 10

5. Total loss of one testicle	Gr. 11
6. Loss of one breast	Gr.11
7. Prolapse of the uterus	Gr. 13
8. Great difficulty in urinating	Gr. 13
<b>THUMBS AND FINGERS</b>	
1. Loss of ten (10) fingers of both hands	Gr. 1
2. Loss of two (2) or more fingers. Compensation for the loss of use of two (2) or more fingers or one (1) or more phalanges of two (2) or more digits of a hand must be proportioned to the loss of the hand occasioned thereby but shall not exceed the compensation for the loss of a hand:	Gr. 6
a. Loss of five (5) fingers of one hand	Gr. 6
b. Loss of thumb, index fingers and any of two (2) or more fingers of the same hand	Gr. 6
c. Loss of the thumb, index finger and any one of the remaining fingers	Gr. 7
d. Loss of thumb and index finger	Gr. 8
e. Loss of three (3) fingers of one hand not including thumb and index finger	Gr. 9
f. Loss of the index finger and any one of the other fingers of the same hand excluding thumb	Gr. 9
g. Loss of two (2) digits of one hand not including thumb and index finger	Gr. 10
3. Total loss of one (1) thumb including metacarpal bone	Gr. 9
4. Total loss of one (1) thumb	Gr. 10
5. Total loss of one (1) index finger including metacarpal bone	Gr. 10
6. Total loss of one (1) index finger	Gr. 11
7. Total loss of one (1) middle finger including metacarpal bone	Gr. 11
8. Total loss of one (1) middle finger	Gr. 12
9. Total loss of one (1) ring finger including metacarpal bone	Gr. 12
10. Total loss of one (1) ring finger	Gr. 13
11. Total loss of one (1) small finger including metacarpal bone	Gr. 13
12. Total loss of one (1) small finger	Gr. 14
The Disability Grading for the loss of a fraction of the <i>phalanx</i> shall be computed proportionately based on the corresponding disability grading for thumbs and fingers as provided herein.	
<b>HANDS</b>	
1. Total loss of use of both hands or amputation of both hands at wrist joints or above	Gr. 1
2. Amputation of one hand at carpo-metacarpal joints	Gr. 4
3. Amputation of one hand between wrist joint and elbow joint	Gr. 4
4. Loss of opposition between the thumb and tips of the fingers of one hand	Gr. 9
5. Loss of grasping power for small objects between the fold of the finger of one hand	Gr. 10
6. Loss of grasping power for small objects between fingers and palm of one hand	Gr. 10
7. Ankylosed wrist in normal position	Gr. 10

8. Ankylosed wrist in position one third (1/3) flexed or half extended and/or severe limited action of a wrist	Gr. 11
<b>SHOULDER AND ARM</b>	
1. Total paralysis of both upper extremities	Gr. 1
2. Total paralysis of one (1) upper extremity	Gr. 3
3. Amputation of one (1) upper extremity at or above the elbow	Gr. 4
4. Pseudoarthrosis of the humerus with musculospiral or radial paralysis	Gr. 6
5. Stiff elbow at full flexion or extension (one side)	Gr. 7
6. Stiff elbow at right angle flexion	Gr. 8
7. Ankylosis of one (1) shoulder, the shoulder blade remaining rigid	Gr. 8
8. Unreduced dislocation of one (1) shoulder	Gr. 8
9. Flail elbow joint of one (1) arm	Gr. 9
10. Ankylosis of one (1) shoulder, the shoulder blade remaining mobile	Gr. 9
11. Inability to turn forearm (forearm in abnormal position – pronation)	Gr. 10
12. Ankylosis of the shoulder joint not permitting arm to be raised above a level with a shoulder and/or irreducible fracture or faulty union collar bone	Gr. 10
13. Inability to turn forearm (forearm in normal position-supination)	Gr. 11
14. Disturbance of the normal carrying angle or weakness of an arm or a forearm due to deformity of moderate atrophy of muscles	Gr. 11
15. Ruptured biceps or pseudoarthrosis of the humerus, close (one side)	Gr. 11
16. Inability to raise arm more than halfway from horizontal to perpendicular	Gr. 11
17. Scar the size of the palm in one (1) extremity	Gr. 14
<b>LOWER EXTREMITIES</b>	
1. Loss of both feet at ankle joint or above	Gr. 1
2. Failure of fracture of both hips to unite	Gr. 1
3. Paralysis of both lower extremities	Gr. 1
4. Total loss of a leg or amputation at or above the knee	Gr. 3
5. Failure of fracture of a hip to unite	Gr. 3
6. Paralysis of one lower extremity	Gr. 3
7. Loss of ten (10) digits of both feet	Gr. 5
8. Complete immobility of a hip joint in flexion of the thigh	Gr. 5
9. Loss of one (1) foot at ankle joint or above	Gr. 6
10. Loss of whole metatarsus or forepart of foot	Gr. 7
11. Complete immobility of a knee joint in strong flexion	Gr. 7
12. Loss of five (5) digits of a foot	Gr. 8
13. Loss of one half (1/2) metatarsus of one (1) foot	Gr. 8
14. Loss of four (4) excluding great toe of a foot	Gr. 9
15. Loss of great toe and two (2) other toes of the same foot	Gr. 9
16. Complete immobility of a hip joint in full extension of the thigh	Gr. 9

17. Irregular union of fracture with joint stiffness and with shortening of 6 to 9 centimeter/s (cms) producing permanent lameness	Gr. 9
18. Loss of a great toe of one foot + one toe	Gr. 10
19. Loss of three (3) toes excluding great toe of a foot	Gr. 10
20. Malleolar fracture with displacement of the foot inward or outward	Gr. 10
21. Complete immobility of an ankle joint in abnormal position	Gr. 10
22. Stretching leg of the ligaments of a knee resulting in instability of the joint	Gr. 10
23. Ankylosis of a knee in genuvalgum of varum	Gr. 10
24. Pseudoarthrosis of a knee cap	Gr. 10
25. Complete immobility of a knee joint in full extension	Gr. 10
26. Irregular union of fracture in a thigh or leg with shortening of 6 to 9 cms	Gr. 10
27. Complete immobility of an ankle joint in normal position	Gr. 11
28. Shortening of 3 to 6 cms with either joint lesion or disturbance of weight-bearing joint	Gr. 11
29. Loss of a great toe	Gr. 12
30. Loss of two toes not including great toe or next to it	Gr. 12
31. Depression of the arch of a foot resulting in weak foot	Gr. 12
32. Tearing of achilles tendon resulting in the impairment of active flexion and extension of a foot	Gr. 12
33. Shortening of 3 to 6 cms with slight atrophy of calf or thigh muscles	Gr. 12
34. Slight atrophy of calf of leg muscles without apparent shortening or joint lesion or disturbance of weight-bearing line	Gr. 13
35. Shortening of lower extremity from 1 to 3 cms with either joint lesion or disturbance of weight-bearing joint	Gr. 13
36. Loss of a toe other than the great toe	Gr. 14
37. Scar the size of a palm or larger left on an extremity	Gr. 14

Any item in the schedule classified under Grade 1 shall be considered or shall be constituted as a total and permanent disability.

In cases where the seafarer has been assessed with two or more disabilities, the total aggregate disability benefits corresponding to the assessed disabilities shall in no case exceed the maximum compensation for Grade 1 disability.

#### SCHEDULE OF DISABILITY ALLOWANCES

Impediment Grade	Base Amount	Percentage	Disability Allowance (base amount x percentage)
1	US\$55,000.00	120%	US\$66,000.00
2	US\$55,000.00	88.81%	48,845.50
3	US\$55,000.00	78.36%	43,098.00
4	US\$55,000.00	68.66%	37,763.00
5	US\$55,000.00	58.96%	32,428.00
6	US\$55,000.00	50.00%	27,500.00
7	US\$55,000.00	41.80%	22,990.00
8	US\$55,000.00	33.59%	18,474.50

9	US\$55,000.00	26.12%	14,366.00
10	US\$55,000.00	20.15%	11,082.50
11	US\$55,000.00	14.93%	8,211.50
12	US\$55,000.00	10.45%	5,747.50
13	US\$55,000.00	6.72%	3,696.00
14	US\$55,000.00	3.74%	2,057.00

The foregoing death and disability benefits are to be paid, at the option of the seafarer, either in US dollars or in the equivalent Philippine currency, at the exchange rate prevailing at the time of payment, to be computed in accordance with Section 10 (D) of this Contract.

The Schedule of Disability Allowances shall be without prejudice to periodic review by the DMW.

### SECTION 36-B. OCCUPATIONAL DISEASES/ILLNESSES

- A. For an occupational disease and the resulting disability or death to be compensable, all of the following conditions must be satisfied and proven by substantial evidence:
1. The seafarer's work must involve the risks described herein;
  2. The disease was contracted as a result of the seafarer's exposure to the described risks;
  3. The disease was contracted within a period of exposure and under such other factors necessary to contract it; and
  4. There was no notorious negligence on the part of the seafarer.
- B. Death or disability which is directly caused by sexually transmitted disease or arose from complications thereof shall not be compensable nor shall be entitled to the benefits provided in this Contract.
- C. The disability gradings enumerated in the foregoing list shall not preclude the determination of the actual severity of the illness, which may warrant either an increase or a decrease in the disability grading equivalent to that prescribed for occupational diseases. The following diseases are considered as occupational when contracted under working conditions involving the risks described herein:



OCCUPATIONAL DISEASE	NATURE OF EMPLOYMENT	DISABILITY GRADING
<p>1. Occupational Cancers caused by chemical, physical, and biological agents as listed in the Item 3 of the ILO List of Occupational Diseases (Revised 2010):</p> <ol style="list-style-type: none"> <li>a. Asbestos</li> <li>b. Benzidine and its salts</li> <li>c. Bis-chloromethyl ether (BCME)</li> <li>d. Chromium VI compounds</li> <li>e. Coal tars, coal tar pitches or soots</li> <li>f. Beta-naphthylamine</li> <li>g. Vinyl chloride</li> </ol>		<p style="text-align: center;"><b>Gr. 1</b></p> <p>Stage IV (metastatic/ unresectable) - Unable to sustain gainful employment; systemic impairment (cachexia, pain, organ failure)</p>

<ul style="list-style-type: none"> <li>h. Benzene</li> <li>i. Toxic nitro- and amino-derivatives of benzene or its homologues</li> <li>j. Ionizing radiations</li> <li>k. Tar, pitch, bitumen, mineral oil, anthracene, or the compounds, products or residues of these substances</li> <li>l. Coke oven emissions</li> <li>m. Nickel compounds</li> <li>n. Wood dust</li> <li>o. Arsenic and its compounds</li> <li>p. Beryllium and its compounds</li> <li>q. Cadmium and its compounds</li> <li>r. Erionite</li> <li>s. Ethylene oxide</li> <li>t. Hepatitis B virus (HBV) and hepatitis C virus (HCV)</li> <li>u. Cancers caused by other agents at work not mentioned in the preceding items where a direct link is established scientifically, or determined by methods appropriate to national conditions and practice, between the exposure to these agents arising from work activities and the cancer(s) contracted by the worker</li> </ul>		<b>Gr. 5</b>	Stage III (locally advanced, multiple nodes, borderline resectable) - Significant limitation, frequent hospitalizations, may be employable only in light work
		<b>Gr. 10</b>	Stage II (locally advanced, no distant spread) - Reduced work tolerance during/after treatment, but may return to work
<p><b>2. Occupational Hearing Loss - severe profound hearing loss in an occupation where seafarer is exposed to prolonged, significant noise and vibration in his/her line of work</b></p>	<p>Any industrial operation having excessive noise particularly in the higher frequencies</p>	<b>Gr. 3</b>	Complete loss of the sense of hearing on both ears – no hearing with or without loss of bone conduction
		<b>Gr. 10</b>	Complete unilateral deafness (no useful hearing in in one ear, normal or near-normal hearing in the other ear)
		<b>Gr. 11</b>	Profound unilateral hearing loss (very limited residual hearing in one ear; other ear normal or near-normal)
		<b>Gr. 13</b>	Seventy percent (70%) loss of the sense of hearing in one ear – hearing of conversational voice at 5 feet
		<b>Gr. 14</b>	Forty percent (40%) loss of the sense of hearing in one ear – hearing of conversational voice at 10 feet
<b>3. Decompression sickness</b>			
<ul style="list-style-type: none"> <li>a. Caissons disease</li> </ul>	<p>Any process carried on in compressed or rarefied air.</p>	<b>Gr. 1</b>	When it causes or results in severe paralysis of both upper or lower extremities or one upper and one lower extremity
		<b>Gr. 6</b>	When it causes or results in bone issues
		<b>Gr. 10</b>	When it causes or results in slight paralysis affecting one extremity producing slight difficulty with self-care activities
<ul style="list-style-type: none"> <li>b. Aeroembolism</li> </ul>	<p>Any process carried on in rarefied air</p>	<b>Gr. 1</b>	When it causes or results in severe paralysis of both upper or lower extremities or one upper and one lower extremity
		<b>Gr. 6</b>	When it causes or results in bone issues

		<p><b>Gr. 10</b></p> <p>When it causes or results in slight paralysis affecting one extremity producing slight difficulty with self-care activities</p>
<p><b>4. Dermatitis due to irritants and sensitizers</b> [Skin Diseases under the ILO List of Occupational Diseases, Item No. 2]</p>	<p>The use or handling of chemical agents which are skin irritants and sensitizers</p>	<p><b>Gr. 7</b></p> <p>High severe impairment (Whole body involvement with inability to work in exposed environment)</p>
		<p><b>Gr. 9</b></p> <p>Severe impairment (Widespread, chronic and resistant to treatment)</p>
		<p><b>Gr. 11</b></p> <p>Moderate Impairment (Recurrent, persistent lesions causing some limitation of function [need to avoid irritant exposure])</p>
		<p><b>Gr. 14</b></p> <p>Scar the size of the palm in one extremity</p>
<p><b>5. Infections</b></p>	<p>Work in connection with animals infected with anthrax, handling of animal carcasses or parts of such carcasses, including hides, hoofs, and horns</p>	
<p>a. Pneumonia</p>		
<p>Lipoid Pneumonia causing pulmonary fibrosis</p>		<p><b>Gr. 1</b></p> <p>High severe impairment (End-Stage Respiratory Failure; Resting hypoxemia, hypercapnia, home O<sub>2</sub> dependent)</p> <p>Severe (Far-advanced lesion, involving not less than one lobe, both sides, or entire lung, one side)</p>
		<p><b>Gr. 4</b></p> <p>Dyspnea at rest/minimal exertion; frequent exacerbations despite medications</p>
		<p><b>Gr. 6</b></p> <p>Severe, persistent exacerbations of pulmonary symptoms causing frequent limitation of daily physical activities</p> <p>Moderate (moderately advanced lesion involving one lobe, one side; or less than one lobe but both sides)</p>
		<p><b>Gr. 8</b></p> <p>Moderate Impairment [Exertional dyspnea; dyspnea with moderate exertion (walking 200–400 meters, climbing 1–2 flights of stairs)]</p>
		<p><b>Gr. 9</b></p> <p>Moderate, persistent exacerbations of pulmonary symptoms affecting activity and sleep at least once a week</p>
		<p><b>Gr. 12</b></p> <p>Slight (minimal lesion involving a small portion of one lobe as found either by fluoroscopy or x-ray, one side only)</p> <p>Mild, persistent exacerbations of pulmonary symptoms affecting activity and sleep at least once a month</p>

b. Bronchitis		
Bronchiolitis Obliterans		<p style="text-align: center;"><b>Gr. 1</b></p> <p>High severe impairment (End-Stage Respiratory Failure; Resting hypoxemia, hypercapnia, home O2 dependent)</p> <p>Severe (Far-advanced lesion, involving not less than one lobe, both sides, or entire lung, one side)</p> <hr/> <p style="text-align: center;"><b>Gr. 4</b></p> <p>Dyspnea at rest/minimal exertion; frequent exacerbations despite medications</p> <hr/> <p style="text-align: center;"><b>Gr. 6</b></p> <p>Severe, persistent exacerbations of pulmonary symptoms causing frequent limitation of daily physical activities</p> <p>Moderate (moderately advanced lesion involving one lobe, one side; or less than one lobe but both sides)</p> <hr/> <p style="text-align: center;"><b>Gr. 8</b></p> <p>Moderate Impairment [Exertional dyspnea; dyspnea with moderate exertion (walking 200–400 meters, climbing 1–2 flights of stairs)]</p> <hr/> <p style="text-align: center;"><b>Gr. 9</b></p> <p>Moderate, persistent exacerbations of pulmonary symptoms affecting activity and sleep at least once a week</p> <hr/> <p style="text-align: center;"><b>Gr. 12</b></p> <p>Slight (minimal lesion involving a small portion of one lobe as found either by fluoroscopy or x-ray, one side only)</p> <p>Mild, persistent exacerbations of pulmonary symptoms affecting activity and sleep at least once a month</p>
Chronic Toxic Bronchitis		<p style="text-align: center;"><b>Gr. 1</b></p> <p>High severe impairment (End-Stage Respiratory Failure; Resting hypoxemia, hypercapnia, home O2 dependent)</p> <p>Severe (Far-advanced lesion, involving not less than one lobe, both sides, or entire lung, one side)</p> <hr/> <p style="text-align: center;"><b>Gr. 4</b></p> <p>Dyspnea at rest/minimal exertion; frequent exacerbations despite medications</p> <hr/> <p style="text-align: center;"><b>Gr. 6</b></p> <p>Severe, persistent exacerbations of pulmonary symptoms causing frequent limitation of daily physical activities</p> <p>Moderate (moderately advanced lesion involving one lobe, one side; or less than one lobe but both sides)</p> <hr/> <p style="text-align: center;"><b>Gr. 8</b></p> <p>Moderate Impairment [Exertional dyspnea; dyspnea with moderate exertion (walking 200–400 meters, climbing 1–2 flights of stairs)]</p> <hr/> <p style="text-align: center;"><b>Gr. 9</b></p>

		<p>Moderate, persistent exacerbations of pulmonary symptoms affecting activity and sleep at least once a week</p>
		<p><b>Gr. 12</b></p> <p>Slight (minimal lesion involving a small portion of one lobe as found either by fluoroscopy or x-ray, one side only)</p> <p>Mild, persistent exacerbations of pulmonary symptoms affecting activity and sleep at least once a month</p>
c. Pulmonary TB		<p><b>Gr. 1</b></p> <p>High severe impairment (End-Stage Respiratory Failure; Resting hypoxemia, hypercapnia, home O2 dependent)</p> <p>Severe (Far-advanced lesion, involving not less than one lobe, both sides, or entire lung, one side)</p>
		<p><b>Gr. 4</b></p> <p>Dyspnea at rest/minimal exertion; frequent exacerbations despite medications</p>
		<p><b>Gr. 6</b></p> <p>Severe, persistent exacerbations of pulmonary symptoms causing frequent limitation of daily physical activities</p> <p>Moderate (moderately advanced lesion involving one lobe, one side; or less than one lobe but both sides)</p>
		<p><b>Gr. 8</b></p> <p>Moderate Impairment [Exertional dyspnea; dyspnea with moderate exertion (walking 200–400 meters, climbing 1–2 flights of stairs)]</p>
		<p><b>Gr. 9</b></p> <p>Moderate, persistent exacerbations of pulmonary symptoms affecting activity and sleep at least once a week</p>
		<p><b>Gr. 11</b></p> <p>Slight (minimal lesion involving a small portion of one lobe as found either by fluoroscopy or x-ray, one side only)</p> <p>Mild, persistent exacerbations of pulmonary symptoms affecting activity and sleep at least once a month</p>
d. Anthrax		<p><b>Gr. 1</b></p> <p>High severe impairment (End-Stage Respiratory Failure; Resting hypoxemia, hypercapnia, home O2 dependent)</p> <p>Severe (Far-advanced lesion, involving not less than one lobe, both sides, or entire lung, one side)</p>
		<p><b>Gr. 4</b></p> <p>Dyspnea at rest/minimal exertion; frequent exacerbations despite medications</p>
		<p><b>Gr. 6</b></p> <p>Severe, persistent exacerbations of pulmonary symptoms causing frequent limitation of daily physical activities</p>

		<p>Moderate (moderately advanced lesion involving one lobe, one side; or less than one lobe but both sides)</p> <p><b>Gr. 8</b></p> <p>Moderate Impairment [Exertional dyspnea; dyspnea with moderate exertion (walking 200–400 meters, climbing 1–2 flights of stairs)]</p> <p><b>Gr. 9</b></p> <p>Moderate, persistent exacerbations of pulmonary symptoms affecting activity and sleep at least once a week</p> <p><b>Gr. 12</b></p> <p>Slight (minimal lesion involving a small portion of one lobe as found either by fluoroscopy or x-ray, one side only)</p> <p>Mild, persistent exacerbations of pulmonary symptoms affecting activity and sleep at least once a month</p>
e. Cellulitis		<p><b>Gr. 7</b></p> <p>High severe impairment (Whole body involvement with inability to work in exposed environment)</p> <p><b>Gr. 9</b></p> <p>Severe impairment (Widespread, chronic and resistant to treatment)</p> <p><b>Gr. 11</b></p> <p>Moderate Impairment (Recurrent, persistent lesions causing some limitation of function [need to avoid irritant exposure])</p> <p><b>Gr. 14</b></p> <p>Scar the size of the palm in one extremity</p>
f. Norwalk Virus	Hepatitis A*, Norwalk, Salmonella	<p><b>Gr. 1</b></p> <p>Severe residuals or impairment of intra-abdominal organs requiring regular aid and attendance that will make the seafarer unable to seek any gainful employment</p> <p><b>Gr. 5</b></p> <p>Severe Impairment [Short bowel syndrome after multiple resections, persistent obstruction requiring repeated hospitalization, severe malnutrition]</p> <p><b>Gr. 7</b></p> <p>Moderate Impairment [Chronic abdominal pain, partial obstruction episodes, weight loss, malabsorption or recurrent ascites, post-surgical adhesions with intermittent disability]</p> <p>Moderate residuals or impairment of intra-abdominal organs resulting in impairment of nutrition, moderate tenderness, nausea, vomiting, constipation or diarrhea</p> <p><b>Gr. 12</b></p> <p>Mild Impairment [Occasional abdominal pain, adhesions not limiting activity, mild nutritional impairment]</p> <p>Slight residuals or impairment of intra-abdominal organs resulting in slight impairment of nutrition, slight tenderness, and/or infrequent constipation or diarrhea.</p>

g. Salmonella		<p style="text-align: center;"><b>Gr. 1</b></p> <p>Severe residuals or impairment of intra-abdominal organs requiring regular aid and attendance that will make the seafarer unable to seek any gainful employment</p> <hr/> <p style="text-align: center;"><b>Gr. 5</b></p> <p>Severe Impairment [Short bowel syndrome after multiple resections, persistent obstruction requiring repeated hospitalization, severe malnutrition];</p> <hr/> <p style="text-align: center;"><b>Gr. 7</b></p> <p>Moderate Impairment [Chronic abdominal pain, partial obstruction episodes, weight loss, malabsorption or recurrent ascites, post-surgical adhesions with intermittent disability]</p> <p>Moderate residuals or impairment of intra-abdominal organs resulting in impairment of nutrition, moderate tenderness, nausea, vomiting, constipation or diarrhea</p> <hr/> <p style="text-align: center;"><b>Gr. 12</b></p> <p>Mild Impairment [Occasional abdominal pain, adhesions not limiting activity, mild nutritional impairment]</p> <p>Slight residuals or impairment of intra-abdominal organs resulting in slight impairment of nutrition, slight tenderness, and/or infrequent constipation or diarrhea.</p>
h. Leptospirosis		<p style="text-align: center;"><b>Gr. 1</b></p> <p>Severe Impairment [Chronic kidney disease stage 4-5 requiring dialysis with severe hepatic cirrhosis, neurological impairment (stroke-like sequelae, severe encephalopathy)]</p> <hr/> <p style="text-align: center;"><b>Gr. 7</b></p> <p>Moderate impairment [Chronic kidney disease stage 2-3 after leptospiral nephritis with persistent liver dysfunction, neurological sequelae (mild cognitive impairment, peripheral neuropathy)]</p> <p>Severe impairment of kidney function requiring regular aid and attendance that will make the seafarer unable to seek any gainful employment</p> <hr/> <p style="text-align: center;"><b>Gr. 12</b></p> <p>Mild Impairment [Fatigue, mild hepatic dysfunction, transient proteinuria or subtle cognitive issues]</p> <p>Mild to moderate loss of kidney function</p>
i. Malaria		<p style="text-align: center;"><b>Gr. 1</b></p> <p>Severe Hemiparesis, seizure disorder, cognitive decline, severe chronic anemia, splenic rupture/resection with immunologic risk, renal impairment (CKD stage 4-5)</p> <hr/> <p style="text-align: center;"><b>Gr. 6</b></p> <p>Moderate hemiparesis, persistent splenomegaly, moderate anemia, easy fatigability, mild cognitive or motor impairment.</p> <hr/> <p style="text-align: center;"><b>Gr. 10</b></p> <p>Mild weakness, chronic fatigue, occasional seizures, minor cognitive issues, mild anemia</p>

j. Otitis Media		
Otitis Media resulting to Meningitis		<p style="text-align: center;"><b>Gr. 1</b></p> <p>Severe Impairment [Paraplegia or severe hemiplegia with cognitive and/or speech impairment; uncontrolled seizures]</p> <hr/> <p style="text-align: center;"><b>Gr. 6</b></p> <p>Moderate Impairment [Moderate hemiparesis with speech impairment and/or moderate cognitive impairment; controlled seizures; Paralysis of 2 or more extremities = 50%]</p> <hr/> <p style="text-align: center;"><b>Gr. 9</b></p> <p>Moderate Impairment [Moderate hemiparesis with speech impairment and/or moderate cognitive impairment; controlled seizures; Paralysis of one extremity = 25%]</p> <hr/> <p style="text-align: center;"><b>Gr. 10</b></p> <p>Mild Impairment [Mild weakness with occasional seizures and/or minor cognitive impairment]</p> <hr/> <p style="text-align: center;"><b>Gr. 13</b></p> <p>Very mild impairment [Persistent peripheral paresthesias/ neuropathy, without any motor involvement]</p>
Otitis Media [resulting to hearing loss] based on audiogram computation		<p style="text-align: center;"><b>Gr. 3</b></p> <p>Complete loss of the sense of hearing on both ears – no hearing with or without loss of bone conduction</p> <hr/> <p style="text-align: center;"><b>Gr. 10</b></p> <p>Moderate impairment [Complete unilateral deafness (no useful hearing in in one ear, normal or near-normal hearing in the other ear)]</p> <hr/> <p style="text-align: center;"><b>Gr.11</b></p> <p>Mild Impairment [Profound unilateral hearing loss (very limited residual hearing in one ear; other ear normal or near-normal)]</p> <hr/> <p style="text-align: center;"><b>Gr.13</b></p> <p>Seventy percent (70%) loss of the sense of hearing in one ear – hearing of conversational voice at 5 feet</p> <hr/> <p style="text-align: center;"><b>Gr.14</b></p> <p>Forty percent (40%) loss of the sense of hearing in one ear – hearing of conversational voice at 10 feet</p>
k. Tetanus		
Tetanus complicated by Meningitis		<p style="text-align: center;"><b>Gr. 1</b></p> <p>Severe Impairment [Paraplegia or severe hemiplegia with cognitive and speech impairment; uncontrolled seizures];</p> <hr/> <p style="text-align: center;"><b>Gr. 6</b></p> <p>Moderate Impairment [Moderate hemiparesis with speech impairment and moderate cognitive impairment; controlled seizures; Paralysis of 2 or more extremities= 50%]</p> <hr/> <p style="text-align: center;"><b>Gr. 9</b></p> <p>Moderate Impairment [Moderate hemiparesis with speech impairment and moderate cognitive impairment; controlled seizures; Paralysis of one extremity= 25%]</p>

		<p><b>Gr. 10</b></p> <p>Mild Impairment [Mild weakness with occasional seizures and minor cognitive impairment]</p>
		<p><b>Gr. 13</b></p> <p>Very mild impairment [Persistent peripheral paresthesias/ neuropathy, without any motor involvement]</p>
l. Viral Encephalitis		<p><b>Gr. 1</b></p> <p>Severe Impairment [Paraplegia or severe hemiplegia with cognitive and speech impairment; uncontrolled seizures]</p>
		<p><b>Gr. 6</b></p> <p>Moderate Impairment [Moderate hemiparesis with speech impairment and moderate cognitive impairment; controlled seizures; Paralysis of 2 or more extremities= 50%]</p>
		<p><b>Gr. 9</b></p> <p>Moderate Impairment [Moderate hemiparesis with speech impairment and moderate cognitive impairment; controlled seizures; Paralysis of one extremity= 25%]</p>
		<p><b>Gr. 10</b></p> <p>Mild Impairment [Mild weakness with occasional seizures and minor cognitive impairment]</p>
		<p><b>Gr. 13</b></p> <p>Very mild impairment [Persistent peripheral paresthesias/ neuropathy, without any motor involvement]</p>
m. Covid 19 / SARS / Influenza / Avian Influenza:		<p><b>Gr. 1</b></p> <p>High severe impairment [End-Stage Respiratory Failure; Resting hypoxemia, hypercapnia, home O2 dependent];</p> <p>Severe (far-advanced lesion, involving not less than one lobe, both sides, or entire lung, one side)</p>
		<p><b>Gr. 4</b></p> <p>Dyspnea at rest/minimal exertion; frequent exacerbations despite medications</p>
		<p><b>Gr. 6</b></p> <p>Severe, persistent exacerbations of pulmonary symptoms causing frequent limitation of daily physical activities; or</p> <p>Moderate (moderately advanced lesion involving one lobe, one side; or less than one lobe but both sides)</p>
		<p><b>Gr. 8</b></p> <p>Moderate Impairment [Exertional dyspnea; dyspnea with moderate exertion (walking 200–400 meters, climbing 1–2 flights of stairs)]</p>
		<p><b>Gr. 9</b></p> <p>Moderate, persistent exacerbations of pulmonary symptoms affecting activity and sleep at least once a week</p>
		<p><b>Gr. 12</b></p>

		<p>Slight (minimal lesion involving a small portion of one lobe as found either by fluoroscopy or x-ray, one side only); or</p> <p>Mild, persistent exacerbations of pulmonary symptoms affecting activity and sleep at least once a month</p>
n. Cholera / Typhoid		<p><b>Gr. 1</b></p> <p>Severe residuals or impairment of intra-abdominal organs requiring regular aid and attendance that will make the seafarer unable to seek any gainful employment</p>
		<p><b>Gr. 5</b></p> <p>Severe Impairment [Short bowel syndrome after multiple resections, persistent obstruction requiring repeated hospitalization, severe malnutrition]</p>
		<p><b>Gr. 7</b></p> <p>Moderate Impairment [Chronic abdominal pain, partial obstruction episodes, weight loss, malabsorption or recurrent ascites, post-surgical adhesions with intermittent disability];</p>
		<p><b>Gr. 12</b></p> <p>Mild Impairment [Occasional abdominal pain, adhesions not limiting activity, mild nutritional impairment];</p>
<b>o. Dengue / Chikungunya / Zika</b>		
Zika with neurological effects		<p><b>Gr. 1</b></p> <p>Severe Impairment [Paraplegia or severe hemiplegia with cognitive and/or speech impairment; uncontrolled seizures];</p>
		<p><b>Gr. 6</b></p> <p>Moderate Impairment [Moderate hemiparesis with speech impairment and/or moderate cognitive impairment; controlled seizures; Paralysis of 2 or more extremities= 50%];</p>
		<p><b>Gr. 9</b></p> <p>Moderate Impairment [Moderate hemiparesis with speech impairment and/or moderate cognitive impairment; controlled seizures; Paralysis of one extremity= 25%]</p>
		<p><b>Gr. 10</b></p> <p>Mild Impairment [Mild weakness with occasional seizures and/or minor cognitive impairment];</p>
		<p><b>Gr. 13</b></p> <p>Very mild impairment [Persistent peripheral paresthesias/neuropathy, without any motor involvement]</p>
Zika with eye complications		<p><b>Gr. 1</b></p> <p>Severe Impairment [Total Blindness of both eyes];</p>
		<p><b>Gr. 5</b></p> <p>Moderate impairment [Total blindness of one eye and 50% loss of vision of the other eye]</p>
		<p><b>Gr. 7</b></p> <p>Moderately severe Impairment [Total blindness of one eye];</p>

		<b>Gr. 10</b>
		Mild Impairment [Fifty percent (50%) loss of vision visual acuity or visual field cut of one eye];
		<b>Gr. 12</b>
		Epiphora, one eye
Including other infections resulting in complications necessitating repatriation.		
<b>6. Ionizing radiation disease, inflammation, ulceration or malignant disease of the skin or subcutaneous tissues of the bones or leukemia, or anemia of the aplastic type due to x-rays, ionizing particle, radium or other radioactive substances</b>		<b>Gr. 12 - 14</b>
a. Acute radiation syndrome	Short duration of exposure to large doses of x-rays, gamma rays, alpha rays and beta rays	
b. Chronic radiation syndrome	Chronic over-exposure to x-rays with a long latent period affecting the skin, blood and reproductive organ	
c. Glass Blower's cataract	Among furnace men, glass blowers, baker, blacksmith, foundry workers. These are workers exposed to infrared rays.	
		<b>Gr. 1</b>
		Severe Impairment [Total Blindness of both eyes];
		<b>Gr. 5</b>
		Moderate impairment [Total blindness of one eye and 50% loss of vision of the other eye]
		<b>Gr. 7</b>
		Moderately severe Impairment [Total blindness of one eye];
		<b>Gr. 10</b>
		Mild Impairment [Fifty percent (50%) loss of vision, visual acuity or visual field cut of one eye];
		<b>Gr. 12</b>
		Epiphora, one eye
<b>7. Occupational diseases caused by chemical agents as listed in Item 1.1 of the ILO List of Occupational Diseases (Revised 2010)</b>		The Disability Grading shall depend on the extent of the injury or resulting illness caused to the Seafarer under Section 36-A and/or Section 36-B (Occupational Injuries and Occupational Diseases/Illnesses), as applicable.
<b>8. Diseases caused by exposure to extreme temperatures and humidity</b>		The Disability Grading shall depend on the extent of the injury or resulting illness caused to the Seafarer under Section 36-A and/or Section 36-B (Occupational Injuries and Occupational Diseases/Illnesses), as applicable.
a. Heat stroke/cramps/exhaustion	Any occupation involving exposure to excessive heat	
b. Chilblain/frostbite/freezing	Any occupation involving exposure to excessive cold	
c. Immersion foot/general hypothermia	Any occupation involving exposure to excessive cold	
<b>9. Vascular disturbance in the upper extremities due to continuous vibration from pneumatic tools or power drills, riveting machines or hammers</b>		The Disability Grading shall depend on the extent of the injury or resulting illness caused to the Seafarer under Section 36-A and/or Section 36-B (Occupational Injuries and Occupational Diseases/Illnesses), as applicable.
<b>10. Vascular disturbance in the lower extremities – varicocele causing pain,</b>		<b>Gr. 7</b>
	Any work activities that entail heavy straining	

varicose veins resulting in discoloration and ulceration	upon the lifting of heavy loads or prolonged standing	(Ulceration; involves ulceration and non-healing wounds; varicocele or hydrocele and testicular torsion)
		<b>Gr. 12</b> (Varicocele)
		<b>Gr. 13</b> (Varicose veins)
<b>11. Cardio-vascular events – to include heart attack (myocardial infarction), chest pain (angina), heart failure, or sudden death.</b>		<b>Gr. 1</b>  Patients with organic heart disease unable to carry on any physical activity. Symptoms of heart failure are present even at rest, and any physical activity increases discomfort.  <b>Gr. 6</b>  Patients with organic heart disease whose ordinary physical activity is moderately limited. Comfortable at rest, but less than ordinary activities cause fatigue, palpitations, or shortness of breath.  <b>Gr. 8</b>  Patients with organic heart disease whose ordinary physical activity is slightly limited. Comfortable at rest, but ordinary activities result in fatigue, palpitations, or shortness of breath.  <b>Gr. 12</b>  Patients with organic heart disease but able to carry on ordinary physical activity. Ordinary activities do not cause undue fatigue, palpitations, or shortness of breath.
<b>Any of the following conditions must be met:</b>		
a. If the heart disease was known to have been present during employment, there must be proof that an acute exacerbation was clearly precipitated by an unusual strain by reasons of the nature of his work	a. if a person who was apparently asymptomatic before working showed signs and symptoms of cardiac injury during the performance of his/her work and such symptoms and signs persisted, it is reasonable to claim a causal relationship	
b. the strain of work that brings about an acute attack must be sufficient severity and must be followed within 24 hours by the clinical signs of a cardiac insult to constitute causal relationship	b. If a person is a known hypertensive or diabetic, he should show compliance with prescribed maintenance medications and doctor-recommended lifestyle changes. The employer shall provide a workplace conducive for such compliance in accordance with Section 3 (A)(par.6)(Duties of the Shipowner/Principal/Employer/Master/Company)	
c. If a seafarer who was apparently asymptomatic before being subjected to strain at work showed signs and symptoms of cardiac injury during the performance of his/her work and such symptoms and signs persisted, it is reasonable to claim a causal relationship	c. A seafarer not known to have hypertension or diabetes must show normal results in the last PEME	
d. If a seafarer is a known hypertensive or diabetic, he/she should show compliance with prescribed maintenance medications and doctor-recommended lifestyle changes. The employer shall provide a workplace conducive for such compliance in accordance with Section 3(A)(par.6)(Duties of the Shipowner/Principal/Employer/Master/Company)		
<b>12. Cerebrovascular Events - The following conditions must be met:</b>		
a. If a person is a known hypertensive, his/her Hypertension remains poorly controlled despite compliance with the treatment.		<b>Gr. 1</b>  Severe Impairment [Paraplegia or severe hemiplegia with cognitive and/or speech impairment; uncontrolled seizures];
b. If a history of substance use is present, it must be ruled-out as a cause of/or contributory to stroke.		<b>Gr. 6</b>  Moderate Impairment [Moderate hemiparesis with speech impairment and/or moderate cognitive impairment; controlled seizures; Paralysis of 2 or more extremities= 50%];
c. In any case, any of the following conditions must be present:		

c.1. There must be proof that the acute stroke must have developed as a result of the stressful nature of work and pressures inherent in an occupation;		<p style="text-align: center;"><b>Gr. 9</b></p> <p>Moderate Impairment [Moderate hemiparesis with speech impairment and/or moderate cognitive impairment; controlled seizures; Paralysis of one extremity= 25%]</p> <p style="text-align: center;"><b>Gr. 10</b></p> <p>Mild Impairment [Mild weakness with occasional seizures and/or minor cognitive impairment];</p> <p style="text-align: center;"><b>Gr. 13</b></p> <p>Very mild impairment [Persistent peripheral paresthesias/neuropathy, without any motor involvement]</p>
c.2. There is a strong evidence of significant exposure such as but not limited to the following: extremes of temperature, long working hours, irregular work patterns, shift work, noise, reduced decision-making autonomy, excessive workload with inadequate time to meet job demands, high psychological demands, poor working conditions and heavy physical work.		
c.3. The strain of work that brings about an acute stroke must be sufficient in severity and must be followed within 24 hours by the clinical signs of an acute onset of neurological deficit to constitute causal relationship;		
c.4. If a person who was apparently asymptomatic before being subjected to strain at work showed signs and symptoms of an acute onset of neurologic deficit during the performance of his/her work, and such symptoms and signs persisted, it is reasonable to claim causal relationship;		
c.5. There was a history of work - connected unusual and extraordinary mental strain or event or trauma to the neck, which must be proven to cause either a brain infarction or brain hemorrhage as documented by neuro-imaging studies; or		
c.6. In case of Transient Ischemic Attack or TIA which cannot be documented by neuro-imaging studies, a validation by the attending physician, preferably a neurologist, is required.		
<b>13. End Organ Damage Resulting from Uncontrolled Hypertension</b>  Impairment of function of the organs such as kidneys, heart, eyes, and brain under any of the following conditions shall be considered compensable:		<b>NEUROLOGIC</b>
a. If a person is a known hypertensive or diabetic, he/she should show compliance with prescribed maintenance medications and doctor-recommended lifestyle changes. The employer shall provide a workplace conducive for such compliance in accordance with Section 3 (A)(par.6)(Duties of the Shipowner/Principal/ Employer/Master/ Company)	a. if a person who was apparently asymptomatic before working showed signs and symptoms of cardiac injury during the performance of his/her work and such symptoms and signs persisted, it is reasonable to claim a causal relationship	<p style="text-align: center;"><b>Gr. 1</b></p> <p>Severe Impairment [Paraplegia or severe hemiplegia with cognitive and speech impairment; uncontrolled seizures]</p> <p style="text-align: center;"><b>Gr. 6</b></p> <p>Moderate Impairment [Moderate hemiparesis with speech impairment and moderate cognitive impairment; controlled seizures; Paralysis of 2 or more extremities= 50%]</p> <p style="text-align: center;"><b>Gr. 9</b></p> <p>Moderate Impairment [Moderate hemiparesis with speech impairment and moderate cognitive impairment; controlled seizures; Paralysis of one extremity= 25%]</p>
b. In a patient not known to have hypertension has the following on his/her last PEME: normal BP, normal CXR and ECG/treadmill	b. If a person is a known hypertensive or diabetic, he/she should show compliance with prescribed maintenance medications and doctor-recommended lifestyle changes. The employer shall	<p style="text-align: center;"><b>Gr. 10</b></p> <p>Mild Impairment [Mild weakness with occasional seizures and minor cognitive impairment]</p> <p style="text-align: center;"><b>Gr. 13</b></p> <p>Very mild impairment [Persistent peripheral paresthesias/neuropathy, without any motor</p>

	<p>provide a workplace conducive for such compliance in accordance with Section 3 (A)(par.6)(Duties of the Shipowner/Principal/Employer/Master/Company)</p>	<p>involvement]</p> <p><b>RENAL</b></p> <p><b>Gr. 2</b></p> <p>High severe impairment [Chronic Kidney Disease, Stage 5]</p> <p><b>Gr. 5</b></p> <p>Severe Impairment [Chronic Kidney Disease, Stage 4]</p> <p><b>Gr. 10</b></p> <p>Moderate Impairment [Chronic Kidney Disease, Stage 3]</p> <p><b>Gr. 14</b></p> <p>Mild impairment [Chronic Kidney Disease, Stage 2]</p> <p><b>CARDIO-VASCULAR</b></p> <p><b>Gr. 1</b></p> <p>High severe impairment [Dyspnea marked even at rest and completely preventing activity (any physical activity of daily living causes discomfort)]</p> <p><b>Gr. 6</b></p> <p>Dyspnea sufficient to prevent climbing one flight of stairs, or walking one block without stopping;</p> <p>Patients with organic heart disease whose ordinary physical activity is moderately limited. Comfortable at rest, but less than ordinary activities cause fatigue, palpitations, or shortness of breath</p> <p><b>Gr. 8</b></p> <p>Patients with organic heart disease whose ordinary physical activity is slightly limited. Comfortable at rest, but ordinary activities result in fatigue, palpitations, or shortness of breath</p> <p><b>Gr. 9</b></p> <p>Moderate Impairment [Dyspnea only after climbing one flight of stairs or walking more than one block on a level surface]</p> <p><b>Gr. 12</b></p> <p>Patients with organic heart disease but able to carry on ordinary physical activity. Ordinary activities do not cause undue fatigue, palpitations, or shortness of breath</p> <p><b>Gr. 14</b></p> <p>Minimal Impairment [No recognized limitation of exertion tolerance]</p> <p><b>OPHTHALMOLOGIC</b></p> <p><b>Gr. 1</b></p> <p>Severe Impairment [Total blindness of both eyes];</p> <p><b>Gr. 5</b></p> <p>Moderate impairment [Total blindness of one</p>
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		<p>eye and 50% loss of vision of the other eye]</p> <p style="text-align: center;"><b>Gr. 7</b></p> <p>Moderately severe Impairment [Total blindness of one eye];</p> <p style="text-align: center;"><b>Gr. 10</b></p> <p>Mild Impairment [Fifty percent (50%) loss of vision, visual acuity or visual field cut of one eye];</p> <p style="text-align: center;"><b>Gr. 12</b></p> <p>Epiphora, one eye</p>
14. Cataract	Caused by prolonged and excessive exposure to ultraviolet light from the sun or trauma or injury to the eye causing the development of traumatic cataract	<p style="text-align: center;"><b>Gr. 1</b></p> <p>Severe Impairment [Total blindness of both eyes]</p>
		<p style="text-align: center;"><b>Gr. 5</b></p> <p>Moderate impairment [Total blindness of one eye and 50% loss of vision of the other eye]</p>
		<p style="text-align: center;"><b>Gr. 7</b></p> <p>Moderately severe Impairment [Total blindness of one eye]</p>
		<p style="text-align: center;"><b>Gr. 10</b></p> <p>Mild Impairment [Fifty percent (50%) loss of vision, visual acuity or visual field cut of one eye]</p>
		<p style="text-align: center;"><b>Gr. 12</b></p> <p>Epiphora, one eye</p>
15. Pterygium	Caused by prolonged and excessive exposure to ultraviolet light from the sun, hot and dry climates, wind, and sea breeze.	<p style="text-align: center;"><b>Gr. 1</b></p> <p>Severe Impairment [Total blindness of both eyes]</p>
		<p style="text-align: center;"><b>Gr. 5</b></p> <p>Moderate impairment [Total blindness of one eye and 50% loss of vision of the other eye]</p>
		<p style="text-align: center;"><b>Gr. 7</b></p> <p>Moderately severe Impairment [Total blindness of one eye]</p>
		<p style="text-align: center;"><b>Gr. 10</b></p> <p>Mild Impairment [Fifty percent (50%) loss of vision, visual acuity or visual field cut of one eye]</p>
		<p style="text-align: center;"><b>Gr. 12</b></p> <p>Epiphora, one eye</p>
16. Vitreal hemorrhage and retinal detachment	Caused by trauma or strain upon lifting of heavy loads	<p style="text-align: center;"><b>Gr. 1</b></p> <p>Severe Impairment [Total Blindness of both eyes]</p>
		<p style="text-align: center;"><b>Gr. 5</b></p> <p>Moderate impairment [Total blindness of one eye and 50% loss of vision of the other eye]</p>
		<p style="text-align: center;"><b>Gr. 7</b></p> <p>Moderately severe Impairment [Total blindness of one eye]</p>
		<p style="text-align: center;"><b>Gr. 10</b></p>

		Mild Impairment [Fifty percent (50%) loss of vision, visual acuity or visual field cut of one eye]
		<b>Gr. 12</b> Epiphora, one eye
<b>17. Hernia.</b> All of the following conditions must be met:		<b>Gr. 12</b>
a. The hernia should be of recent origin;		
b. Its appearance was accompanied by pain, discoloration and evidence of a tearing of the tissues; and		
c. The disease was immediately preceded by undue or severe strain arising out of and in the course of employment; a protrusion of mass should appear in the area immediately following the alleged strain.		
<b>18. Bronchial Asthma – all of the following conditions must be met:</b>		<b>Gr. 1</b>
a. there is no evidence or history of asthma before employment;		High severe impairment [End-Stage Respiratory Failure; Resting hypoxemia, hypercapnia, home O2 dependent];
b. the allergen is present in the working conditions [and working process];		Severe (far-advanced lesion, involving not less than one lobe, both sides, or entire lung, one side)
c. sensitivity test to allergens in the working environment should yield positive results; and		<b>Gr. 4</b> Dyspnea at rest/minimal exertion; frequent exacerbations despite medications
d. a provocative test should show positive results.		<b>Gr. 6</b> Severe, persistent exacerbations of pulmonary symptoms causing frequent limitation of daily physical activities;  Moderate (moderately advanced lesion involving one lobe, one side; or less than one lobe but both sides)
		<b>Gr. 8</b> Moderate impairment [Exertional dyspnea; dyspnea with moderate exertion (walking 200–400 meters, climbing 1–2 flights of stairs)]
		<b>Gr. 9</b> Moderate, persistent exacerbations of pulmonary symptoms affecting activity and sleep at least once a week
		<b>Gr. 12</b> Slight (minimal lesion involving a small portion of one lobe as found either by fluoroscopy or x-ray, one side only); or  Mild, persistent exacerbations of pulmonary symptoms affecting activity and sleep at least once a month

<p><b>19. MUSCULOSKELETAL DISORDERS.</b> - Refers to traumatic and non-traumatic inflammatory, degenerative, and acquired conditions affecting muscle, tendons, ligaments, joints, peripheral nerves and blood vessels arising in the performance of assigned tasks.</p>	<p style="text-align: center;"><b>Gr. 10</b></p> <p>Severe Impairment [Marked deformity, ankylosis, of a major joint or severe limitation, walking aid needed]</p> <p style="text-align: center;"><b>Gr. 12</b></p> <p>Moderate impairment [Persistent pain, swelling or deformity, definite limitation of motion or strength, reduced capacity]</p> <p style="text-align: center;"><b>Gr. 14</b></p> <p>Mild Impairment [Occasional pain and stiffness, no or slight limitation of motion, still able to perform normal work]</p>
<p>a. Dorsopathies or disorder of the spine (involving the cervical, thoracic, lumbosacral, pelvis, hip) acquired and secondary to injuries/accidents causing Spine Pain in conditions such as Herniated Nucleus Pulposus; Osteoarthritis; Spondylosis; Spondylitis; Spondylolisthesis; Muscle Strain and Sprain; Fracture/ Dislocations and; Radiculopathy among but not limited to workers who are exposed to high levels of whole body vibration, repetitive motions, lifting, performing work in flexed or hyperextended posture or performing other manual handling tasks (such as pushing, pulling).</p>	<p style="text-align: center;"><b>Gr. 1</b></p> <p>Injury to the spinal cord as to make walking impossible even with the aid of a pair of crutches; Injury to the spinal cord resulting to incontinence of urine and feces</p> <p style="text-align: center;"><b>Gr. 4</b></p> <p>Injury to the spinal cord as to make walking impossible without the aid of crutches</p> <p style="text-align: center;"><b>Gr. 6</b></p> <p>Severe or total rigidity of the trunk or total loss of lifting power of heavy objects</p> <p style="text-align: center;"><b>Gr. 8</b></p> <p>Total stiffness or total loss of motion of the neck; or</p> <p>Moderate rigidity or two-thirds (2/3) loss of motion or lifting power of the trunk</p> <p style="text-align: center;"><b>Gr. 10</b></p> <p>Disc disease producing peripheral nerve compression; or</p> <p>Moderate stiffness or two-thirds (2/3) loss of motion of the neck</p> <p style="text-align: center;"><b>Gr. 11</b></p> <p>Slight rigidity or one-third (1/3) loss of motion or lifting power of the trunk</p> <p style="text-align: center;"><b>Gr. 12</b></p> <p>Slight stiffness or one-third (1/3) loss of motion of the neck</p>
<p>b. Disorders of the shoulder acquired or secondary to injuries/accidents causing Crushing, Avulsions; Amputations; Rotator Cuff Tendinitis; Rotator Cuff Tear; Strain and Sprain; Shoulder Impingement Syndrome; Adhesive Capsulitis or Frozen Shoulder; Bicipital tendinitis; Ruptured Bicipital Tendon and Shoulder Joint Dislocation among but not limited to workers who perform repeated above shoulder activities, and or repeated shoulder flexion, external rotation and abduction.</p>	<p style="text-align: center;"><b>Gr. 7</b></p> <p>Flail shoulder joint</p> <p style="text-align: center;"><b>Gr. 8</b></p> <p>Ankylosis of one shoulder, the shoulder blade remaining rigid</p> <p style="text-align: center;"><b>Gr. 9</b></p> <p>Ankylosis of one (1) shoulder, the shoulder blade remaining mobile</p> <p style="text-align: center;"><b>Gr. 10</b></p> <p>Ankylosis of the shoulder joint not permitting arm to be raised above a level with the shoulder</p> <p style="text-align: center;"><b>Gr. 11</b></p>

	Inability to raise arm more than halfway from horizontal to perpendicular
c. Disorders of the elbow acquired or secondary to injuries/accidents causing Crushing, Avulsions, Amputations; Lateral and Medical Epicondylitis; Bursitis; Nerve Impingement; Tenosynovitis and peritendonitis among but not limited to workers exposed to trauma, forceful and repetitive work/stress involving wrist dorsiflexion, forearm supination and/or pronation.	<p style="text-align: center;"><b>Gr. 7</b></p> Stiff elbow at full flexion or extension (one side) <p style="text-align: center;"><b>Gr. 8</b></p> Stiff elbow at right angle flexion <p style="text-align: center;"><b>Gr. 9</b></p> Flail elbow joint; or Ability to move elbow between 90° and 150° only <p style="text-align: center;"><b>Gr. 10</b></p> Inability to turn forearm (forearm in abnormal position – pronation); or Inability to turn forearm (forearm in normal position-supination) <p style="text-align: center;"><b>Gr. 11</b></p> Disturbance of the normal carrying angle or weakness of an arm or a forearm
d. Disorders of wrist and hand acquired or secondary to injuries/accidents causing Crushing, Avulsions, Amputations; Trigger Finger; Mallet Finger; Strain and Sprain; Fracture; Dislocation; de Quervain Tenosynovitis; Dupuytren' Contracture and; Carpal Tunnel Syndrome among but not limited to workers using hand/vibratory tools for activities involving frequently flexed or extended wrist, combination of repetition, force and posture, overuse of the thumb as in repetitive grasping/pinching*, repetitive and forceful gripping and sustained awkward postures of the wrist.	<p style="text-align: center;"><b>Gr. 9</b></p> Loss of opposition between the thumb and tips of the fingers of one hand <p style="text-align: center;"><b>Gr. 10</b></p> Loss of grasping power for small objects between the fold of the finger of one hand; Loss of grasping power for large objects between fingers and palm of one hand; Severely limited motion of the wrist; or Ankylosed wrist in normal position <p style="text-align: center;"><b>Gr. 11</b></p> Ankylosed wrist in position one third (1/3) flexed or half extended and/or severe limited action of a wrist
e. Disorders of the knee acquired or secondary to injuries/accidents causing Crushing, Avulsions, Amputations, Knee Osteoarthritis; Bursitis; Meniscal Tear; Patellar Tendinitis; Strain and Sprain; Fracture of the patella, tibia, femur and fibula; Synovitis and; Dislocation among but not limited to workers whose work entails exposure to prolonged external friction, pressure or repetitive motion about the knee	<p style="text-align: center;"><b>Gr. 7</b></p> Complete immobility of a knee joint in strong flexion <p style="text-align: center;"><b>Gr. 10</b></p> Complete immobility of a knee joint in full extension; Pseudoarthrosis of a knee cap (patella); Ankylosis of a knee in genu valgum or varum; or Stretching of the ligaments of the knee resulting in instability of the joint
f. Disorders of the ankle and foot acquired or secondary to injuries/accidents causing Crushing, Avulsions, Amputations, Strain and Sprain; Fracture of the ankle and foot; Achilles tendon tear and tendinitis; Bursitis; Synovitis, and Dislocation, among but not limited to workers exposed to repetitive stress and trauma of the ankle and foot. *lateral pinch between the thumb and index finger	<p style="text-align: center;"><b>Gr. 10</b></p> Complete immobility of an ankle joint in abnormal position <p style="text-align: center;"><b>Gr. 11</b></p> Complete immobility of an ankle joint in normal position <p style="text-align: center;"><b>Gr. 12</b></p>

	<p>Tearing of the Achilles tendon resulting in the impairment of active flexion and extension of a foot; or</p> <p>Depression of the arch of a foot resulting in weak foot</p>
<b>20. Peptic Ulcer</b>	
<p>Any occupation involving prolonged emotional or physical stress, as among professional people, transport workers and the like.</p>	<p><b>Gr. 1</b></p> <p>Severe residuals or impairment of intra-abdominal organs requiring regular aid and attendance will make the seafarer unable to seek any gainful employment</p> <p><b>Gr. 5</b></p> <p>Severe Impairment [Short bowel syndrome after multiple resections, persistent obstruction requiring repeated hospitalization, severe malnutrition]</p> <p><b>Gr. 7</b></p> <p>Moderate Impairment [Chronic abdominal pain, partial obstruction episodes, weight loss, malabsorption or recurrent ascites, post-surgical adhesions with intermittent disability];</p> <p>Moderate residuals or impairment of intra-abdominal organs resulting in impairment of nutrition, moderate tenderness, nausea, vomiting, constipation or diarrhea;</p> <p><b>Gr. 12</b></p> <p>Mild Impairment [Occasional abdominal pain, adhesions not limiting activity, mild nutritional impairment];</p> <p>Slight residuals or impairment of intra-abdominal organs resulting in slight impairment of nutrition, slight tenderness, and/or infrequent constipation or diarrhea; or</p> <p>Hernia, either recurrent or causing discomfort after surgical repair</p>
<b>21. Viral hepatitis</b>	
<p>In addition to working conditions already listed under Philippine Decree No. 626, as amended, any occupation involving exposure to a source of infection through ingestion of water, milk or other foods contaminated with hepatitis virus; provided that the physician determining the causal relationship between the employment and the illness should be able to indicate whether the disease of the afflicted worker manifested itself while he was so employed, knowing the incubation period thereof.</p>	<p><b>Gr. 1</b></p> <p>High severe impairment [Stage 4- Hepatic Encephalopathy]</p> <p><b>Gr. 4</b></p> <p>Severe impairment [Advanced cirrhosis (ultrasound and deranged liver function test), recurrent ascites with coagulopathy]</p> <p><b>Gr. 12</b></p> <p>Moderate Impairment [Fatigue, mild cirrhosis (ultrasound and deranged liver function test), controlled ascites]</p>
<b>22. Asbestosis.</b>	
<p>All of the following conditions must be met:</p>	<p><b>Gr. 1</b></p> <p>High severe impairment [End-Stage Respiratory Failure; Resting hypoxemia, hypercapnia, home O2 dependent];</p> <p>Severe (far-advanced lesion, involving not less than one lobe, both sides, or entire lung, one side)</p>
<p>a. The seafarer must have been exposed to Asbestos dust in the work place, as duly certified to by the employer, or by a medical institution, or competent medical practitioner acceptable to or accredited by the System [SSS/GSIS];</p>	
<p>b. The chest X-ray report of the seafarer must show findings of asbestos or asbestos-related disease, e.g. pleural plaques, pleural thickening, effusion, neoplasm and interstitial fibrosis; and</p>	<p><b>Gr. 4</b></p> <p>Dyspnea at rest/minimal exertion; frequent exacerbations despite medications</p>
<p>c. In case of ailment is discovered after the seafarer's retirement/separation from the company, the claim must be filed with the appropriate agency within three (3) years from discovery.</p>	<p><b>Gr. 6</b></p> <p>Severe, persistent exacerbations of</p>

	<p>pulmonary symptoms causing frequent limitation of daily physical activities;</p> <p>Moderate (moderately advanced lesion involving one lobe, one side; or less than one lobe but both sides)</p> <p style="text-align: center;"><b>Gr. 8</b></p> <p>Moderate Impairment [Exertional dyspnea; dyspnea with moderate exertion (walking 200–400 meters, climbing 1–2 flights of stairs)]</p> <p style="text-align: center;"><b>Gr. 9</b></p> <p>Moderate, persistent exacerbations of pulmonary symptoms affecting activity and sleep at least once a week</p> <p style="text-align: center;"><b>Gr. 12</b></p> <p>Slight (minimal lesion involving a small portion of one lobe as found either by fluoroscopy or x-ray, one side only)</p> <p>Mild, persistent exacerbations of pulmonary symptoms affecting activity and sleep at least once a month</p>
<b>23. Mental and Behavioural Disorders</b>	
<p><b>Post-traumatic stress disorder (PTSD)</b></p> <p>A condition of the mind whereby unfavorable mental influences disturb the function of the body through nervous mechanisms. It may follow any physical injury.</p>	
<p>1. Severe (Such disturbance as to continually endanger self or others)</p>	<p style="text-align: center;"><b>Gr. 1</b></p> <p>Such disturbance as to continually endanger self or others;</p> <p>Severe mental disorder or post-traumatic psychoneurosis which require regular aid and attendance to render the seafarer permanently unable to perform any work</p>
<p>2. Moderate (emotional disturbance under minimal stress with insomnia, persistent headache, and/or dizziness which greatly interfere with working capacity; or (60% NSD)</p>	<p style="text-align: center;"><b>Gr. 5</b></p> <p>Moderate impairment [Emotional disturbances under minimal stress with insomnia, persistent headache, and/or dizziness with greatly interfere with working capacity]</p> <p>Moderate mental disorder or post-traumatic psychoneurosis which limit the seafarer to the activities of daily living with some directed care or attendance.</p>
<p>3. Slight mental disorder or post-traumatic psychoneurosis that requires little attendance or aid and which interferes to a slight degree with the working capacity</p>	<p style="text-align: center;"><b>Gr. 10</b></p> <p>Slight mental disorder or post-traumatic psychoneurosis that requires little attendance or aid and which interferes to a slight degree with the working capacity.</p>
<p>4. Slight (such symptoms as mild emotional disturbance which interferes with working capacity to a slight degree; (12% Non-Scheduled Disabilities or NSD)</p>	<p style="text-align: center;"><b>Gr. 11</b></p> <p>Mild emotional disturbances which interferes with working capacity to a slight degree</p>

**SECTION 37. TABLE OF OFFENSES AND CORRESPONDING ADMINISTRATIVE PENALTIES**

A. Pursuant to Section 21 (Disciplinary Procedures) and Section 22 (Termination of Employment) of this Contract, the disciplinary grounds listed in the Table of Offenses and

Administrative Penalties hereunder or analogous acts thereto shall be penalized according to their gravity and frequency of commission, imposed by the Master of the ship. Such offenses shall be penalized as indicated.

- B. Commission of a seafarer of any of the offenses enumerated in the Table of Offenses and Administrative Penalties hereunder or of similar offenses shall be grounds for disciplinary administrative action at the DMW where the following corresponding penalty shall be imposed.
- C. The penalties for administrative actions by the Master, Designated Person Ashore (DPA) or any authorized and qualified person appointed by the shipowner, and/or the DMW provided herein shall be separate and distinct from whatever appropriate criminal action that may be filed against the seafarer.

**TABLE OF OFFENSES AND CORRESPONDING ADMINISTRATIVE PENALTIES**

OFFENSES	ADMINISTRATIVE PENALTIES (IMPOSED BY THE MASTER)	ADMINISTRATIVE PENALTIES (IMPOSED BY THE DMW AFTER INVESTIGATION)
<b>1. Smuggling or violation of any customs rules and regulations of the Philippines and of foreign ports, such as:</b>		
a. Smuggling any taxable item	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
b. Possession, sale, transport, distribution, delivery, supply, or use of prohibited drugs, narcotics or other similar or related contraband	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Permanent disqualification from participation in the overseas employment program
c. Gun-running or illegal/unauthorized possession of firearms, ammunition, explosives, and/or related items thereto	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	One (1) Year and One (1) Day to Two (2) Years suspension from participation in the overseas employment program
d. Abetting or conniving with others to commit smuggling	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
e. Misdeclaration of or failing to declare articles leading to their seizure and fine to ship	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
f. Misdeclaration of or failing to declare articles leading to their seizure but the ship is not implicated	Master's reasonable and sound discretion (depending on circumstances)  Penalties ranging from:  1) reprimand or warning; or 2) dismissal and cost of repatriation and cost of replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
g. Possession of pornographic materials other than child pornography leading to their seizure and imposition of fine against the ship	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
h. Possession of child pornographic materials	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	One (1) Year and One (1) Day to Two (2) Years suspension from participation in the overseas employment program

i. Any other violation of custom rules and regulations which will implicate the ship	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
<b>2. Desertion</b>		
a. Deserting or attempting to desert	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	One (1) Year and One (1) Day to Two (2) Years suspension from participation in the overseas employment program
b. Advising, assisting or persuading another to desert	Dismissal and to pay cost of his/her repatriation	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
<b>3. Absence without leave</b>		
a. Abandoning or leaving one's post or duty without being properly relieved	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
b. Leaving the ship without permission from responsible officers during or outside working hours	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
c. Entrusting to others assigned duties without authority of superior officer	Master's reasonable and sound discretion (depending on circumstances)  Penalties ranging from:  1) reprimand or warning; <i>or</i> 2) dismissal and cost of repatriation and cost of replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
<b>4. Sleeping on post while on duty</b>		
	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
<b>5. Insubordination</b>		
a. Any act of disobedience to lawful orders of a superior officer	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
b. Attempting to assault a superior officer, crew, passenger or other persons with business at the ship	Master's reasonable and sound discretion (depending on circumstances)  Penalties ranging from:  1) reprimand or warning; <i>or</i> 2) dismissal and cost of repatriation and cost of replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
c. Physically assaulting a superior officer, crew, passenger or other persons with business onboard the ship	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	One (1) Year and One (1) Day to Two (2) Years suspension from participation in the overseas employment program
d. Behaving with disrespect towards a superior officer	Master's reasonable and sound discretion (depending on circumstances)  Penalties ranging from:	Six (6) Months to One (1) Year suspension from participation in the overseas employment program

	<ul style="list-style-type: none"> <li>1) reprimand or warning; <i>or</i></li> <li>2) dismissal and cost of repatriation and cost of replacement</li> </ul>	
e. Insulting a superior officer by words or deeds	<p>Master's reasonable and sound discretion (depending on circumstances)</p> <p>Penalties ranging from:</p> <ul style="list-style-type: none"> <li>1) reprimand or warning; <i>or</i></li> <li>2) dismissal and cost of repatriation and cost of replacement</li> </ul>	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
f. Inciting another to commit insubordination	<p>Master's reasonable and sound discretion (depending on circumstances)</p> <p>Penalties ranging from:</p> <ul style="list-style-type: none"> <li>1) reprimand or warning; <i>or</i></li> <li>2) dismissal and cost of repatriation and cost of replacement</li> </ul>	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
<b>6. Drunkenness</b>		
a. Drunk or intoxicated while on duty	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	One (1) Year and One (1) Day to Two (2) Years suspension from participation in the overseas employment program
b. Creating trouble on board due to alcohol intoxication	<p>Master's reasonable and sound discretion (depending on circumstances)</p> <p>Penalties ranging from:</p> <ul style="list-style-type: none"> <li>1) reprimand or warning; <i>or</i></li> <li>2) dismissal and cost of repatriation and cost of replacement</li> </ul>	One (1) Year and One (1) Day to Two (2) Years suspension from participation in the overseas employment program
c. Failure to perform assigned jobs due to alcohol intoxication	<p>Master's reasonable and sound discretion (depending on circumstances)</p> <p>Penalties ranging from:</p> <ul style="list-style-type: none"> <li>1) reprimand or warning; <i>or</i></li> <li>2) dismissal and cost of repatriation and cost of replacement</li> </ul>	One (1) Year and One (1) Day to Two (2) Years suspension from participation in the overseas employment program
<b>7. Creating trouble outside the ship's premises that unjustly implicates the ship</b>	<p>Master's reasonable and sound discretion (depending on circumstances)</p> <p>Penalties ranging from:</p> <ul style="list-style-type: none"> <li>1) reprimand or warning; <i>or</i></li> </ul>	Six (6) Months to One (1) Year suspension from participation in the overseas employment program

	2) dismissal and cost of repatriation and cost of replacement	
<b>8. Gambling</b>		
a. Any form of gambling, including online gambling, which results in fighting or any incident as to upset the harmonious relationship on board the ship	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
b. Any other form of gambling, including online gambling, which is not purely recreational	Master's reasonable and sound discretion (depending on circumstances)  Penalties ranging from:  1) reprimand or warning; <i>or</i> 2) dismissal and cost of repatriation and cost of replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
<b>9. Violation of company policies and regulations for:</b>		
a. Pilferage or theft of ship's store or cargo	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
b. Pilferage or theft of ship's property, of crew or passengers, or of other persons with business at the ship	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
c. Embezzlement of ship's funds	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
d. Unauthorized disposal of ship's properties for personal gain;	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
e. Any act of dishonesty with intention to defraud the company	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
f. Gross negligence and failure to observe proper stowage and cargo handling procedures resulting in delay of ships and/or damage to cargoes	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
g. Failure to observe and comply with regulation on non-manifested baggage, parcels, and cargo	Master's reasonable and sound discretion (depending on circumstances)  Penalties ranging from:  1) reprimand or warning; <i>or</i> 2) dismissal and cost of repatriation and cost of replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
h. Failure to observe regulations on expiration of shore liberty	Master's reasonable and sound discretion (depending on circumstances)	Six (6) Months to One (1) Year suspension from participation in the overseas employment program

	Penalties ranging from:  1) reprimand or warning; <i>or</i> 2) dismissal and cost of repatriation and cost of replacement	
i. Being left behind by ship in any port without justifiable reason	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
j. Disorderly conduct and/or disrespect towards passengers or other persons	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
k. Immorality so as to cast aspersion on the good name of the ship and the company	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
l. Inflicting harm or injury to others	Master's reasonable and sound discretion (depending on circumstances)  Penalties ranging from:  1) reprimand or warning; <i>or</i> 2) dismissal and cost of repatriation and cost of replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
<b>10. Incompetence and inefficiency of a seafarer</b>	Master's reasonable and sound discretion (depending on circumstances)  Penalties ranging from:  1) reprimand or warning; <i>or</i> 2) dismissal and cost of repatriation and cost of replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
<b>11. Inciting mutiny, malicious destruction of ship's property, or any similar activity which will endanger the safety of the ship and its crew</b>	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	One (1) Year and One (1) Day to Two (2) Years suspension from participation in the overseas employment program
<b>12. Concerted action to breach approved contracts</b>	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
<b>13. Any activity which tends to destroy the harmonious relationship between and among the ship's crew and/or the company</b>	Master's reasonable and sound discretion (depending on circumstances)  Penalties ranging from:  1) reprimand or warning; <i>or</i> 2) dismissal and cost of repatriation and cost of replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program

<b>14. Grave abuse of authority</b>		
a. Grave abuse of authority causing serious harm, injury, illness or death to any person on board the vessel	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	One (1) Year and One (1) Day to Two (2) Years suspension from participation in the overseas employment program
b. Grave abuse of authority which disturbs the harmonious relationship of ship's crew	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
c. Grave abuse of authority resulting in loss of trust and confidence	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
d. Any other case of abuse of authority	Master's reasonable and sound discretion (depending on circumstances)  Penalties ranging from:  1) reprimand or warning; <i>or</i> 2) dismissal and cost of repatriation and cost of replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
<b>15. Gross misbehavior prejudicial to good order and discipline</b>	Master's reasonable and sound discretion (depending on circumstances)  Penalties ranging from:  1) reprimand or warning; <i>or</i> 2) dismissal and cost of repatriation and cost of replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
<b>16. Gross negligence resulting in damage, loss, spoilage or deterioration of the ship's stocks and property</b>	Master's reasonable and sound discretion (depending on circumstances)  Penalties ranging from:  1) reprimand or warning; <i>or</i> 2) dismissal and cost of repatriation and cost of replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
<b>17. Connivance with or coddling of stowaway</b>	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	One (1) Year and One (1) Day to Two (2) Years suspension from participation in the overseas employment program
<b>18. Willfully making false statements, reports, certifications or documents for personal gain or with intent to mislead or defraud the company or authorities</b>	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	One (1) Year and One (1) Day to Two (2) Years suspension from participation in the overseas employment program
<b>19. Any other case as to cast aspersion on the good name of the company and ship</b>	Master's reasonable and sound discretion (depending on circumstances)	Six (6) Months to One (1) Year suspension from participation in the overseas employment program

	<p>Penalties ranging from:</p> <ol style="list-style-type: none"> <li>1) reprimand or warning; <i>or</i></li> <li>2) dismissal and cost of repatriation and cost of replacement</li> </ol>	
<b>20. Violation to observe safety and environmental rules/regulations</b>	<p>Master's reasonable and sound discretion (depending on circumstances)</p> <p>Penalties ranging from:</p> <ol style="list-style-type: none"> <li>1) reprimand or warning; <i>or</i></li> <li>2) dismissal and cost of repatriation and cost of replacement</li> </ol>	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
<b>21. Failure to comply with the drug and alcohol policy of the company</b>	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
<b>22. Submitting, furnishing, or using false material information or documents or any form of gross misrepresentation for the purpose of job application or employment</b>	Dismissal and to pay cost of his/her repatriation	One (1) Year and One (1) Day to Two (2) Years suspension from participation in the overseas employment program
<b>23. Other forms of misrepresentation relative to the overseas employment of the seafarer</b>	<p>Master's reasonable and sound discretion (depending on circumstances)</p> <p>Penalties ranging from:</p> <ol style="list-style-type: none"> <li>1) reprimand or warning; <i>or</i></li> <li>2) dismissal and cost of repatriation and cost of replacement</li> </ol>	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
<b>24. Sexual assault, rape, murder, acts of terrorism, and other heinous crimes</b>	Dismissal and to pay cost of his/her repatriation and cost of his/her replacement	Permanent disqualification or delisting from participation in the overseas employment program of the DMW
<b>25. Unjustified breach of employment contract by the seafarer</b>	Dismissal and to pay cost of his/her repatriation	One (1) Year and One (1) Day to Two (2) Years suspension from participation in the overseas employment program
<b>26. Gross violation of LMA policies and regulations</b>	Dismissal and to pay cost of his/her repatriation	One (1) Year and One (1) Day to Two (2) Years suspension from participation in the overseas employment program
<b>27. Conviction for violation of the Anti-Violence Against Women and Children Act (RA No. 9262) or any other relevant laws involving gender-based violence</b>	Dismissal and to pay cost of his/her repatriation	One (1) Year and One (1) Day to Two (2) Years suspension from participation in the overseas employment program

<b>28. Violation of the Code of Discipline for Seafarers</b>	Master's reasonable and sound discretion (depending on circumstances)  Penalties ranging from:  1) reprimand or warning; or 2) dismissal and cost of repatriation and cost of replacement	Six (6) Months to One (1) Year suspension from participation in the overseas employment program
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\_\_\_\_\_ *Seafarer*

\_\_\_\_\_ *Employer*

*Date:*

*DMW Approval:*

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