U.S. DEPARTMENT OF LABOR

Occupational Safety and Health Administration 525 S. Griffin Street, Room 602 Dallas, TX 75202 Tel: (972) 850-4148 www.whistleblowers.gov



July 14, 2023

Jane Jacobs, Esq Tarter Krinsky & Drogin LLP 1350 Broadway New York, NY 10018

Re: Maersk Line Limited/

Dear Ms. Jacobs:

This is to advise you that we have completed our investigation of the above-referenced complaint filed by (Complainant) against Maersk Line Limited (Respondent) on June 22, 2021, under the Seaman's Protection Act, 46 U.S.C. § 2114 (SPA). In brief, alleged Respondent suspended and then terminated his employment in retaliation for reporting unsafe conditions and contacting the U.S. Coast Guard (USCG).

Following an investigation by a duly authorized investigator, the Acting Secretary of Labor, acting through her agent, the Regional Administrator for the Occupational Safety and Health Administration (OSHA), Region VI, finds that there is reasonable cause to believe that Respondent violated SPA and issues the following findings:

Secretary's Findings

Timeliness of complaint:

Respondent suspended Complainant on December 29, 2020, and subsequently discharged him on March 12, 2021. On June 22, 2021, Complainant filed a complaint with the Secretary of Labor alleging the Respondent retaliated against him in violation of SPA. As this complaint was filed within 180 days of the alleged adverse actions, it is timely.

Coverage:

SPA protects a seaman from retaliation for activity set forth in the statute. A seaman is any person employed or engaged in any capacity aboard a U.S. flag vessel or any other vessel owned by a citizen of the United States. *See* 29 CFR 1986.101(d). Complainant served as chief mate and acted as a relief captain on board a vessel that transported goods. The vessel, then named Safmarine Mafadi, was a U.S. flag vessel. Maersk Line Limited employed Complainant as a chief mate since July 2010. Complainant's duties routinely consisted of supervising, training, and coordinating activities of the deck force, and he was responsible for assisting with the vessel's piloting, navigation, safety, security, first aid, cleanliness, and small boat operations.

Findings of the investigation:

Complainant's protected activities were a contributing factor in his suspension and the subsequent termination of his employment.

Complainant engaged in numerous protected activities including the following:

- On September 19, 2019, Complainant participated in the American Bureau of Shipping (ABS) inspection.
- In early December 2020, Complainant participated in an ABS inspection on the vessel and reported to the surveyor that there was a leak and that other repairs were needed to the cargo hold bilge system.
- On December 23, 2020, Complainant was given a letter of warning by Captain for failure to properly maintain the log as per his standing orders and not following his night orders for December 12, 2020. Complainant sent an email to DPA¹ disputing these allegations and claiming this was retaliation for reporting alcohol consumption on board the vessel.
- On December 24, 2020, Complainant complained to Captain about the alcohol use on board the vessel by and seven crew members.
- On December 29, 2020, Complainant filed a complaint with the USCG reporting that the lifeboat block and releasing gear were inoperable, crew members were in possession of alcohol and drinking onboard, the emergency fire pump was not working, trainees were standing watch unsupervised, and the cargo hold bilge system needed repairs as it was causing flooding.

Complainant received both positive and negative performance feedback during his tenure. In 2019, Maersk issued to Complainant a Letter of Warning which was reduced to a Letter of Instruction and Performance Improvement Plan. Also, on December 23, 2020, Maersk issued Complainant a Letter of Warning, which he alleges was retaliatory. Between these two events, the ship's leaders gave Complainant positive feedback and words of praise for his work. They specifically noted that he "has the knowledge, experience, and training to sail as a Captain."

At 5:45 pm on December 29, 2020, the USCG boarded the vessel and conducted an inspection, in which Complainant participated. The USCG noted in their report a substantial leak in the fire main in the starboard tunnel, a cracked safety rail, and lifeboat blocks in need of replacement. The safety meeting minutes were logged, with no evidence of "gun decking." Following the completion of the inspection, Captain relieved Complainant of his duties, suspended him, and ordered him to leave the ship.

¹ The Designated Person Ashore (DPA) is the official on shore to whom the crew was to elevate any safety issues, which was a shared duty between and and .

² U.S. Navy slang for fabricating or falsifying something.

After not hearing from Respondent on the status of his return, on January 7, 2021, and February 19, 2021, Complainant sent an email to the DPA inquiring about his returning to work and outlined the deficiencies that the USCG had noted from their inspection, which he alleged were not properly reported by the captain of the vessel to Respondent prior to his complaints to the USCG.

On March 12, 2021, Respondent issued a termination letter to Complainant stating he was being discharged for poor performance because he violated the following company policies:

Violation - Reporting Statutory Equipment Defects Document ID: 09-04-01.900: reported issues to Flag Administration (USCG) without discussing the issue(s) with the Ship Superintendent, Fleet Group, and the Marine Standards team.

Violation - Reporting of Other Incidents-Casualties Document ID: 09-01-107: failed to submit an event of casualty, incident, or damage not covered by existing 'other' reporting forms to the Technical Manager with Fleet Group, Marine Standards, and Risk Management in CC stating all relevant information.

Violation - MLL Designated Person Document (DPA) ID: 04-100.900: contact the DPA in case of safety/environmental concerns that are not solved via the normal communication lines.

Respondent's written policy (hereinafter "Reporting Policy") states:

Reporting to Flag [USCG] and Class shall only take place, after discussing the issue with the respective Ship Superintendent, Fleet Group, and the Marine Standards team.

Respondent's Vice President of Labor Relations , admits that this Reporting Policy requires seamen to report safety concerns to the company and allow it time to abate the conditions before reporting to the USCG or other regulatory agencies. Complainant was discharged for not following this policy. It is undisputed that Complainant's complaint to the USCG was a contributing factor in his termination.

Respondent's Defense

In defense of its Reporting Policy, Respondent first asserts its Reporting Policy that requires employees to report unsafe conditions internally before going to third parties, such as the USCG, is required by the International Safety Management Code (ISM), which has been codified through 33 CFR part 96. 3 ISM 9.1 states the Safety Management System (SMS) should include procedures ensuring that non-conformities, accidents, and hazardous situations are reported to the company, investigated, and analyzed with the objective of improving safety and pollution prevention.

Second, Respondent argues the USCG has reporting thresholds in 46 CFR 4.05-1, citing that reporting is required by the Master or corporate management and is required only for very serious issues and only "after addressing the resulting safety concerns". In other words, according to

³ This subpart establishes the minimum standards that the safety management system of a company and its U.S. flag vessel(s) must meet for certification.

Respondent, even the USCG requires that a report be made *internally first* before reporting to the USCG. OSHA disagrees.

Respondent asserts that Complainant's poor performance was part of the reason for his termination and relies on the Letter of Instruction issued on October 8, 2019, and the Letter of Warning issued on December 23, 2020.

Respondent asserts that the arbitrator's decision issued on October 19, 2022, finding that Complainant's complaint to the USCG was not in good faith, should be binding on the outcome of this investigation. In the alternative, Respondent asserts that the evidence, including the fact that the USCG allowed them to sail following the inspection, demonstrates that there were no safety issues on board and therefore Complainant's complaint was not made in good faith. Again, OSHA disagrees; a seaman only needs to reasonably believe the information is true and relates to a violation of maritime safety.

Analysis and Conclusion

OSHA finds that Complainant engaged in the protected activities of reporting violations to the USCG and to its agent, the ABS. Based on the findings above, OSHA has reasonable cause to believe that Complainant's protected activities were contributing factors in Respondent's suspension and termination of Complainant and Respondent has not shown by clear and convincing evidence that it would have taken the same action in the absence of Complainant's protected activities. Therefore, OSHA has reasonable cause to believe that Respondent violated 46 U.S.C. § 2114(a)(1)(A).

OSHA finds that while Maersk did issue corrective measures to Complainant, it also issued positive comments for his hard work and improvement. OSHA finds that these two incidents when taken in the context of his entire performance do not constitute clear and convincing evidence that Respondent would have terminated Complainant absent his protected activity of making his reports to the USCG and the ABS.

Accordingly, Complainant is entitled to relief under SPA. Complainant is entitled to preliminary reinstatement, back pay with interest and compensatory damages. 49 U.S.C. § 31105(b)(3)(A).

Respondent argues that, in response to the arbitration award, they made multiple offers of reinstatement to Complainant. However, OSHA finds that only two offers were made. Maersk made the first offer while Complainant was serving on another ship and could not abandon his post to return to Maersk on the dates requested. Complainant was clear that he could not begin work until March 21, 2023. The second offer was in violation of the collective bargaining agreement in that it would not have allowed him to take his required time off in between and was rejected by the union. Both offers were inappropriately conditioned on Complainant returning to work in the status of having "completely exhausted progressive discipline." Accordingly, OSHA finds that for the purposes of this SPA complaint, the timeframes and disciplinary conditions imposed on the offers

Page 5

of reinstatement are unreasonable and therefore Respondent has not made a *bona fide* offer of reinstatement to Complainant.

OSHA finds that Complainant would have been promoted to Master (a.k.a., "Captain") based on his performance appraisals and seniority. In November and December 2019, both Captain and Captain gave Complainant successful performance evaluations. Then on May 7, 2020, Complainant received an evaluation from Captain which cited Complainant "has the knowledge, experience, and training to sail as a Captain." On September 27, 2020, Complainant received another successful evaluation from Captain In addition, on October 16, 2020, VP of Labor Relations advised Complainant, "We will definitely keep you in mind for any opportunities that might come up as a Master." Complainant was also extended an unofficial offer via email to sail as a relief captain by the captain of another vessel because he thought his chief mate was not suitable to serve as a captain. Since then, that chief mate was promoted to the rank of captain by Respondent as of no later than December 6, 2022. Thus, OSHA finds that but for his illegal termination, Complainant would have been promoted to the rank of Captain, also known as Master, no later than December 6, 2022.

OSHA finds Complainant and his family have suffered tremendously because of Respondent's illegal retaliation. Complainant was unemployed for three months and when he found work his salary was \$70,454.00 less than what he earned working for Respondent. Complainant's loss of pay resulted in significant financial and health struggles for Complainant. OSHA finds that Respondent's illegal action has caused extreme hardship, financial stress, and suffering to Complainant and significant compensatory damages are appropriate.

OSHA also finds that Complainant's termination could exacerbate the chilling effect already present from Respondent's illegal policy. Accordingly, the Secretary must order Respondent to take affirmative action to abate the violation. 49 U.S.C. § 31105 (b)(3)(A)(i).

Relief under the SPA "may include punitive damages in an amount not to exceed \$250,000." 49 U.S.C. § 31105(b)(3)(C). The investigation revealed Respondent has a policy that requires employees to first report their concerns to the Respondent (and allow Respondent time to correct the condition) prior to reporting it to the USCG or other authorities. OSHA finds that this policy is repugnant to the Act and creates a chilling effect because it dissuades employees from reporting any safety concerns directly to the USCG or other federal, state, or local regulatory agencies. Respondent's workforce is operating under this illegal policy that chills them from contacting the USCG or other authorities without contacting the company first. This policy is reprehensible and an egregious violation of the rights of employees. Accordingly, punitive damages are warranted.

PRELIMINARY ORDER

- 1. Upon receipt of this Secretary's Finding and Preliminary Order, Respondent shall immediately reinstate Complainant. Such reinstatement shall include all rights, seniority, and benefits that Complainant would have enjoyed had he not been discharged. Such reinstatement is not stayed by an objection to this order.
- 2. Respondent shall promote Complainant to the position of Master, with his date of rank to be reflected as December 6, 2022.

- 3. Respondent shall pay Complainant back pay, minus interim earnings, in the amount of \$372,597.07 as of July 14, 2023. Backpay will continue to accrue until Respondent makes a bona fide offer of reinstatement as set forth above.
- 4. Respondent shall pay interest on the back wages in the amount of \$19,747.83, as of July 14, 2023, in accordance with 26 U.S.C. § 6621, and thereafter such interest until Respondent makes a *bona fide* offer of reinstatement as set forth above.
- 5. Respondent shall pay the employer portion of contributions to Complainant's 401K plan from March 12, 2021, until Respondent makes Complainant a bona fide offer of reinstatement as set forth above.
- 6. Respondent shall pay the differential between the employer portion of contributions to his 401K plan reflecting Complainant's promotion to Master from December 6, 2022, until Respondent makes Complainant a bona fide offer of reinstatement as set forth above.
- 7. Respondent shall submit appropriate documentation to the Social Security Administration allocating back pay to the appropriate calendar quarters.
- 8. Respondent shall pay Complainant pecuniary compensatory damages in the amount of \$14,622.42, for the following:
 - Job-hunting expenses in the amount of \$5,484.95.
 - Closing costs and fees associated with the refinancing of the family home in the amount of \$8,993.72.
 - Complainant's loan against his 401K retirement fund for which he suffered a \$50 activation fee, and a \$6.25 quarterly maintenance fee (\$93.75 over the 60 months of the loan) making the total amount of fees \$143.75.
- 9. Respondent shall pay interest on the pecuniary compensatory damages in the amount of \$792.43 as of July 14, 2023, and thereafter until Respondent makes a bona fide offer of reinstatement as set forth above.
- 10. Respondent shall pay Complainant compensatory damages for pain and suffering, including financial hardship and mental distress in the amount of \$50,000.
- 11. Respondent shall pay Complainant punitive damages in the amount of \$250,000.
- 12. Respondent shall pay Complainant's reasonable attorney's fees.
- 13. Respondent shall expunge Complainant's employment records of any reference to the exercise of his rights under the Seaman's Protection Act as amended by Section 611 of the Coast Guard Authorization Act of 2010, P.L. 111-281 (SPA), 46 U.S.C. § 2114.
- 14. Respondent shall not retaliate against Complainant in any manner for instituting or

causing to be instituted any proceeding under or related to the Seaman's Protection Act as amended by Section 611 of the Coast Guard Authorization Act of 2010, P.L. 111-281 (SPA), 46 U.S.C. § 2114.

- 15. Respondent shall take affirmative action to abate the violation by changing their reporting policy to state, while nothing in this order is meant to discourage seamen from reporting internally, Respondent will not prohibit employees from contacting the USCG or other federal, state, or local regulatory agencies directly without prior notice to Respondent. Respondent shall make this change on its internal website and e-mail the revised language to all its currently employed seamen.
- 16. Respondent shall post immediately in a conspicuous place in or about Respondent's facilities and all of Respondent's U.S. Flag Vessels, including in all places where notices for employees are customarily posted, including Respondent's internal website for employees or e-mails, if Respondent customarily uses one or more of these electronic methods for communicating with employees, and maintain for a period of at least 180 consecutive days from the date of posting, the attached Notice to Employees, to be signed by a responsible official of Respondent and the date of actual posting to be shown thereon.
- 17. Respondent shall provide a copy of the OSHA SPA fact sheet, (DWPP FS-3762 08/2018) to all currently employed seamen and all newly hired seamen for the next two years.

The parties have 30 days from the receipt of these Findings to file objections and to request a hearing before an Administrative Law Judge (ALJ). If no objections are filed, these Findings will become final and not subject to court review. Objections must be filed in writing with the Office of Administrative Law Judges:

Primary method - via email to: OALJ-Filings@dol.gov Secondary method (if unable to file via email) - via hard copy submission to: Chief Administrative Law Judge - Office of Administrative Law Judges U.S. Department of Labor 800 K Street NW, Suite 400 North Washington, D.C. 20001-8002 Telephone: (202) 693-7300; Fax: (202) 693-7365

With copies to:

Primary method - via email to: R6.11c.OSHA@dol.gov Secondary method (if unable to file via email) - via hard copy submission to: Regional Administrator U.S. Department of Labor-OSHA 525 S. Griffin Street Room 602 Dallas, TX 75202

And copies to:

All parties to this complaint

The hearing is an adversarial proceeding before an Administrative Law Judge (ALJ) in which the parties, including the Assistant Secretary, represented by the Regional Solicitor's Office, are allowed an opportunity to present their evidence de novo for the record. The ALJ who conducts the hearing will issue a decision based on the evidence, arguments, and testimony presented by the parties. A review of the ALJ's decision may be sought from the Administrative Review Board, to which the Secretary of Labor has delegated responsibility for issuing final agency decisions under the SPA. A copy of this letter has been sent to the Chief Administrative Law Judge along with a copy of the complaint. The rules and procedures for the handling of SPA cases can be found in Title 29, Code of Federal Regulations, Part 1986 and may be obtained at www.whistleblowers.gov.

Sincerely,

Michael Mabee

ml_

Assistant Regional Administrator - Whistleblower Protection Program

Chief Administrative Law Judge, USDOL cc:

U.S. Coast Guard

c/o Charles C. Goetsch, Esq. Charles Goetsch Law Offices LLC 405 Orange St. New Haven, CT 06511

OSHA Fact Sheet

Filing Whistleblower Complaints under the Seaman's Protection Act

Seamen are protected from retaliation for reporting alleged violations of maritime safety laws or regulations.

Covered Employees

The Seaman's Protection Act (SPA) prohibits persons from retaliating against seamen for engaging in certain protected activities pertaining to compliance with maritime safety laws and regulations.

A seaman is any individual engaged or employed in any capacity on board a U.S.-flag vessel or any other vessel owned by a citizen of the United States. For a definition of "citizen of the United States" you should refer to 29 CFR 1986.101(d).

Protected Activity

A person may not discharge or in any other manner retaliate against a seaman because the seaman:

- Provided information relating to a violation of maritime safety laws or regulations to the U.S.
 Coast Guard or other appropriate Federal agency or department; refused to lie to the Government about such matters; was about to provide such information (including situations in which the seaman provides information to the employer and says he or she plans to report to the authorities or when he or she has a history of such reporting); or sought the correction of a condition which he or she reasonably believes could result in serious injury or serious impairment of health;
- Testified in a proceeding brought to enforce a maritime safety law or regulation, including making an internal complaint, such as to a master, captain, or other supervisor, relating to a violation of a maritime safety law or regulation;
- Refused to perform duties ordered because of a reasonable apprehension of serious injury or serious impairment of health to the seaman, other seaman, or the public, if the seaman has first requested that the employer correct the dangerous condition;
- Notified or attempted to notify the vessel owner or the U.S. Coast Guard of a work-related injury or illness of a seaman;
- Cooperated with a safety investigation by the U.S. Coast Guard or the National Transportation Safety Board;

- Furnished information to any public official relating to any marine casualty where there is death, injury or damage to property, occurring in connection with vessel transportation; or
- Accurately reported hours of duty under Part A, Subtitle II, Title 46 of the Code of Federal Regulations.

Unfavorable Employment Actions

A person may be found to have violated SPA if the seaman's protected activity was a contributing factor in the person's decision to take an unfavorable employment action against the seaman. An unfavorable employment action ("adverse action") is any action taken by an employer which would dissuade a reasonable employee from engaging in protected activity. Such actions may include:

- · Firing or laying off
- Blacklisting
- Demoting
- · Denying overtime or promotion
- Disciplining
- · Denying benefits
- Failure to hire or rehire
- Intimidation
- Making threats
- · Reassignment affecting prospects for promotion
- · Reducing pay or hours

Deadline for Filing Complaints

Complaints must be filed within 180 days after the alleged unfavorable employment action occurs (that is, when the seaman is notified of the retaliatory action).

How to File a SPA Complaint

A seaman, or representative of a seaman, who believes he or she has been retaliated against in violation of SPA, may file a complaint with OSHA. Complaints may be filed verbally with OSHA by visiting or calling the local OSHA office at 1-800-321-OSHA (6742), or may be filed in writing by

sending a written complaint to the closest OSHA regional or area office, or filing a complaint online at www.whistleblowers.gov/complaint_page.html.

Written complaints may be filed by facsimile, electronic communication, hand delivery during normal business hours, U.S. mail (confirmation services recommended), or other third-party commercial carrier.

The date of the postmark, facsimile, electronic communication, telephone call, hand delivery, delivery to a third-party commercial carrier, or in-person filing at an OSHA office is considered the date filed. No particular form is required and complaints may be submitted in any language.

To file a complaint electronically, please visit www.osha.gov/whistleblower/WBComplaint.html.

To contact OSHA to file a complaint, please call 1-800-321-OSHA (6742) and they will connect you to the closest office; or visit www.osha.gov/html/RAmap.html.

Upon receipt, OSHA will review the complaint to determine whether it is appropriate to conduct a fact-finding investigation (e.g., whether the complaint was filed within 180 days; whether the allegation is covered by SPA). All complaints are investigated according to statutory requirements explained in 29 CFR 1986.104.

Results of the Investigation

If the evidence supports a seaman's claim of retaliation and a voluntary settlement cannot be reached, OSHA will issue an order requiring reinstatement, as well as other possible relief to make the seaman whole, including:

- · Payment of back pay with interest.
- Compensation for special damages, to include attorney's fees, and other expenses the seaman may have incurred as a result of the violation.
- Punitive damages of up to \$250,000.

OSHA's findings and order become a final order of the Secretary of Labor unless either party objects to the findings within 30 days. An order to reinstate is effective immediately, regardless of any objection.

After OSHA issues the findings and order, either party may request a full hearing before a Department of Labor (DOL) Administrative Law Judge (ALJ). If OSHA has issued merit findings, OSHA (represented by a DOL attorney) will ordinarily prosecute the case, but the parties retain their rights to litigate. Any party, including OSHA, may petition for review of the ALJ decision by the Department's Administrative Review Board (ARB). Decisions of the ARB, as well as unreviewed decisions of ALJs, may be appealed to the appropriate United States Court of Appeals.

If a final agency order is not issued within 210 days from the date the seaman's complaint is filed with OSHA, then the seaman may be able to file a civil action in the appropriate United States District Court.

To Get Further Information

For a copy of the *Seaman's Protection Act* (46 U.S.C. §2114), the regulations (29 CFR 1986), and other information, go to www.whistleblowers.gov.

OSHA's Whistleblower Protection Program enforces the whistleblower provisions of more than twenty federal whistleblower laws. To learn more about the whistleblower statutes which OSHA enforces, view our "Whistleblower Statutes Desk Aid" at www.whistleblowers.gov/whistleblower_acts-desk_reference.pdf.

For information on the Office of Administrative Law Judges procedures and case law research materials, go to www.oalj.dol.gov and click on the link for "Whistleblower Collection."

For information on maritime safety laws and regulations, visit the U.S. Coast Guard's website at www.uscg.mil and the Bureau of Safety and Environmental Enforcement's (BSEE) website at www.bsee.gov.

If you have questions or need more information, visit our website at www.whistleblowers.gov or call OSHA at 1-800-321-6742.

Under the Occupational Safety and Health Act of 1970, employers are responsible for providing safe and healthful workplaces for their employees. OSHA's role is to help ensure these conditions for America's working men and women by setting and enforcing standards, and providing training, education, and assistance. For more information, visit www.osha.gov.

This is one in a series of informational fact sheets highlighting OSHA programs, policies or standards. It does not impose any new compliance requirements. For a comprehensive list of compliance requirements of OSHA standards or regulations, refer to Title 29 of the Code of Federal Regulations. This information will be made available to sensory-impaired individuals upon request. The voice phone is (202) 693-1999; teletypewriter (TTY) number: 1-877-889-5627.



NOTICE TO EMPLOYEES



PURSUANT TO AN ORDER BY THE U.S. DEPARTMENT OF LABOR, OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION



The employer is prohibited by law from discharging or in any manner discriminating against any employee because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or related to the Seaman's Protection Act (SPA) or has in good faith reported or is about to report to the U.S. Coast Guard (also referred to as "Flag Administration") or other appropriate federal, state or local agencies or departments if the seaman believes that a violation of a maritime safety law or regulation has occurred or because an employee has exercised a right afforded by the Act on behalf of himself or others.

The Occupational Safety and Health Administration has ordered your employer to change its policy that previously required you to report regulatory issues to your employer prior to reporting to outside agencies, such as the U.S. Coast Guard. The new policy removes any requirement that you report regulatory issues internally before you contact outside agencies.

It is illegal for your employer to intimidate employees by suggesting or threatening that employees must contact the company prior to reporting regulatory violations to the U.S. Coast Guard or other appropriate federal, state or local agencies or departments.

The employer has been ordered to make whole an employee who was terminated for calling the U.S. Coast Guard without notifying the company first. The employer has been ordered to reinstate the employee and pay monetary damages.

President/CEO	Date
Maersk Line Limited	

THIS IS AN OFFICIAL NOTICE AND MUST NOT BE DEFACED BY ANYONE. THIS NOTICE MUST REMAIN POSTED FOR 180 CONSECUTIVE DAYS FROM THE DATE OF POSTING AND MUST BE NOT ALTERED, DEFACED, OR COVERED BY OTHER MATERIAL.