



## **BENEFIT PLANS**

MEBA MEDICAL & BENEFITS PLAN

MEBA PENSION TRUST

MEBA TRAINING PLAN

MEBA VACATION PLAN

1007 EASTERN AVENUE, BALTIMORE, MARYLAND 21202-4345 • (410) 547-9111

To: MEBA Vacation Plan Participants

Date: October 29, 2015

Re: Arbitration Decision related to Vacation Overlap Days

As you may know, in 2014 the Union and employer trustees deadlocked on how to address a decline in MEBA Vacation Plan assets. The dispute was sent to arbitration for resolution as there were several trustee motions to consider. On July 31<sup>st</sup>, 2015, the arbitrator ruled that the MEBA Vacation Plan was to cease paying vacation benefits on certain vacation overlap days. Specifically, the arbitrator ruled that the Vacation Plan cannot pay vacation benefits on overlap days for which the employer does not have an obligation to make a vacation day contribution under the CBA. As a result, the Plan Office has worked with counsel, Chairman and Secretary about how to implement that decision.

The implementation date will be November 1, 2015 and will affect vacation benefits on overlap days worked starting November 1<sup>st</sup>.

Attached please find two documents. The first is the communication sent to the participating employers. The second is a list of potential questions that participants might have and the answers to those questions.

If you have other questions, please contact the Plan Office.

Sincerely,

Ann S. Gilchrist  
Acting Administrator



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1007 EASTERN AVENUE, BALTIMORE, MARYLAND 21202-4345 • (410) 547-9111

October 14, 2015

To: MEBA Vacation Plan Participating Employers

Re: PROCEDURES FOR IMPLEMENTING THE VACATION OVERLAP ARBITRATION

The Plan Office has been working with Counsel, Chairman and Secretary about how to implement the arbitration decision regarding the vacation overlap days.

After reviewing various alternatives for implementing the new Vacation Plan overlap benefit policy based on the deadlock arbitration's decision, the Plan Office proposes to offer MEBA companies the option of using one of two methods for reporting and tracking overlap days:

Method One – Several companies currently report overlap days on pay vouchers (and sometimes on discharge papers). For these employers (and others that may decide to adopt this approach), the Plan Office will rely on the pay vouchers (or discharges, if overlap days are noted thereon) for tracking overlap days. The Plan Office believes this is the most accurate method for tracking overlap days, and it would be preferred that all employers indicate overlap days in this manner.

Method Two – The Plan Office would provide a standard “Overlap Verification Form” to employers. When an engineer is discharged from a vessel, this form would be completed and provided to the participant along with the pay voucher and discharge papers. The employers that select this option should indicate overlap days (or absence of overlap days) on the form. Please see attached sample.

Also attached is a list of questions and answers that we believe may arise.

The implementation date will be November 1, 2015. Please note that this will be for vacation earned after October 31<sup>st</sup>, 2015 and that any current “banked” vacation will not be impacted.

Please either return the attached form or email to [Controller@mebaplans.org](mailto:Controller@mebaplans.org) to indicate which option your company will be electing.

Sincerely,

Ann S. Gilchrist  
Acting Administrator

# OVERLAP VERIFICATION FORM

**TO BE COMPLETED BY THE COMPANY REPRESENTATIVE AT TIME OF DISCHARGE.**

This form must accompany the Application For Vacation Pay when filing for vacation benefits, unless all overlap days are clearly stated on the company pay voucher.

\_\_\_\_\_  
Name of Officer

\_\_\_\_\_  
Date

## VOYAGE DATES:

\_\_\_\_\_  
First Date of Employment

\_\_\_\_\_  
Last Date of Employment

\_\_\_\_\_  
Overlap Date(s)  
Indicate None if applicable

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Vessel Name

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Company Representative/  
Vessel Captain Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Officer Signature

\_\_\_\_\_  
Date

This form is to facilitate vacation benefit payments only.

This is not a time sheet or wage claim. If it is determined later that an error was made in filling out this form, the employment contract will determine the wages and benefits.

FREQUENTLY ASKED QUESTIONS - MEMBERS  
ABOUT THE IMPLEMENTATION OF THE VACATION ARBITRATION

1. What happens if there is a discrepancy between the discharge papers and/or the overlap form?
  - a. The Vacation Plan would work with the employer to resolve as soon as possible.
2. What happens when a member disagrees with a day being classified as an overlap day?
  - a. First, the member should address their concern with the captain at the time of discharge. If there is still a dispute, and the member calls the Vacation Plan, then the Vacation Plan would work with the employer to resolve where possible. If there was no resolution, then the member has the option to contact the Union for resolution and filing a grievance would be an option.
3. Is the Vacation Overlap Verification Form mandatory, even if there are no overlap days?
  - a. A company may report overlap days on pay vouchers or discharge papers, or a company may elect to report overlap days on the Vacation Overlap Form. If a company elects to use the Vacation Overlap Form, therefore not reporting overlap days on either the discharge papers or the pay vouchers, then the Vacation Overlap Form is mandatory.
  - b. For those companies where the Vacation Overlap Form is mandatory, members must be sure to obtain the Form onboard ship at payoff or the Plan Office will not be able to process the claim. If a member is unable to obtain the Form, they should contact the Vacation Plan in order to work with the employer to obtain the required information.
  - c. Employers should tell the member which reporting method the employer is using so the member knows what information he needs to receive.
4. What happens if a member loses their "Vacation Overlap Form"?
  - a. The members should handle it the same way they would if they lost a discharge. Get a copy from the company. If a member lost or didn't have the form, the Vacation Plan would work with the member and employer to verify the accurate payment of vacation benefits, on a limited basis.
5. Are "banked" or carryover vacation days impacted by the arbitration?
  - a. Only vacation days earned after October 31st, 2015 are affected.
6. What effect does this have on my pension credit days?
  - a. Members currently receive pension credit for the actual overlap day worked and the overlap vacation day. If the overlap vacation day is no longer payable the member will lose the vacation wages that they would have received prior to November 1 and the related pension wage for that day.
7. How can a member make up the lost pension days credit?
  - a. A member can use banked regular vacation days or converted overtime to fill in for the lost Overlap day wages for pension purposes.
8. What about situations where the Company requires extended periods of overlap for specific billets due to STCW, operational, maintenance or repair requirements?
  - a. For those employers that choose to employ participants for a longer period than one day while in overlap status, the actual overlap or "turnover" shall not last longer than one day. For all other days of employment, the participant shall be paid full wages and benefits as per the specific contract.