

MEMORANDUM OF AGREEMENT

BETWEEN

FETTES SHIPPING INC.

(hereinafter referred to as "The Company")

AND

**SEAPARERS INTERNATIONAL UNION OF
CANADA**

(hereinafter referred to as "The Union")

Effective as of March 01, 2006 to February 28, 2011

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WHEREAS the company voluntarily recognizes the Union as the bargaining agent for the unlicensed employees aboard all the Company's vessels.

AND WHEREAS the parties are desirous of promoting collective bargaining and stability of industrial relations in the manner and upon the terms herein set out:

1. GENERAL PURPOSE OF THIS AGREEMENT

- 1.1. The general purpose of this agreement is, in the mutual interests of the Company and its unlicensed employees to provide for the most reasonable operation of the Company's ships under methods which will further to the fullest extent possible, the safety and welfare of the said employees and economy of operation. It is recognized by this agreement to be the duty of the Union, the Company and said employees, to cooperate fully, individually and collectively for the advancement of these conditions.

2. RECOGNITION

- 2.1. The company recognizes the Union as the sole and exclusive representative for the purpose of collective bargaining for the unlicensed personnel employed on the Company's ships, which unlicensed personnel are hereinafter referred to as "Employees", which word shall include the singular, as well as the masculine and feminine.

3. CLAUSE PARAMOUNT

- 3.1. The parties to this agreement will not establish rules or enforce regulations which will in any way be contrary to or interfere with the effective implementation of **all** clauses in this agreement.
- 3.2. During the term of this agreement the Union also agrees not to enter into an agreement of any kind with another vessel operator or operators that are economically more advantageous to their operation and the Company agrees that it will not enter into a collective labour agreement with another Union which will be more economically advantageous than the present agreement.

4. GOVERNMENT LAWS AND REGULATIONS

- 4.1. Nothing in this agreement shall be so construed as to affect the obligation of the signatories under the provisions of the Canada Shipping Act, as amended, or other government legislation, nor to impair in any manner whatsoever, the authority of the Captain.

5. MAINTENANCE OF MEMBERSHIP AND EMPLOYMENT

- 5.1. An employee covered by this Agreement who is not a member of the Union shall, within thirty (30) days of employment make application for membership in the union. If the Employee refuses to be a member of the union then such employee will be replaced first by the Company or the local Union Hall.
- 5.2. The Company agrees to maintain in their employ only members of the Union in good standing. "Good Standing" is herein interpreted to mean that a member has not failed to pay the periodic dues, assessments and initiation fees uniformly required to be paid by all members of the Union.
- a) The Company shall not be required to discharge an employee under clauses 5.1 and 5.2 above unless and until a qualified replacement is available, subject to the Captain's determination and the grievance procedure.
 - b) The Company agrees to deduct the initiation fees and/or monthly Union dues and/or assessments in respect to all employees covered by this Agreement in the amounts as established by the union.
 - c) In addition to the above amounts, the Company also agrees to deduct and remit to the Union Headquarters in Montreal, Quebec any other amount of money when requested to do so by the Union.
 - d) All amounts required to be deducted by the Company by this Article shall be remitted to Union Headquarters in Montreal, Quebec no later than the 15th day of each month following the employment of the employee(s) concerned.
 - e) Should the Company fail to meet its obligations within the delay provided for herein it shall be liable to a penalty of fifty dollars (\$50.00) per day for each day of delay until such time as deductions or contributions are made. The postmark on the envelope shall be the determining factor provided there is no interruption in postal service.

- 5.3. The Union shall indemnify the Company and hold it harmless against any and all suits, claims, demands and liabilities that shall arise out of or by reason of any action that shall be taken by the Company for the purpose of complying with the foregoing provisions of this Article or in compliance with any notice, which shall have been furnished by the Company under any of such provisions.
- 5.4. The Union agrees that during the period this Agreement is in effect, all personnel to be hired shall be requested through and Hired by the Company with the understanding that these potential employees become members of the Union.
- 5.5. The Union agrees that its hiring facilities shall be available as follows:
- a) The Union Hiring Halls shall be open Monday through Friday from 09:00 hrs to 17:00 hrs.
 - b) Shipping shall be conducted at all ports in accordance with the above stated hours, Monday through Friday.
 - c) Telephone numbers of Union officials in each port shall be furnished to the Company in case of emergency calls for employment.
 - d) Outside the hours of 09:00 hrs. to 17:00 hrs the Union Hall shall have an answering service available for incoming calls which are received.
 - e) The Union hiring facilities shall be closed on all statutory holidays specified in Article 10 herein and on all other Federal and/or applicable Provincial statutory holidays. Where such statutory holidays fall on a Saturday or Sunday, the Union Hiring Halls shall be closed on the following Monday or on the next juridical day should the following Monday be a statutory holiday.
- 5.6. The Union agrees to cooperate fully with the ships' officers and management of the Company in obtaining qualified, reliable employees to fill vacancies as they occur. When employees are requested and cannot be filled by the Company, the Union agrees that the Company's requirements will be filled as quickly as possible.
- 5.7. When presenting themselves for employment, members shall remit a Union dispatch slip and discharge book to the Captain or designated ship's officer. Members who are refused for employment must immediately be furnished in writing with a valid reason for such refusal.

- a) If a ship is delayed in transit and the employee must stay overnight waiting for the vessel, the Company shall pay reasonable living expenses supported by receipts until the arrival of the vessel or until the call is cancelled and, in the latter case, the employee shall receive basic wages from the date on which the employee was to report to the vessel.
- 5.8. The right of any employee to employment with the Company shall be conditional upon the employee being medically fit to perform his duties and the Company may, at any time, cause the employee to be medically examined at the Company's expense.
- 5.9. The Union agrees that the Captain, Chief Engineer or designated management representative of the vessel have the exclusive right to direct the crew, determine qualifications, hire, promote, transfer, lay off, suspend or discharge employees for cause.
- 5.10. Refusal of any employee to work as directed or to obey lawful orders of his superior officers shall be automatic grounds for discharge.
- 5.11. If an employee is deemed unsafe aboard the vessel due to influence of alcohol or drugs, will be subject to automatic dismissal.
- 5.12. Where an employee terminates his employment with the Company, he shall provide an officer with a minimum of seventy-two (72) hours written notice. Such notice shall be in writing and in duplicate so that the employee can retain a signed copy from the officer. In any event, the employee must wait until he is properly relieved in a Canadian port before leaving the vessel.
- 5.13. The seventy-two (72) hour notice under mutual agreement may be waived at the employee's request, where there has been a death or other emergency in the immediate family of the employee.
- 5.14. Where the Captain or Chief Engineer decides to lay off, other than when the ship lays up, notice shall be given to the employee affected, stating therein the reason for such lay-off.
- 5.15. It is agreed between the parties that when an employee returns from sick leave or a regular leave, he will notify the Company seven (7) days ahead of time in order to facilitate the paying off of the relieving employee.

6. GRIEVANCEPROCEDURE

- 6.1. An employee who is refused employment, discharged, suspended, laid off or transferred from his employment has the right and must file a grievance with the Company through the Union within five (5) days of its occurrence.
- 6.2. Where the employee has a grievance while working on board a vessel, he must present his grievance on Standard Grievance Form (if available) to the Captain or Chief Engineer with a copy to the ship's delegate and Company within ten (10) days of its alleged occurrence.
- 6.3. Upon request of the grieving employee, the **ship's** delegate shall assist the grievance procedure. He shall not be subject to discipline for assisting the griever in the grievance procedure, provided such assistance does not interfere with the operating of the ship.
- 6.4. The Captain or Chief Engineer shall acknowledge receipt and reply to the grievance by completing and returning to the griever a duly completed Standard Grievance Form within five (5) days of receipt of the grievance.
- 6.5. If settlement is not achieved upon receipt by the griever of the Captain's or Chief Engineer's reply, the griever shall submit the Standard Grievance Form to the Union immediately.
- 6.6. Within thirty (30) days of the Captain's or Chief Engineer's reply, the office of the Executive Vice-president of the Union shall submit the duly completed Standard Grievance Form to the head office of the Company.
- 6.7. Within thirty (30) days of the date of the grievance is submitted by the Union to the Company's head office, the Company shall reply enclosing a copy of the duly completed Standard Grievance Form.
- 6.8. The Union shall also have the right to submit a grievance in writing to the Company on behalf of all the employees in the bargaining unit or a group or category thereof within thirty (30) days of the occurrence giving rise to the grievance, or on behalf of an individual member not employed aboard a vessel at the time within thirty (30) days of the occurrence giving rise to the grievance. In both these instances above, the Company shall reply to the grievance as per clause 6.7.

- 6.9. Should the grievance not be settled within thirty (30) days period provided in clause 6.7 above, the matter must be referred to arbitration within ten (10) days thereafter.

7. ARBITRATION

- 7.1. Any grievance involving the interpretation or alleged violation of any provisions of this agreement, which has not been settled to the satisfaction of the Company and the Union by conference or negotiation, may be submitted to an arbitration board. Matters involving any request for a modification of this agreement or which are not covered by this agreement shall not be subject to arbitration.
- 7.2. The arbitration board shall consist of one arbitrator who shall be jointly selected by the Union and the Company. This selection shall be made within ten (10) days after the request for arbitration has been made by either party to this agreement. In the event that the parties fail within the said ten-day period to agree upon the selection of any arbitrator, the matter may be referred by either party to the Minister of Labour for Canada who shall select and designate the arbitrator.
- 7.3. In the event the arbitration board is vacated by reason of death, incapacity or resignation, or for any other reason, such vacancy shall be filled in the same manner as is provided herein for the establishment of the board in the first instance.
- 7.4. A statement of the dispute or question to be arbitrated shall be submitted by both parties, either jointly or separately, to the arbitrator within five (5) days of his appointment. The arbitration board shall convene within ten (10) days following the appointment of the arbitrator unless otherwise mutually agreed by the parties and shall render its decision as soon thereafter as possible.
- 7.5. The decision of the Board shall be limited to the dispute or questions contained in the statement or statements submitted to it by the parties. The decision of the Arbitration Board shall not change, add to, vary or disregard any conditions of this agreement. The decision of the arbitrator which is made under the authority of the Arbitration Article shall be final and binding upon the Company, the Union and all persons concerned.

- 7.6. The expenses, fees and costs of the arbitrator shall be paid by the party to this agreement found to be in default upon the arbitrator's resolution on the grievance or, if the arbitrator resolves the grievance in such a way that neither side shall be found wholly in the right, then the arbitrator shall also establish the proper split of the expenses, fees and costs between the two parties in the proportion appropriate to the share of responsibility that each side had in the production of the grievance.

8. UNION OFFICERS BOARDING VESSELS

- 8.1. For the purpose of consulting with Union members, the Company agrees that an authorized credentialed officer of the Union shall be allowed on board the ships at the ports used provided that he shall present his pass on boarding the vessel to the Captain or the Officer in charge. Such representatives shall have the right to engage in negotiations with the Captain or Officers in charge of the ship in respect of any dispute or grievance but shall not have the right to interfere in any way with the operations of the vessel.
- 8.2. The Union shall submit to the Company the name and relevant particulars of the bona fide Union members authorized by the Union to act as its representatives provided that the Company, upon receiving from any representative a waiver, in form satisfactory to the Company, or any claim for any damage resulting from any accident or injury in or about Company property shall thereupon issue a pass to each such representative enabling him to board the Company's ships in port for the purpose herein provided
- 8.3. The Union representative shall not violate any provisions of this Agreement or interfere with the Officers aboard the ship or retard the work of the vessel, subject to penalty of revocation of the pass granted herein. Any such revocation shall be subject to the Grievance Procedure.

9. SENIORITY

- 9.1. Seniority shall mean the length of continuous service that an employee has accumulated with the Company.
- 9.2. Employees with less than three (3) months service will be considered on probation and if found unsuitable by the Company will not be retained in its service.

- 9.3. A seniority list will be compiled by the Company and will be revised annually. Such list will show names, positions and date of last entry into service in positions covered by this Agreement.
- 9.4. A copy of the seniority list shall be forwarded to the Union annually ~~thirty~~ (30) days after it is compiled.

10. STATUTORY HOLIDAYS

10.1. All employees shall be given the **following** paid statutory holidays if on the vessel and signed on Articles:

- New Year's Day
- Good Friday
- Easter Monday
- Victoria Day
- First Monday in June.
- Dominion, Canada Day
- First Monday in August
- Labour Day
- Thanksgiving Day
- Remembrance Day
- Christmas Day
- The day after Christmas (Boxing Day)

10.2. If it is not possible to give a statutory holiday and the employee is required to work on any holiday, he shall be paid his normal rate of pay in addition to the day's pay for the statutory holiday.

10.3. Overtime work on Statutory Holidays shall be paid for at the double time rate.

11. PROMOTIONS

11.1. It is agreed that in any promotions to position within the bargaining unit, the company will select employees on the basis of ability, qualifications and merit. These being equal, the preference shall be given to employees with the greatest seniority with the Company.

12. VACATION PAY

12.1. Vacation pay shall be paid out every pay period (semi-monthly) at the applicable percentage rate as agreed to in this Article.

12.2. Upon signing of the collective agreement, an Employee having completed less than five (5) full seasons of service will be credited with four percent (4%) of his total wages when on board.

- 12.3. An Employee having completed five (5) and less than seven (7) full seasons of service will be credited with five (5%) of his total wages when on board.
- 12.4. An Employee having completed seven (7) or more seasons of service will be credited with seven percent (7%) of his total wages when on board.
- 12.5. An Employee having completed twelve (12) or more seasons of service will be credited with eight percent (8%) of his total wages when on board.
- 12.6. Above shall not be affected in any way where such employee is absent from his employment for reasons satisfactory to the Captain.

Vacation pay shall be paid out at each pay period at the applicable percentage rate as agreed in this Article.

13. GENERAL EMERGENCY DUTIES

- 13.1. In addition to the duties specifically imposed by this document, all employees shall perform competently the ordinary duties pertaining to their positions on the vessel.

14. CLEANLINESS OF QUARTERS

- 14.1. The Company shall see that all quarters assigned for the use of the employees are kept clean, tidy, lighted and ventilated insofar as it is practicable to do so. The Company and the employees shall cooperate to the fullest in keeping living quarters clean and tidy at all times. The Company agrees to fumigate all quarters whenever such fumigation is necessary to free them of vermin.

15. OTHER CONVENIENCES

15.1. The following items shall be supplied to employees:

- a) A suitable number of clean blankets for each employee;
- b) Sheets and pillow cases which shall be changed weekly;
- c) Roller and bath towels;
- d) **An** adequate supply of crockery or plastic dishes;
- e) A TV if power is available.

15.2. It is the policy of the Company to maintain the comfort of the crew by providing as good equipment as possible under given circumstances, but it must be recognized that this policy is dependent on the full cooperation of the Union and each employee.

16. MEALS, COFFEE TIME AND LUNCHESES

16.1. Meal hours, when practicable, shall be as follows unless otherwise directed by the Captain:

- a) Breakfast from 07:30 a.m. to 08:30 a.m.
- b) Dinner from 11:30 a.m. to 12:30 p.m.
- c) Supper from 05:00 p.m. to 06:00 p.m.

16.2. As near as practicable, fifteen (15) minutes must be allowed off at 10:00 a.m. and at 3:00 p.m. daily for coffee unless otherwise directed by the Captain. Time off must be allowed for coffee during the night at two (2) hours intervals commencing **at** 6:00 p.m.

17. ROOM AND MEAL ALLOWANCE IF NOT AVAILABLE ON VESSELS

- 17.1. When the Company does not provide room and board, an employee, during the course of his employment, shall receive fifteen dollars (\$15.00) per meal. One hundred dollars (\$100.00) shall be allowed for a room per night. All expenditures are to be approved by the Company prior to assuming costs and supported with receipts. Wherever possible, the Company will pay lodging directly to remove the burden from the employees.

18. SAFETY AND EQUIPMENT

- 18.1. The Company shall make every effort to furnish and maintain safe working gear and equipment for the protection of its employees and shall continue to make reasonable provisions and rules for their safety.
- 18.2. When an employee falls sick or is injured, it will be the duty of the Captain to see that the employee gets first-aid or medical treatment as quickly as possible. Transportation to and from the hospital or clinic shall be provided. On the doctor's recommendation, an employee may be assigned to light duties for up to ten (10) days otherwise he shall be transported home.
- 18.3. Members of the engine room shall not be required to work on staging or bosun's chair while the vessel is underway. Crew members shall not be required to work on staging overside while the vessel is underway. While in port or at anchor and work is required on staging overside, there shall be a man standing by above the stages at all time.
- 18.4. All vessels shall be supplied with lifejackets sufficient for the watch below, and an approved medical kit.
- 18.5. Goggles shall be supplied as required for men engaged in chipping or scaling.
- 18.6. During the hours from 17:00 to 08:00, painting, soogeeing or chipping must not be performed.
- 18.7. The union agrees to cooperate with the Company in promoting safe practices and conditions aboard ship by reporting hazardous situations to the Captain or Chief Engineer who shall endeavor, whenever practicable, and with the least possible delay, to have the situation rectified.

- 18.8. It is agreed that any safety regulations that the Company may now have in force for the safety of the vessel and crew and further safety regulations which the Company shall put into effect and bring to the attention of the crew shall be strictly adhered to by all crew members. Violation of any such regulations will warrant instant dismissal.
- 18.9. The Company shall supply to all permanent employees who have been in the employ of the Company for a minimum of ninety (**90**) days. Listed items that shall be replaced annually, if necessary.
- a) List of items:
- Two (2) pair of coveralls per year
 - One (1) hard hat as required
 - Sufficient supply of floating vests, rubber boots, rain gear and proper work gloves, which are to be left on board.
- 18.10. All permanent employees will be given allowance towards the purchase of safety boots and insulated coveralls. This allowance shall be paid to each permanent employee at the end of November of each year. To receive this payment, the employee must have been in the employ of the Company for a minimum of ninety (90) days.
- Up to Two Hundred and Ten Dollars (\$220.00) for 2007 season to go towards safety footwear and insulated weather gear. (Amount to be increased by \$10.00 per year). Only CSA approved footwear shall be acceptable under the regulation. **Payment will based on the valid receipt.**

19. WAGES AND HOURS OF WORK

- 19.1. **Effective March 1, 2006**, the rates of pay for employees shall be as follows:
(rates inclusive of 2.4% wage adjustment for Able Seaman and Cook).

<u>Rating</u>	<u>Daily</u>	<u>Overtime</u>	<u>Double</u>
Able Seaman	191.51	23.93	31.16
Cook	191.51	23.93	32.16

- 19.2. **Effective March 1, 2007**, the rates of pay for employees shall be as follows:
rate inclusive increased by the cost of **living** index (COLA), covering the previous twelve-month period but not more than 2% for Able Seaman.
For Cook rate inclusive increased by the cost of living index (COLA), covering the previous twelve-month period but not more than 2% with +\$5.00 adjustment (added to his basic daily rate after increased). Also Cook only will receive 2 OT hours for each major food delivery to the vessel through entire duration of the contract.
- 19.3 **Effective March 1, 2008**, the rates of pay for employees shall be increased by the cost of living index (COLA), covering the previous twelve-month period but not more than 2% for Able Seaman.
For Cook rate inclusive increased by the cost of living index (COLA), covering the previous twelve-month period but not more than 2% with +\$5.00 adjustment (added to his basic daily rate after increased).
- 19.4. **Effective March 1, 2009**, the rates of pay for employees shall be increased by the cost of living index (COLA), covering the previous twelve-month period but not more than 2% for Able Seaman and Cook.
- 19.5. **Effective March 1, 2010**, the rates of pay for employees shall be increased by the cost of living index (COLA), covering the previous twelve-month period but not more than 2% for Able Seaman and Cook.

- 19.6. Employees who work the full season, from fit-out to lay-up, with the exception of time off for leave as noted in Article 20 of this contract shall also be entitled to a full season bonus equal to ten percent (10%) of their basic daily wages for the year, payable November 30th of each year. The balance of bonus payable in December of each year. Should **an** employee receive his bonus on November 30th and not lay-up the vessel as noted in Article 20 **of** this contract, the bonus paid shall be forfeited.
- 19.7. Employees who work for two (2) full seasons, from fit-out to lay-up, with the exception of time off for leave as noted in Article 20 of this contract shall also be entitled to a full season bonus equal to ten percent (10%) of their basic daily wages for the year, payable twice a year June 30th and November 30th of each year and after his last day of work for the season or with last pay after lay-up of the vessel as noted in Article 20.
- 19.8. It is further agreed that each unlicensed employee is entitled to a minimum of six **(6)** hours continuous rest each day, except where the safety of the ship or of the rig is concerned.
- 19.9. The hours of work are any twelve (12) hours out of a twenty-four (24) hour period. Any work in excess of twelve (12) hours in a calendar day shall be paid at the applicable overtime rate.
- 19.10. Recognizing that the hours of work are any twelve (12) hours in a 24-hours period, wherever possible at the Master's or Mate's discretion, the hours of work shall be restricted to eight (8) to ten (10) hours per day.
- 19.11. Effective March 1, 2006, probationary employees, as defined in Article 9.2, will be paid 90% of the wage rates until they have completed ninety (90) days of service. Any days accumulated with the Company in the previous twelve (12) months will apply towards the ninety (90) day probation period.

20. LEAVE

- 20.1. With fifteen (15) days of signing on Articles, a schedule of time off agreed to by employees, shall be available on board of vessel.
- 20.2. Scheduled time off will not be granted for periods of less than twenty one (21) days or more than thirty (30) days without mutual consent.
- 20.3. Only one employee will be permitted to take time off at one time (excluding Cook) and time off shall follow **A** Schedule of Time Off, unless otherwise mutually agreed.
- 20.4. Between the 15th of June to 15th of September employee will not be permitted scheduled time off for more than thirty (**30**) days unless otherwise mutually agreed.
- 20.5. Company should inform via fax or e-mail employee and Captain in charge, about planned crew changes at least four (**4**) days before employee changes take place.
- 20.6. Employees shall only be granted leave after the completion of ninety (90) days work during the season, unless otherwise mutually agreed.
- 20.7. Only one seaman shall be allowed off on leave at any one time. Should two seamen request the same dates off, seniority shall be the deciding factor and the employee with the lesser seniority shall be assigned to an alternate time off period.
- 20.8. No leave shall be granted after November 1st in each year.

21. SICK LEAVE AND COMPASSIONATE LEAVE

- 21.1. An employee may be entitled to receive from the Company a reasonable leave of absence from his employment without pay in the event of either illness or injury to himself or a member of his immediate family, that is his wife, brother, sister, children, parents and parents-in-law, and no such leave shall be unreasonably withheld.

- 21.2. Employees who have served with the Company for one (1) year or more, will be granted compassionate leave when a death occurs to a member of their immediate family, that is an employee's father, mother, wife or child, grandchild, sister or brother and parents-in-law. The Employee granted leave to attend the funeral will be paid at his daily rate for the time lost up to a maximum of seven (7) days. Claims for compassionate leave pay must be submitted by the Employee in writing to the Company along with proof of bereavement in the Employee's immediate family.

22. SAILING TIME

- 22.1. A sailing board shall be posted adjacent to the gangway immediately upon the arrival of the vessel in port. The time and date of sailing, together with destination if known, shall be placed upon the board. Where the sailing time is tentative, it shall be so stated, and the expected sailing time shall be posted as soon as possible.
- 22.2. If a crew member misses a vessel due to the fact it sails before the posted sailing time, he shall notify the Captain and/or the Company by radio telephone within two (2) hours of the original posted sailing time, and if such crew member rejoins the vessel at the first point where it can be boarded, he shall be reinstated, provided he notifies the Captain of the vessel and/or the Company as soon as possible of his intention to rejoin the vessel and shall be reimbursed transportation costs and loss wages.
- 22.3. If a crewmember misses a vessel due to circumstances beyond his control, he shall be reinstated provided he promptly notifies the Captain of the vessel and/or the Company Office of his intention to rejoin the vessel and rejoins the vessel at the first point where it can be boarded. All transportation costs will be borne by the employee.
- 22.4. The Company agrees to place at the gangway a notice when the ship is cleared by Customs and Immigration.

23. MAINTENANCE WORK

- 23.1. Maintenance work is hereby classified as painting, chipping, soogeeing, scraping, or working on ship's gear. Deck maintenance work, except that concerned with the safe navigation of the vessel, shall be performed between the hours of 08:00 a.m. and 06:00 p.m. except soogeeing which may be performed between the hours of 06:00 a.m. and 06:00 p.m. Engine room personnel shall not be required to do any chipping or scraping between the hours of 06:00 p.m. and 06:00 a.m.

- 23.2. Navigation duties, including the keeping of watches and any work performed in connection with the assistance of ships, towage of vessels and other functions in which a tug/supply vessel may engage, including the cleaning of bulk tanks.

24. INTERRUPTION OF WORK

- 24.1. It is agreed that there shall be no strikes, walkouts, lockouts, secondary boycotts, or other similar interruptions of work by the Union or the employees during the term of this Agreement or any renewal thereof, and disputes and grievances shall be adjusted through the regular channels established in the Grievance Procedure. Any violation of this clause shall entitle the Company to claim damages from the employees involved.
- 24.2. There shall be no discrimination, interference, restraint or coercing by the Company against any employee because of membership in the Union. The Union agrees not to intimidate or coerce or threaten employees in any manner that will interfere or hinder the effective carrying out of this Agreement and the principles contained herein, and will assist and cooperate with the Captains, Chief Engineers and Executives of the Company in maintaining discipline aboard ship. The Union also undertakes to attempt to prevent interference by other labour organizations in Canadian or United States ports.
- 24.3. It is agreed for the purpose of this Agreement that the refusal of any employee to pass through a lawful picket line shall not be construed as a violation of this Agreement and shall not be reason for dismissal.

25. PAYMENT OF WAGES

- 25.1. It is agreed that the payment of wages shall be twice monthly by way of direct deposit.

26. MARINE DISASTER

- 26.1. An employee covered by this Agreement, while employed by the Company, who suffers loss of clothing or other personal effects because of a marine disaster or shipwreck, shall be compensated by the Company for such loss up to a maximum of six thousand dollars (\$6,000.00)
- 26.2. An employee or his estate making claim under this Section shall submit reasonable proof to the Company of the actual value of the loss suffered. Such proof shall be a signed affidavit listing the individual items and values claimed.

27. FRINGE BENEFITS

27.1. It is agreed between the parties that the contribution payable to the Seafarers' Medical Plan, the Seafarers' International Union of Canada Pension Plan and the Seafarers' Hiring Hall Fund are provided for in a Letter of Understanding between the parties dated June 28, 2006, which Letter of Understanding is incorporated in the present collective agreement and forms an integral part thereof.

28. EMPLOYEE'S FILE

28.1. The employer agree not to introduce as evidence in a hearing related to disciplinary action any document from the file of an unlicensed employee, the existence of which the unlicensed employee was not aware at the time of filing or within a reasonable period thereafter.

28.2. Upon written request of an unlicensed employee, notice of disciplinary action, which has been placed on the personal file of the unlicensed employee shall be destroyed after two (2) years have elapsed since the disciplinary action was taken provided that no further disciplinary action has been recorded during this period.

28.3. (a) Upon written request of an unlicensed employee, the personal file of that employee shall be made available once per year for the examination in the presence of an authorized representative of the employer.

28.4. Clause 28.3 also applies when an unlicensed employee is off ship on leaves of absence due to the following:

- a) Article on Accumulated Leave and Leave Pay;
- b) Sickness;
- c) Accident at work;
- d) While laid off by the Company, if the unlicensed employee has been given Notice of Intent, or;
- e) For any leave of absence authorized by the Company.

29. HARBOUR WORK

29.1. For short trips of less than forty-eight (48) hours, no Union employees are required.

30. WINTER AND LAID UP WORK

30.1. Recognizing that the Collective Agreement is only in effect during periods that the vessels are sailing with the crew signed on Articles, the Company will give first option for any work to be performed while the vessel is laid up, to existing crew members, provided they are qualified.

31. DURATION OF AGREEMENT

31.1. This Agreement shall become effective **as** from March 1, 2006, unless otherwise noted herein, and shall continue in full force and effect until February 28, 2011, inclusive, and thereafter from year to year unless or until either party serves written notice on the other party to the contrary at least ninety (90) days prior to February 28th of any subsequent year.

Name: _____

Name: _____

Signature _____

Fettes Shipping Inc.

Signature _____

Seafarers' International Union of Canada

LETTER OF UNDERSTANDING made this _____ day of _____ 2007

BETWEEN: **FETTES SHIPPING INC.**
Hereinafter referred to as "The Company"

AND: **SEAFARERS' INTERNATIONAL UNION OF CANADA**
Hereinafter referred to as "The Union"

SEAFARERS' MEDICAL PLAN

\$6.86 per job per payroll day effective	March 1, 2006
\$ X increased by COLA but not more than 2%	March 1, 2007
\$ X increased by COLA but not more than 2%	March 1, 2008
\$ X increased by COLA but not more than 2%	March 1, 2009
\$ X increased by COLA but not more than 2%	March 1, 2010

HIRING HALL FUND

\$5.20 per job per payroll day effective	March 1, 2006
\$5.20	March 1, 2007
\$5.20	March 1, 2008
\$5.25	March 1, 2009
\$5.25	March 1, 2010

PENSION PLAN

10% of basic daily rate effective	March 1, 2006
10%	March 1, 2007
10%	March 1, 2008
10%	March 1, 2009
11%	March 1, 2010

Name: _____

Name: _____

Signature _____

Fettes Shipping Inc.

Signature _____

Seafarers' International Union of Canada

TRAVEL ALLOWANCE

Travel allowance is for air travel, ground transportation home-airport-home or vessel

MEMORANDUM OF UNDERSTANDING made this _____ day of _____ 2007

BETWEEN: **FETTES SHIPPING INC.**
Hereinafter referred to as "The Company"

AND: **SEAFARERS' INTERNATIONAL UNION OF CANADA**
Hereinafter referred to as "The Union"

1. **Effective March 1, 2006**, employees who were hired by the Company prior to January 1st 2006 and who work the full season, from fit-out to lay-up, with the exception of time off for leave as noted in Article 20 of this contract,
 - a) shall be eligible for a travel allowance of up to \$2,000.00 payable once a year at the end of the navigation season.
2. **Effective March 1, 2007**, employees who were hired by the Company after January 1st 2006 and who work the full season, from fit-out to lay-up, with the exception of time off for leave as noted in Article 20 of this contract,
 - a) shall be eligible for a travel allowance of up to \$3,000.00 payable once a year at the end of the navigation season.
3. **Effective March 1, 2008**, employees who were hired by the Company after January 1st 2006 and who work the full season, from fit-out to lay-up, with the exception of time off for leave as noted in Article 20 of this contract,
 - a) shall be eligible for a travel allowance of up to \$3,000.00 payable once a year at the end of the navigation season.

4. **Effective March 1, 2009**, employees who were hired by the Company after January 1st 2006 and who work the full season, from fit-out to lay-up, with the exception of time off for leave as noted in Article 20 of this contract,
 - a) shall be eligible for a travel allowance of up to \$3,300.00 payable once a year at the end of the navigation season.

5. **Effective March 1, 2010**, employees who were hired by the Company after January 1st 2006 and who work the full season, from fit-out to lay-up, with the exception of time off for leave as noted in Article 20 of this contract,
 - a) shall be eligible for a travel allowance of up to \$3,750.00 payable once a year at the end of the navigation season.

6. **Effective March 1, 2006**, probationary/relief employees, as defined in Article 9.2, as well as employees in their first 12 months with the company will not be entitled to the "Travel Allowance" program.

7. The Company prior to incurring travel cost as per this Travel Allowance Agreement must be provided with originals or copies of receipts.

Name: _____

Name: _____

Signature _____

Fettes Shipping Inc.

Signature _____

Seafarers' International Union of Canada

MEMORANDUM OF UNDERSTANDING

Between

FETTES SHIPPING INC.

And

SEAFARERS' INTERNATIONAL UNION

The Parties agree that the employees hired permanent prior to the ratification of this agreement will be red-circled with regards to a full rate of pay.

MEMORANDUM OF UNDERSTANDING made this _____ day of _____ 2007

Name: _____

Name: _____

Signature _____

Fettes Shipping Inc.

Signature _____

Seafarers' International Union of Canada



FETTES SHIPPING INC.

3385 HARVESTER ROAD, UNIT 250, BURLINGTON, ONTARIO L7N 3N2
TEL: 905-333-1600 • FAX 905-333-6588 • Email: fettes-glites @ on.siba.com

July 09th, 2007

SIU – Fettes Shipping Inc.

Settlement to Collective Agreement

Year 2006 - 2010

2006

- Wages increased by 2.4%
- Pension Plan 10.0% of Daily Rate.
- Retroactively travel costs compensation will be paid for year 2006, each deckhand will receive \$2,000.00 in 5 instalments once a month, started in August 2007.
- Clothing allowance \$150 per year

2007

- Wages increased by COLA but not more than 2.0%.
- Cook only on the top of COLA (but not more than 2.0%) will receive additional \$5.00 per day (added to his basic daily rate after increased).
- Cook only will receive 2 OT for each major food delivery to the vessel.
- Clothing allowance increased to \$220 per year (annual increase thereafter is \$10/year).
- Pension Plan 10.0% of Daily Rate.
- Reimbursement for true cost of transportation up to \$3,000.00 per Year for any one working on board since 2006, (Travel allowance for air travel, ground transportation home airport home or vessel).
- Bonus will be paid twice a year for employees working more than two years with a company.

2008

Wages increased by COLA but not more than 2.0%.
Cook only on the top of COLA (but not more than 2.0%) will receive additional \$5.00 per day (added to his basic daily rate after increased by COLA).
Cook only will receive 2 OT for each major food delivery to the vessel.
Clothing allowance increased to \$230 per year (annual increase thereafter is \$10/year)
Pension Plan 10.0% of Daily Rate.
Reimbursement for true cost of transportation up to \$3,000.00 per Year. (Travel allowance for air travel, ground transportation home airport home or vessel).
Bonus will be paid twice a year for employees working more than two years with a company.

2009

Wages increased by COLA but not more than 2.0%.
Cook only will receive 2 OT for each major food delivery to the vessel.
Clothing allowance increased to \$240 per year (annual increase thereafter is \$10/year)
Pension Plan 10.0% of Daily Rate.
Reimbursement for true cost of transportation up to \$3,300.00 per Year. (Travel allowance for air travel, ground transportation home airport home or vessel).
Bonus will be paid twice a year for employees working more than two years with a company.

2010

Wages increased by COLA but not more than 2.0%.
Cook only will receive 2 OT for each major food delivery to the vessel.
Clothing allowance increased to \$250 per year (annual increase thereafter is \$10/year)
Pension Plan 10.0% of Daily Rate.
Reimbursement for true cost of transportation up to \$3,370.00 per Year. (Travel allowance for air travel, ground transportation home airport home or vessel).
Bonus will be paid twice a year for employees working more than two years with a company.



Mirek Gassowski
President of Fettes Shipping Inc.



James Givens
Vice President of Great Lakes
and Inland Waters



FETTES SHIPPING INC.
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