

COLLECTIVE AGREEMENT

Between:

CANCREW

LIMITED
(hereinafter called the
"Company")
of the one
part,

and:

FISH, FOOD & ALLIED WORKER'S
UNION (FFAW-Unifor)
(hereinafter called the
'Union')
of the other
part;

for

UNLICENSED PERSONNEL
(BULK CARRIER)

February 21, 2011

To

February 20, 2016

15091 (01)

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WITNESSETH that in consideration of the respective obligations herewith and hereby assumed, the parties agree with one another as follows:

Article 1-General purpose and Scope of this Agreement

- 1:01 The Canadian registered bulk carrier is a very modern high technology vessel used to transport material and supplies to and nickel concentrate from Voisey's Bay or elsewhere in the world.
- 1:02 The general purpose of this agreement is to support the mutual interests of the Company, the Union and its employees, to provide the most reliable operation for this vessel, crewed by the Company supporting the transportation of nickel concentrate and other cargo, using methods which will further to the fullest extent possible, the safety of the vessel's operations, environment and personnel, while retaining above average standards and good economic operations. 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. There shall be no strikes, lock-outs, or stoppage of work while this agreement is in effect.
- 1:03 Employees will be required to demonstrate a high degree of pride in the vessel and demonstrate their willingness to cooperate with the Company and the Charterer's rules and policies. Employees shall strive to gain and maintain high standards of professionalism at work and be personally suitable for working extended periods at sea in close quarters.
- 1:04 Persons employed by the Company will be expected to carry out their duties in a manner so as to maintain the high standards as prescribed in the Company's operating manuals and policies. Any employee failing to meet the Company's standards will be subject to discipline up to and including dismissal. Such discipline shall be subject to the grievance and arbitration procedure. New employees are required to complete a six (6) month probationary period.
- 1:05 This Agreement provides for the Conditions of Service including membership in the Company's Group Insurance and contributions towards a Group Registered Retirement Savings Plan. Shipboard positions covered under this agreement include GP (general purpose) unlicensed Engine Department/Deck Personnel, and the vessel's catering staff.
- 1:06 It is hereby agreed and understood that this agreement does not in any way affect any of the Company's Management, owner's personnel, charterer's staff, passengers, guests, or any other party that may be on board the vessel.

Article 2 - Recognition

2:01 The Company recognizes the Union as the sole and exclusive bargaining agent for all unlicensed deck and engine room personnel, including general purpose galley staff employed on the Bulk Carrier. Such crewmembers hereafter shall be referred to as crewmembers which word shall include the singular as well as the plural and the masculine as well as the feminine.

Article 3 - Authority of Master & Company

3:01 The Union agrees that the Master or his designate and the Company have the exclusive right to direct the crew and to interview, hire, evaluate performance, promote, demote, transfer, layoff, recall, suspend or discharge employees subject to the particular provisions of this collective agreement.

Article 4 - Interpretation

- 4:01 Any clarifications that are mutually agreeable to the parties hereto may be made and incorporated as an Addendum to the Agreement anytime during the life of this Agreement. Any such clarification shall be in writing and signed by the parties hereto.
- 4:02 No decision made under this Addendum to the Agreement shall void or contravene the provisions of the Canada Shipping Act, the Canada Labour Code or any other law or code that has jurisdiction over the management/operation of the vessel(s) or this agreement.

Article 5 - Notices

5:01 Where notice is required by this Agreement to be given to the Company, it may be addressed as follows:

To The Company: CANCREW LIMITED
 P.O. Box 8040, Stn. A
 St. John's, NL
 A1B 3M7
 Attention:Larry Moore
 Telephone: (709) 782-3333
 Fax: (709) 782-0225

To The Union: FFAW-Unifor
 PO Box 10, Stn. C
 St. John's, NL
 A1C 5H5
 Attention:Will Reid
 Telephone: (709) 576-7276
 Fax: (709) 576-1962

Article 6 - Probationary Period

- 6:01 All new employees shall be considered to be a probationary employee for a period of six (6) months. This probationary period will commence after employees complete all pre-requisite training as outlined in Appendix A and he/she joins the vessel. During this period of probation, the employee's suitability for permanent employment will be assessed by the Company.
- 6:02 At any time during the period of probation, an employee may be released by the Company if the Company judges the employee to be unsuitable for permanent employment.

Article 7 – Labour Pools

- 7:01 The Union shall encourage and assist its members who have high skills experience and the appropriate training for this type of vessel operation to submit their CV or resume to the Company. The Company will solicit and receive resumes from other persons seeking employment. The Company shall maintain (for a period of six months) all resumes on file and hire the most suitable person for a vacant position. The evaluation criteria to determine who is hired shall be based on a person's ability, qualifications and past performance history. The Company shall be the sole judge in determining who is hired.
- 7:02 The Company will maintain a casual worker list and continue to hire crew from the casual list based on ability as outlined above and priority status on the list.
- 7:03 The Company agrees to post internally for all permanent positions while reserving the right to also advertise externally.

Article 8 - Union Membership

- 8:01 The Company will give preference of employment to Union members except those who have quit or have been dismissed and employ only Union members where such are available and are capable in the opinion of management of doing efficiently the work for which they are to be hired.
- 8:02 It is to be a condition of employment that all perspective employees, not already union members, sign application forms to join the Union within 30 days of commencement of work with the Company. The Company, upon hiring, shall deduct from the wages of such employees the initiation fee, the union dues per pay period and any other general assessment. The Secretary-Treasurer will advise the Company in writing of the amounts to be deducted. This amount is to be forwarded to the provincial office of the FFAW-Unifor no later than the 15th of the following month. The Company will include the amount deducted for union dues on T4 slips.
- 8:03 The Company shall make it a condition of employment that every member who is now a member or who hereafter becomes a member of the Union shall maintain his membership therein.
- 8:04 The Company agrees to contribute \$5,000 annually to the Union to be used toward the cost of administration of this current contract.

Article 9 – Inter - Department Flexibility

9:01 Crew members should recognize that due to the nature of their employment and crew size limitation they will be expected, on occasions, to perform duties in other departments such as members of the normal deck department working in the engine department and visa versa without extra compensation.

9:02 Similarly, all crew members should be prepared to assist the catering department with the removal of dishes from the mess room to galley, vessel cleaning and other duties, as required.

9:03 All employees covered under this agreement are multi-functional.

Article 10 - Medical Fitness and Documentation

10:01 An employee's right to employment with the Company shall be conditional upon him/her receiving a medical fitness certificate from the Company doctor which includes the Transport Canada (TC) required medical fitness and a Pre- Employment Drug and Alcohol Test. The Company medical must be renewed at the same intervals as the TC medical. The Company may request that an employee complete a medical at any time using the Company's designated doctor. The cost of these medicals will be responsibility of the Company.

10:02 The Company shall reimburse employees for the cost of documentation required by the company, i.e. passports, vaccinations.

Article 11 - Travel

- 11:01 The travel policy for full time Employees is based upon the fact the base of operations is Newfoundland. The company has travel guidelines that provide travel assistance for crew changes within and outside Newfoundland. These guidelines detail the expenses that are eligible for reimbursement and the process. The company shall follow the federal government rates for kilometres and meal allowances. When the crew changes are occurring outside the Employee's province of residence the arrangements are coordinated through the Company's Human Resource Office. The province of residence is defined as the province the employee resides in at the date employment commences with the Company.
- 11:02 Where an Employee is required to travel within their province of residence for a crew change, then the Employee shall arrange for their normal travel plan to the crew change port within that province. The company will reimburse the Employee on the basis of a kilometer rate for the distance from their residence to the crew change port when joining and from the crew change port to their residence when departing the vessel. Private cars to be used where this is a more economic means of transportation.
- 11:03 Where an Employee is required to travel outside their province of residence for a crew change then the Employee shall arrange for their normal travel plan to the airport closest to their residence. The company will reimburse Employee on the basis of a kilometre rate for the distance from their residence to the airport when joining the vessel and from the airport to their residence when departing the vessel. From the airport, the company will arrange the flight to the crew change port if outside the province of residence. If the crew change is occurring in Newfoundland, the Employee shall arrange for their transportation from the airport in Newfoundland to the crew change port and shall be eligible for reimbursement for the distance traveled. For distances traveled less than 40 kilometers, employee shall be entitled to reimbursement in the amount of \$20.00
- 11:04 All travel claims must be fully detailed on the Company's "Employee's Expense Account Report" and supported by the relevant vouchers, as required. All expenses must be submitted in the year in which they occur. Except in cases of emergency, all employees shall receive authority from the Company's Human Resource management prior to making any travel arrangements or accumulating expenses on the Company's behalf.
- 11:05 Employees discharged for cause or voluntarily signing-off shall not be eligible For travel expenses from this point of discharge or sign-off.

Article 12 - Union Access

12:01 The Company agrees to permit a union representative on board vessels for the purposes of meeting and consulting with its members covered by this Agreement. Representatives of the Union shall first present themselves to the Captain or Officer in Charge. Such representatives shall not interfere in any way with the operations of the vessel.

12:02 The Union shall supply the Company with the names of its representatives, including the on board delegate. The delegate shall be permitted to hold meetings on board to consult with the members of the bargaining unit. The delegate shall seek permission from the Captain and the Union agrees the meeting shall not interfere with regular operation of the vessel.

Article 13 - Protective Clothing, Uniforms & Safety Equipment

13:01 Whenever items of clothing or other safety equipment are supplied to crew members as per the Company's policy, or where the Company has identified positions where the wearing of safety clothing or the use of related safety equipment is mandatory and the crew members are in receipt of an allowance or have been provided with such items, then the crew members must wear or use these items whenever they are on duty in accordance with their departmental and Company policy.

13:02 After the six-month employment probation period has been served and annually thereafter all deck and engine room employees shall each receive two pairs of regular coveralls plus one pair of insulated coveralls for winter use and receive a safety footwear allowance of \$100.00 annually. All employees are required to report to work with steel toe footwear (boots and/or shoes) for use at all times while working on board.

13:03 Galley staff shall report and wear safety shoes and whites while working. Safety shoes, pants, shirts and related attire shall be provided and paid for by the employee. After the six-month employment probation period has been served and each six months thereafter, the Company will provide each galley staff employee with a safety shoe/clothing allowance of \$125.00.

Article 14 -Tour of Duty

- 14:01 The position of Leading Seaperson, and one of GP Seaperson are designated as "lay-up" crew and therefore persons in these positions will stay on board the vessel during lay-up periods. The normal tour of duty for crewmembers serving in these positions shall be approximately 45 days on board and 45 days on leave.
- 14:02 For all other positions covered by this agreement, the tour of duty will vary and be dependent on the vessel schedule. It is anticipated the vessel will operate 226 days per year plus lay-up time. The longest tour of duty will be approximately 80 days on board during the period January to March each year. Following this period the remaining tours of duty will be approximately 45 days on followed by a period of leave. Full time crewmembers will work minimum of six months per year, but no more than 200 days on board unless the crewmember is in agreement. Relief crewmembers may work less than six months per year.
- 14:03 Crewmembers should recognize that on occasion it will be impractical to adhere strictly to the normal shift system and a delay or advancement of the relief date may be necessary for operational reasons or to provide a more cost effective crew change.
- 14:04 The employer will pay double sea days for all days worked beyond 196 sea days in a calendar year. (effective date of signing)

Article 15 – Normal Work Routine

- 15:01 Crewmembers will work a normal twelve (12) hour day with the watch system to be specified by the Master. All crewmembers covered under this agreement are considered GP (general purpose) crews and as such will work on board as required.
- 15:02 The vessel's operation and all tasks related to her safety, marine emergencies, drills or the need to carry out any additional work required regarding the unique operations of the vessel and maintenance. shall be completed at any time requested by the Master or his representative under the terms and conditions as outlined In this agreement.
- 15:03 Any hours worked in excess of 12 hours per day requested by the employee's responsible superior will be paid at the overtime rate, as provided for in Appendix "B", except where this extra work is performing normal mooring operations, unmooring, bunkering, extra meals up to 25 persons or emergency drills.
- 15:04 All vessel maintenance work completed outside the employee's daily twelve (12) hours work routine shall be subject to the payment of overtime as provided for in Appendix "B".
- 15:05 It is agreed that overtime will: be paid to the nearest quarter hour.
- 15:06 A workday shall be defined as any day in the week.
- 15:07 Where a crewmember is required to perform any work that qualifies as "stevedoring work", then in addition to regular pay, or overtime pay, that crewmember shall be entitled to receive an additional hour of pay for each hour of "stevedoring work".

Article 16 – Consolidated Day Rate

- 16:01 Wages are based on consolidated day rates, calculated to the nearest half day upwards on board. The payment rate shall be equal while working and on leave. The consolidated daily rate includes basic pay for a 12 hour day, overtime allowance as per Article 15:03, leave pay, sick leave, statutory holidays as outlined by current federal government legislation, travel and vacation pay at 6%.
- 16:02 Crew changes will be scheduled for the beginning or mid-day where possible. Employees travelling beyond midnight after crew change when disembarking the vessel, and prior to midnight before crew change when joining the vessel, shall be paid for travel at the basic rate calculated to the nearest ½ day, up to a maximum of one day. In this instance he/she will not accumulate leave for travel time.
- 16:03 An employee shall not receive travel pay for any period that he is receiving his regular on board work rate. Where an employee has a qualified travel earning period and a work period during any half day, he/she shall receive the regular on board rate and accumulate leave accordingly.
- 16:04 At no time shall an employee qualify to receive two rates of pay for any one period of time. Employees will receive either regular pay or overtime pay or travel pay. The exception to this is stevedore work as outlined in 15:07.
- 16:05 The consolidated day rate as per Article 16:01 was on a calculation of 1.13% effective January 1, 2013 the calculation shall be 1.15%.

Article 17 - Remuneration & Annual Changes

- 17:01 Crewmembers shall be paid at twice {2} monthly intervals with a total of twenty-four (24) payments per year. Payroll periods will be calculated up to the 15th and the last day of the month with payments made by the 7th of the following month covering the end of the month pay period and by the 22nd covering the mid-month period.
- 17:02 Wage rates and other amounts paid to employee as noted in this collective agreement and forming part of this agreement will be effective until February 20, 2016. Future annual changes are to become retroactive to the beginning of the next payroll period after January 1st of each year. These annual adjustments shall be calculated as the average wage increase negotiated for other unlicensed personnel employed on ships operating in Newfoundland's offshore industry or the average cost of living as determined by the Consumer Price Index (CPI) during the month of September each year for Newfoundland and Labrador and published by Statistics Canada or 2.5%, whichever is greater.
- 17:03 Under no circumstances will new rate adjustments as determined above result in a retroactive adjustment to any previous annual period prior to January 1st of any adjustment year. Where rate change determination is completed after December 31st, the new rate will be retroactive to the beginning of the first payroll period after January 1st of that annual year.

Article 18 - Shorthand Payment

18:01 If for any reason the vessel sails with less than the crew number required under the minimum safe manning requirement for a particular crew classification (i.e. Seaperson, cook, etc.) the wages for that part of the crew that is missing will be divided among the remaining department members provided they perform the normal work of the missing crew member(s).

18:02 The Safe Manning requirement for the vessel is four GP Seaperson and a Chief Cook.

Article 19 - Termination of Crew Members" Employment

19:01 The Company reserves the right to terminate any crew member's employment without notice in the event of serious misconduct, theft, negligence in the performance of duties, breach of Company, Owner's or Charterer's confidence, falling to comply with Company's zero tolerance drug and alcohol policy and/or failure to comply with Company directives. Company directives also include directives made by the vessel's on board management team including the Master, Chief Engineer or their representatives. This termination is subject to the grievance and arbitration procedure contained in this Agreement.

19:02 Crewmembers shall provide the Company with at least 14 days notice of their intention to terminate their employment with the Company in writing. The Company shall provide the employee with 14 days notice of their intentions to lay off employees as a result of a lay-up, refit, major modifications, or other conditions affecting the normal operations of the vessel(s). Failure by either party to provide the above required notices, will result in the following: The employee upon failure to provide such required notice, will forfeit up to 14 days of earned pay and the Company by failing to provide its notice will pay the employee up to 14 days of earned pay. The number of days will be the additional number required from the actual notice provided to comply with the 14 days notice requirement.

Article 20- Seniority, Layoff and Recall

- 20:01 A seniority list of all crewmembers shall be prepared showing current classification, date of hire within this bargaining unit. A copy of the seniority list will be supplied to the union and posted on board the ship. Following the posting of the seniority list, a crewmember shall have 45 days to notify the company of any errors or omissions.
- 20:02 Displacements, transfers, demotions and promotions to positions covered by this agreement, shall be based on ability, qualifications, performance, and seniority. Ability, qualifications, and performance being sufficient, seniority shall prevail. Company management shall be the sole judge of ability, qualifications and performance.
- 20:03 A seniority list for permanent employees will be compiled annually and updated as required. Employees will be added to the seniority list when they become permanent, on completion of 6 months continuous employment in a position covered by this agreement excluding any training periods. Seniority calculation will be based on an employee's date of hire within this bargaining unit.
- 20:04 Employees with less than 6 months sea service with the Company will be considered on probation and shall have no rights under the seniority rules of the agreement.
- 20:05 When reducing staff, employees with the most seniority will be retained. When increasing staff, laid-off employees will be recalled to fill vacancies for which they are qualified in order of seniority.
- 20:06 Employees shall lose their seniority with the Company when:
- (a) they are discharged for cause;
 - (b) they fail to return to work following a recall (notice period longer than 48 hours) from layoff;
 - (c) they fail to return to work following an approved leave of absence or sick leave without just cause;
 - (d) they resign;
 - (e) they are promoted to a position outside the bargaining unit for a period in excess of twelve months.

20:07 Employees shall retain and accumulate their seniority with the Company when absent due to:

- (a) layoff, not exceeding two (2) years;
- (b) sickness;
- (c) authorized leave;
- (d) union business.
- (e) Approved sick leave for a period of up to 2 years or at time when both Parties agree to remove from the seniority list beyond the 2 year period.

20:08 Laid-off employees recalled to fill a vacancy must report within 24 hours if a resident of Newfoundland and within 48 hours if residing outside the province. The sailing time of a vessel will not be held up awaiting arrival of a recalled employee. The Company may employ any person in order that the vessel may sail when required.

20:09 Provided an employee has been given less than 48 hours notice to return to work after being laid-off and the employee is unable to report as required, he will have the right to exercise his seniority for that position by giving the Company written notice within (14) days. To retain his seniority he shall be available to work the following crew shift when he would normally have been required to return to relieve the opposite shift crew member.

Article 21 – Marine Mishap

21:01 In the event of a marine mishap where a crew member suffers the loss of his clothing (other than Company issued items) and/or personal effects, the Company agrees to pay compensation for such loss up to a value of twelve hundred dollars (\$1,200.00).

21:02 Any employee or his Estate making a claim under this Article shall submit a signed affidavit listing the individual items and values claimed.

Article 22 - Bereavement Leave

22:01 The Company will grant seven (7) days leave at the daily rate of pay to a crew member in the event of a death in the crew member's immediate family. This leave is granted for the purpose of attending the funeral and shall be granted only to those crew members engaged on a tour of duty and will not be granted retroactively. For the purpose of this clause, "immediate family" shall be defined as the employee's parent, spouse or child.

22:02 The company will grant four (4) days leave at the daily rate of pay to a crewmember in the event of a death to grandparents, grandchild, brother, sister, brother and sister in-laws and parents-in-laws:

22:03 While every effort will be made to allow the employee to attend the funeral, it must be realized that the operational requirements of the vessel may be such that it may not be possible for the employee to leave the vessel immediately.

Article 23 - Safety

- 23:01 Safe operation of the vessel is of paramount importance. All crewmembers shall participate, as required, in all safety related drills and meetings. All persons must comply fully with the Company's operations and safety manuals. All safety related directives must be carried out with the utmost dispatch. At all times, crewmembers shall wear the required safety equipment and protective clothing for their work area on board the vessel. Failure to comply with the safety related directives is just cause for instant dismissal.
- 23:02 It is to be understood by all crew members that they are required to report on board in a well-rested suitable condition ready for work at least two hours prior to their scheduled working period or prior to the vessel's scheduled sailing time. Failure to report as scheduled for service is grounds for dismissal.
- 23:03 When vessel crewmembers are ashore in port during off duty periods, they must furnish the Officer on duty with details of their whereabouts and leave a contact number.
- 23:04 It is agreed that a safety committee will be established on board each vessel. This committee shall meet on a monthly basis to discuss safety matters related to the vessel and a copy of the minutes will be forwarded to the Company and the Union.

Article 24 - Drug and Alcohol Testing

24:01 The Union recognizes the Company's right to establish a drug and alcohol policy that is binding upon the employees covered by this agreement. The Union recognizes and supports the Company's policy of zero tolerance towards the presence and use of alcohol and any other non-prescribed drugs use while on board or Immediately prior to joining the vessel.

24:02 This zero tolerance drug and alcohol policy will include pre-employment and random testing *for* all crewmembers.

Article 25 - Group Benefits and RRSP Plan

25:01 The Company shall maintain a group medical and life insurance benefit plan. The benefit plan will be cost shared 50/50 between the Company and the employees.

25:02 Employees will contribute an amount of his/her regular basic day rate to a group Registered Retirement Savings Plan (RRSP). Effective November 1, 2013 the company will pay 11% and Employee 7% and November 1, 2014 the Company will pay 11.34% and the Employee will pay 6.66%. The first payment will be made by the company after completion of the 6- month probation period covered in clause (6).

25:03 The Company will make twelve installments per year towards the employees's RRSP at the end of each month.

25:04 Participation in the Group RRSP will be mandatory.

Article 26 - Severance Pay

26:01 Employees with over six (6) years of service shall receive Severance Pay, if their employment is terminated by the Company. They shall receive four days pay for each year of service up to a maximum of sixty (60) days basic pay without leave pay.

26:02 Employees dismissed for cause, transferred to another operation while maintaining employment on similar conditions covered in this agreement or those employees entitled to a Company Pension or the Company funded portion of a Registered Retirement Saving Plan, Old Age Security Pension or Canada Pension shall not be eligible for Severance Pay.

Article 27 – Leave of Absence

27:01 Applications for Leave of Absence shall be made in writing to the Master of the ship who shall refer all cases to the Operations Manager for consideration and decision; shore personnel shall apply directly to the Operations Manager. Such leave, if granted, will be without pay and under the following conditions:

- (a) The employee's name shall be continued on the seniority list, and seniority shall accumulate during his absence.
- (b) The employee must return to work not later than the expiry date of his leave, or the expiry date of any authorized extension of it. Failure to report for work on the date required will be cause for termination of the employee's rights under this Agreement.
- (c) Leave of Absence will not be granted for a period in excess of three months, except in case of sickness. During such leave, except sickness, employees must pay their regular monthly Union Dues or his name will be deleted from the seniority list.
- (d) Leave of Absence for educational purposes may be granted for a period of up to six months with no loss of seniority and employees shall accumulate seniority during such leave.
- (e) During such Leave of Absence, employees must pay their regular monthly Union Dues or his name will be deleted from the seniority list. The Company agrees to deduct from the pay of each employee the Union Dues in arrears, if any, applicable under this clause when the employee returns from Leave of Absence.

Article 28 – Training

- 28:01 The Union and employees warrants that they shall use their best efforts to assist the Company with training through cooperation, funding where available, course content and any other assistance that will improve the skills of the employees.
- 28:02 All crew members must be willing to undergo periodic training, upgrading, orientation, etc. as deemed necessary by the Company and/or the Company's client. Crewmembers must demonstrate a minimum level of comprehension for training related to the activities of the vessel and further demonstrate the proper implementation of their specialized training through their work effort.
- 28:03 The employee shall be responsible for any newly legislated required training, courses, up grading and/or certification that becomes mandatory in the future.
- 28:04 The Company will sponsor and pay for any Company required industrial training, industry courses, up grading and/or certification that it may consider mandatory for its shipboard employees in the future.
- 28:05 Employees will not accurrulate leave days while undergoing Company sponsored training.
- 28:06 The Company agrees to an Education bonus of \$1,000.00 for completion of Watchkeeping / Fourth Class Motor Certificate once the employee has completed one year of service after successful completion of the course.

Article 29 - Cadets & Other Supernumeraries

29:01 The Company is at liberty to have on board each vessel marine cadets or other persons in training from any training center. These persons will not be members of the Union and are not covered under this agreement. These persons are learning practical job skills by performing and assisting the regular crew to perform their normal duties.

29:02 Supernumeraries, including management personnel, shore based work squads, dry-dock personnel, shore-based trades persons and any other required support persons or observers will be engaged from time to time on board the vessel to support ongoing service maintenance, performing repairs, contract maintenance, prepare reports and as required may be used to assist the vessel's normal crew complement.

Article 30 - Discipline and Arbitration

- 30:01 Equipment, materials and provisions are provided for safe operation. Any crewmember removing any shipboard item without written permission will be immediately dismissed and prosecuted under the full extent of the law. The company may conduct random searches of crew to ensure compliance with this policy.
- 30:02 An employee, who has completed his probationary period (six (6) months) will not be disciplined or discharged without an investigation and report by the vessel's senior staff.
- 30:03 Should an employee believe he has been unjustly dealt with, or that any of the provisions of this agreement have not been complied with, the procedure for adjustment shall be as follows:
- 30:04 Notify the Master of the grievance. A decision will be rendered within 10 days provided the vessel has entered port during this period. If the vessel has not entered port during this time frame, then the Master's time allowance to respond shall be extended to the date of entering port plus 3 days. Should the employee not be satisfied with the Master's decision, then the Union can present his grievance to the Company's operations manager in writing. The Company's operations manager shall have 10 workdays from the date of receipt to respond and give his written decision.
- 30:05 Should the response from the Company's operations manager not be suitable to settle the grievance, then the grievance may be referred by either party to arbitration within ten days. Both the Company and the Union shall nominate a representative to serve on the arbitration panel and those representatives shall agree together to the selection of a third person who will chair the panel if the parties cannot reach an agreement on the selection of a chairperson then either party may refer the matter to the Minister of Labour for Canada who shall select and appoint a chairperson.
- 30:06 A decision of the panel shall be final and binding upon the Company, the Union and all persons concerned.
- 30:07 The expenses, fees and costs of the chairperson shall be paid jointly by the parties to this Agreement.

Article 31 - Strikes and Lockouts

31:01 The Union agrees that there will be no strike or stoppage of work either complete or partial during the life as outlined in Article 33 of this agreement and the Company agrees that there will be no lockouts.

Article 32 - Years of Service

32:01 The Company recognizes seniority for full time employees that is based on the years of service with the company as of December 31 each year. Effective January 1, 2014 Seniority shall be as follows;

- Year 1 - \$1,500
- Year 2 - \$2,000.
- Year 3 - \$2,500
- Year 4 - \$3,000
- Year 5 - \$3,500
- Year 6 - \$5,000
- Year 7 - \$5,500
- Year 8 and up - \$6,000

To be eligible for this recognition, the employee must have completed the probation period with the company as of December 31 of his/her first year of employment with the Company.

32:02 Employees who resign from the company, forfeit the seniority payment.

Article 33 - Duration and Coverage of Agreement

33:01 This agreement shall be in effect from date of signing and remain in effect for a period of fifteen years and shall automatically renew itself from year to year thereafter unless either party notifies the other in writing at least sixty (60) days prior to the expiration date of a desire to terminate this agreement. This agreement is subject only to this Company crewing the bulk carrier for the life of the project and employing crewmembers for positions covered under this agreement.

33:02 Both parties agree that this Agreement can be modified from time to time by mutual agreement. These changes would be covered in writing and become part of this Agreement as "Letters of Understanding". It is further agreed that this agreement shall be subject to review every five years to discuss all articles of this agreement except the following articles that can only be modified or changed through mutual agreement and are not subject to arbitration;

Article 7- Labour Pools

Article 9- Inter department Flexibility

Article 14 - Tour of Duty

Article 15 - Normal Work Routine

Article 16- Consolidated Day Rate

Article 17- Remuneration and Annual Changes

Article 31- Strikes and Lockouts

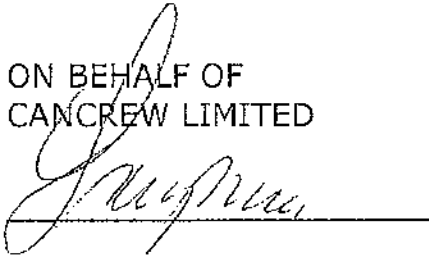
Article 33- Duration and Coverage of Agreement

33:03 Any items other than the excluded articles in Article 33:02 upon which no agreement can be reached, will be referred to an arbitrator for binding arbitration. If the parties cannot agree on an arbitrator, the Minister of Labour for Canada will be asked to appoint one. It is agreed that the cost of arbitration will be shared equally between both parties.

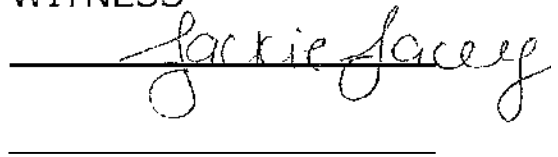
33:04 It is hereby agreed between the Company and the Union that the Company has the sole right to extend this agreement to any other vessel that may come under crew management for the positions covered under this agreement in the future. All terms, rates and conditions to be the same except where reference is made specific to the vessel such as the type, number of crew members, day-rate remuneration for crew members on that type of vessel or the area of operations for the vessel It is to be understood that wage scales and leave system may be different for different vessel types.

SIGNED IN St. Johns THIS 29 DAY OF November; 2013

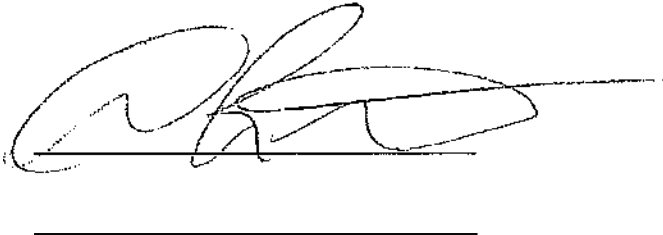
ON BEHALF OF
CANCREW LIMITED



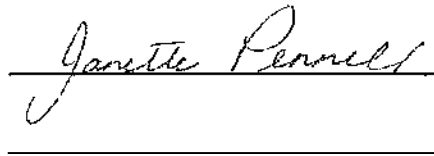
WITNESS



FISH, FOOD & ALLIED WORKERS UNION (FFAW-Unifor)



WITNESS



APPENDIX "A"

Personnel Prerequisites - Bulk Carrier

| | Deck Rating | Chief Cook | Cook-Steward |
|-------------------------|-------------|------------|--------------|
| Course/Certificate Name | | | |

Prerequisites of Employment

| Certificate of Competency | BWR | SHIP'S COOK | SHIP'S COOK |
|---|-----|-------------|-------------|
| STCW '95 Endorsement | X | | |
| Oil Tanker Familiarization Endorsement (STCW '95) | X | | |
| MED (STCW '95) | X | X | X |
| Ship Security Proficiency | X | X | X |
| Marine Advanced First Aid | | X | X |
| Marine Basic First Aid | X | | |
| Oil Tanker Familiarization Course | X | | |
| Passport | X | X | X |
| Pre-Employment Drug & Alcohol Test | X | X | X |
| Passport Size Picture | X | X | X |
| Certificate of Conduct form RCMP or RNC | X | X | X |
| Valid Seafarer and Company Medicals | X | X | X |

APPENDIX "B"

The Pay Scale and Rates for the period
January 1, 2013 to December 31, 2013

| | Leading Seaperson | GP Crew | Chief Cook | Cook Steward | Steward (if required) |
|-----------------------------|-------------------|-------------|-------------|--------------|-----------------------|
| Consolidated Day Rate | \$ 378.96 | \$ 355.74 | \$ 394.66 | \$ 355.74 | \$ 324.18 |
| Basic Annual Salary | \$69,160.20 | \$64,922.55 | \$72,025.45 | \$64,922.55 | \$59,162.85 |
| RRSP - As per article 25:02 | \$ 5,705.72 | \$ 5,356.11 | \$ 5,942.10 | \$ 5,356.11 | \$ 4,880.94 |
| Total | \$74,865.92 | \$70,278.66 | \$77,967.55 | \$70,278.66 | \$64,043.79 |
| Regular Day Rate | \$ 189.48 | \$177.87 | \$197.33 | \$177.87 | \$162.09 |
| Overtime Rate | \$ 33.95 | \$ 31.87 | \$ 35.35 | \$ 31.87 | \$ 29.04 |

Note 1: The vessel will operate approximately 226 per year

Note 2: Final income would be the above base salary plus any overtime earned, stevedoring work or days worked beyond 6 months.

Note 3: In addition to the above as per article 32.01 of this Agreement, each employee is entitled to payment for recognition of service with the company.