

Guidelines for compensation at loss of Health Certificate for employees within oil service and offshore service

1. Principles of the scheme

Based on the Oil Service Agreement between Industri Energi and NOG, the parties are agreed to establish a fund to cover for the loss of Health Certificate for employees in oil service companies on the Norwegian Continental Shelf.

The companies covered by the scheme will annually provide the fund with capital equivalent to 6.8% of the basic amount in the National Insurance Scheme per employee for all the employees as per July 1 who are covered by Part III and Part VI of the Collective Agreement. Divers who have performed saturated diving during the last three years are excepted from the scheme. Companies that by application have been registered with employees who are not covered by Part III and Part VI of the Collective Agreement, must submit name lists of employees registered. Offshore employees who temporarily, for a maximum period of 2 years work onshore, are paid for and are covered by the scheme.

According to a statement from the Ministry of Finance to (then) OFS 20.10.1999 and a report submitted by Ernst and Young received by (then) NOPEF 7.5.2002, the funds may be paid out tax-free. It is assumed that the employers transfer of funds to the scheme is taxed by the individual employee who is covered by the scheme.

2. Who is covered by the scheme

The scheme includes shelf-employed members of Industri Energi in an oil service company that pays into the scheme. By an oil service company is meant a company where the Oil Service Agreement with NOG or an Affiliation Agreement to the Agreement has been made applicable.

Non-union and employees offshore outside the scope of the Collective Agreement in such companies, hereinafter referred to as «Others», may be covered by the scheme if they have not reserved themselves. The group «Others» covered by the scheme will pay a separate fee to the fund. For the group «Others, the company must submit list of names to OSO.

The scheme includes employees who, when the scheme comes into force for the individual, hold a valid medical approval in accordance with the Department of Health regulations of 20 December 2010 on health requirements for personnel working on offshore installations in the petroleum industry.

The scheme applies related to a permanent position as a full-time employee at facilities and installations on the Norwegian Continental Shelf in connection with production etc. of subsea petroleum deposits. The same applies to all permanent part-time employees.

3. What the scheme includes

The scheme does not include loss of Medical Licence at:

a) disease without clear symptoms that the doctor may observe and register. Nor is the scheme liable for anxiety when staying on or traveling to offshore installations or from the consequences from abuse of alcohol or other intoxicants or abuse of such drugs sold by medical prescription only. Pregnancy and delivery are not considered disease,

b) accidental injury affecting the person covered by the scheme while performing a crime or attempting this or, while under the influence of narcotic drugs or is intoxicated - unless it is confirmed that there is no causal relation between the individuals influenced condition and the accidental injury;

c) illness or accidental injury caused by gross negligence, intent or conduct in violation of the assumption for the employment contract,

d) accidental injury or illness caused by the practice of boxing, wrestling, judo and karate, hang gliding, parachuting, ballooning, diving, rafting, rock climbing, speeding with motor vehicles or similar sports and leisure activities with similar risk,

e) deaths (whatever the cause).

In the event of a permanent loss of the Health Certificate as a result of accidental injury or illness beyond this, compensation may be granted if the Fund Management finds it reasonable.

The applicant has an obligation to provide information and shall provide the Oil Workers' Social Schemes (OSO) with complete and correct information about matters that the Oil Workers' Social Schemes needs to be able to decide on the application for payment from the Fund.

Anyone who submit incorrect or incomplete information or withholds information may lose the possibility of the application being submitted for treatment.

The sum paid out is determined by the Fund Management and may amount to a maximum of 12 G. The compensation is determined on a discretionary basis, and in the assessment it should, among other things, be emphasized on the nature and extent of the damage, social conditions, age and service time, etc. During the survey, the Fund Management has discretionary access to emphasize the at all times financial situation of the scheme.

The Fund Management submits a brief justification for whether the application is granted, and, if the Fund Management decides to grant the application, a brief note to the amount paid out.

The Fund Management's decision on whether compensation is to be paid and the size of the payments is final and cannot be reviewed beyond what is stated in chapter 6 Board of Appeal.

4. Fund Board

A separate board is established for the scheme. Industri Energi appoints four board members. In addition, NOG designates an observer. As far as possible, chapter 6 of the Norwegian Companies Act is used as the basis for the Board's work. The Secretary of the Board has the same rights as the General Manager in accordance with chapter 6 of the Norwegian Companies Act. The Secretary of the Board has the right to speak and the right to vote, but not voting rights in the Board. The Chairman of the Board has double vote at parity of votes.

The Fund Board shall accept payments from the fund, as well as take initiatives towards the owner for changes to the guidelines. The Fund Board shall also approve accounts and budgets and manage the funds in the fund. The Fund Board will arrange meetings after notice by the Fund Administration / Chairman of the Board.

5. Administration

The administration keeps secretary for the Fund Board. The administration shall process the applications received, be the fund's accountant, charge for the collection and payment of funds and place the fund's assets according to decision by the Fund Board.

Industri Energi manages the scheme on behalf of the Board. The scheme is administered under the name Oil Workers' Social Schemes. The board determines the administration fee. The proportion of the fund's assets spent on administration is kept as low as possible.

6. Appeal Committee

The Appeal Committee consists of a lawyer and three members appointed by the owners of the fund. The Appeal Committee deals with complaints on decisions made by the Fund Board. The Appeal Committee's right of review is limited to trying if the decision appears to be very unreasonable or based on the wrong fact. If the Appeal Committee believes the decision is based on incorrect fact or is grossly unreasonable, the Appeal Committee shall attribute the Fund Board and request a retrial of the case. The Appeal Committee does not have the competence to change the decision of the Fund Board.

7. Changes to the agreement

Changes to this agreement are made by the parties to the agreement. Changes that lead to improvements in the compensation conditions cannot be implemented until a buffer is built up that corresponds to at least a one year payment into the Fund.

8. Entry into force

The agreement's guidelines have been amended with effect from 01.10.2007.

9. Termination of the Agreement

This agreement may be terminated with six months prior notice.

10. Dissolution of the scheme

If this scheme is dissolved, the assets of the fund will be accrued to Industri Energi.

Industri Energi may not use the funds for anything other than what is stated in this agreement unless agreed by NOG.

Stavanger, 01.10.2007

Leif Sande

Leader
INDUSTRI ENERGI