

SOURCE	Union
EFF.	85/1/01
TERM.	86/10/31
No. OF EMPLOYEES	24
NOMBRE D'EMPLOYÉS	D.L.

MEMORANDUM OF AGREEMENT made this 6th day of May, 1986

BETWEEN:

FEDNAV OFFSHORE INC. - MANAGERS FOR ASL -
ATLANTIC SEAROUTE LIMITED

(hereinafter called "the Company",')

AND:

CANADIAN MERCHANT SERVICE GUILD

(hereinafter called "the Guild")

WHEREAS the Company either operates, owns, manages and/or bare boat, charters vessels in both inland and home trade voyages and also foreign going voyages as defined by the Canada Shipping Act.

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

The general purpose of this Agreement is to ensure for the Company, the Guild and deck and engineering officers employed by the Company, the full benefits of orderly and legal collective bargaining and to ensure to the utmost extent; possible the safety and physical welfare of the raid officers, economy of operations, standard of service and protection of property. It is recognized by this Agreement to be the duty of the Company, the Guild and said officers to cooperate fully, individually and collectively for the advancement of said conditions.

2. RECOGNITION

2.01 The Company recognizes the Guild as the sole collective bargaining agent for all Mates, Second Engineers, Third Engineers and Junior Engineers employed on vessels of the Ro-Ro Services Division owned, or operated. or bare boat chartered by the Company and operating in Canadian Territorial Waters as well as foreign going voyages. Such licensed personnel are hereinafter referred to se "Officers" which word shall include the singular as well as the masculine and the feminine gender.

2.02 The Guild recognizee the Company as the sole and exclusive employer for all vessels under the management of the Company.

3. CLAUSE PARAMOUNT

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.'

4. STATUTORY REQUIREMENTS

Nothing in this Agreement shall be so construed as to effect the obligations of the signatories under the provisions of the Canada Shipping Act as amended or other government legislation or to impair whatsoever the lawful authority of the Master.

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5. MAINTENANCE OF MEMBERSHIP AND EMPLOYEES

(a) An officer covered by this Agreement who is not a member of the Guild shall within thirty (30) days of employment make application for membership in the Guild. If the Guild refuses to accept such an employee, a satisfactory written statement of reasons must be supplied by the Guild to the Company.

(b) The Company agrees to maintain in their employ only members of the Guild 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 Guild.

(c) The Guild agrees that paragraph (b) above shall not be invoked in such a manner as to penalize or cause inconvenience to the Company.

(d) The Company shall not be required to discharge any employee under paragraph (a) and/or (b) above unless and until a replacement satisfactory to the Company is made available.

(e) The Company agrees to deduct monthly Guild dues and/or assessments in the amount as established by the Guild and remit same to the Guild for all employees covered by this Agreement. It is further agreed that all the initiation fees will be deducted and remitted to the Guild from the employees concerned. The Guild dues and/or assessments and/or initiation fees will be remitted monthly to the attention of the Secretary-Treasurer of the Guild no later than the 15th of the following month. In addition to the monthly dues the Company will also deduct any other amount of money when billed by the Guild. Failing to meet their obligations, the Company shall be liable to a penalty of five dollars (\$5.00) per day's delay until such time as the deductions or contributions are made. Note that this penalty is meant to cover the delays for a total ship remittance and not meant to cover any individual error that may arise. The postmark on the envelopes shall be the determining factor provided there is no interruption in the postal service.

(f) The Guild shall indemnify the Company, its vessels, officers, servants and agents and hold it or any of them harmless against any and all suits, claims, demands and liabilities that arise out of or by reason of any action taken by it, then, or any of them, for the purposes of supplying the foregoing provisions of this section, or that shall arise out of or by reason of reliance by it, then or any of them on any list or notice furnished to the Company by the Guild pursuant to the provisions of this section.

(g) The Company agrees that during the period this Agreement is in effect all officers to be hired shall be requested through the office of the Guild. Members and exmembers of the Guild only may be engaged under the provisions of this paragraph.

(h) The Guild agrees that their hiring facilities shall be available to the Company twenty-four (24) hours every day. The Guild agrees to furnish the Company with the night telephone numbers of the Guild Officers.

(i) The Guild agrees to cooperate fully with the ship's officers and management of the Company in obtaining well qualified, reliable, sober employees to fill such vacancies as they occur. When employees are requested the Guild agrees that the Company's requirements will be filled as quickly as possible.

Upon the signing of this agreement qualified personnel means the person shall have a valid M.E.D. II Certificate or M.E.D. III for 1st Mates.

5. (i) Cont'd

The operating requirements of the company include certification levels as follows:

<u>POSITION</u>	<u>CERTIFICATE</u>
1st Mate	ON 1
2nd Mate	ON 2
3rd Mate	WKM
2nd Engineer	2nd Class
3rd Engineer	3rd Class
Junior Engineer	4th Class

(j) When a vessel is in a Canadian port where the Guild normally supplies crew and the Guild fails or is unable to fill a request for the licensed personnel within six (6) hours of the time that such personnel is required to be on board or when a vessel is in transit and the Guild fails or is unable to fill a request for licensed personnel acceptable to the Company at the location specified by the Company, the Company or its representatives shall be free to engage such licensed personnel through any other source available.

(k) When presenting himself for employment each employee shall present his Guild Membership Card and Discharge Book to the Captain and/or Chief Engineer. Personnel who are not accepted must be supplied the reason in writing at the time of rejection if requested. If the replacement is not accepted by the Company because of an error in the Company's placing a call for a replacement he shall be reimbursed reasonable transportation to and from the vessel and other living expenses supported by receipts and shall receive one (1) day's basic pay without any additional pay if this should happen on a Saturday, Sunday or statutory holiday. If the ship is delayed in transit and the new employee must stay overnight waiting for the vessel the Company agrees to pay reasonable living expenses supported by receipts until the arrival of the vessel or until the call is cancelled and his basic wages will be paid from the date on which he was to report to duty.

(l) It is agreed and understood that it shall be the prerogative of the Company to request that all Mates and Engineers covered by this Agreement undergo a medical examination once per year, which shall be at the Company's expense and on the Company's time. In a case where an Officer is deemed by the Company's medical officer to be not sufficiently medically fit to carry out the duties required of him, such Officer, before he is discharged or sent on sick leave, shall have the right of consulting a physician of his own choice at his expense. Should the findings of the Company's medical officer and the Officer's physician be at variance, an impartial medical authority shall be called upon to examine the Officer and his findings shall be binding on both parties and the cost of same shall be borne equally.

(m) Any officer refusing to obey lawful orders of his superior officer may be liable for dismissal.

(n) It is agreed between the parties that where an officer voluntarily decides to terminate his employment with the ship he shall provide the Captain or Chief Engineer with twenty-four (24) hours written notice of his intention to quit. The twenty-four (24) hours notice may be waived where there has been a death or another emergency in the immediate family of the officer. The Company agrees that an officer who is fired or suspended from his job will have the right to file a grievance with the Company through the Guild within four (4) days after such firing or suspension has taken place in accordance with Article 6 (h) of the Grievance Procedure.

(o) The Guild further recognizes the right of the Company to operate and manage its business in all respects to maintain order and efficiency on its vessels and to determine charters and other business to be entered into, the scheduling of its vessels and its method of scheduling and types

5. (o) Cont'd

of vessels to be used in its operations. The Guild further acknowledges that the Company has the right to make and alter from time to time rules and regulations to be observed by employees, which rules and regulations shall not be inconsistent with the provisions of this Agreement. Nothing in this Agreement shall be deemed to restrict the management in any way in the performance of all functions of management except those specifically abridged or modified by this Agreement.

(p) Management reserves the option to request any prospective employee referred by the Guild to obtain a letter of reference from his last employer. Failure to obtain a letter of reference may result in the member not being employed.

(q) The Company's policy prohibits the possession, transportation or use of an illicit or illegal substance. This policy includes drugs, liquor, firearms, weapons or explosives.

Non compliance with these policies will result in disciplinary action which may include dismissal.

6. GRIEVANCE PROCEDURE

(a) A grievance shall be defined as an alleged violation in the interpretation and application of the Collective Agreement and/or any other Canadian Statutory regulation.

(b) Any officer who feels he has a grievance shall present such grievance to the Captain or Chief Engineer as the case may be in accordance with the procedures set forth.

(1) The officer shall thereupon present the grievance in writing to the Captain or Chief Engineer within seven (7) days of becoming aware of its alleged occurrence and both the officer and the aforesaid shall make every effort to achieve settlement thereof. The Captain or Chief Engineer shall acknowledge receipt of the grievance by giving a dated receipt. The Captain or Chief Engineer will reply in writing within four (4) days of the receipt of the grievance.

(2) If settlement is not achieved within seven (7) days of presentation as aforesaid to the Captain or Chief Engineer the officer shall provide a statement of the grievance to a bona fide representative of the Guild and the Guild shall, within fifteen (15) days of the date of the written Captain's or Chief Engineer's reply, mail it or otherwise submit it to the office of the Company.

(3) The Guild shall also have the right to submit a grievance on behalf of all the employees or a group or category of employees by submitting within fifteen (15) days of the date on which the Guild first became aware of the action or circumstance given rise to the grievance.

(4) Upon submission of the grievance to the Company, arrangements suitable to both parties, but in any event within fourteen (14) days, shall be made for a representative of the Guild and the Company to investigate the grievance and to attempt to settle it equitably and in accordance with the terms of this Agreement. In the event that a settlement of the dispute cannot be reached within ten (10) days the matter shall be referred to arbitration by either party within the next ten (10) days.

(5) Both parties agree that grievances at all levels shall be dealt with as expeditiously as possible. However, the time limits stipulated in this procedure may be extended by mutual agreement between the employer and officer and, where applicable, the Guild.

7. ARBITRATION

Any grievance involving the interpretation or alleged violation of any provision of this Agreement which has not been settled to the satisfaction of the Company and the Guild 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.

(a) The Arbitration Board shall consist of one (1) arbitrator who shall be jointly selected by the Guild 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 (10) day period to agree upon the selection of an arbitrator the matter may be referred by either party to the Minister of Labour for Canada who shall select and designate the arbitrator.

(b) 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.

(c) A statement of the dispute or question to be arbitrated shall be submitted by both parties either jointly or separately to the Arbitrator within seven (7) 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.

(d) The decision of the Board shall be limited to the dispute or question 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 condition of this Agreement. The decisions of the Arbitrator, which are made under the authority of this Arbitration article shall be final and binding upon the Company, the Guild and all persons concerned.

(e) 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 of 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. GUILD OFFICERS BOARDING VESSELS

(a) The Company agrees to issue passes to the Guild's representatives for the purposes of consulting with its members aboard vessels of the Company covered by this Agreement. Representatives of the Guild shall be allowed on board vessels at the principal ports used by the vessel provided that he shall present his pass on boarding the vessel to 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.

(b) The Guild shall submit to the Company the name and relevant particulars of the bona fide Guild members authorized by the Guild to act as its representatives provided that the Company, upon receiving from any representative a waiver in form satisfactory to the company of any claim for any damages resulting from any accident or injury in or about Company property shall thereupon issue a pass to each representative enabling him to board the Company ships in ports for the purposes herein provided. In the event that such privilege is withdrawn from the designated Guild representative the Guild will undertake to notify the Company to revoke such a pass.

8. Cont'd

(c) The Guild representative shall not violate any provisions of this Agreement or interfere with the officer aboard the ship or retard the work of the vessel subject to penalty or revocation of the pass granted herein, Any such revocation of the pass granted herein shall be subject to the grievance procedure.

(d) The Company assumes no responsibility for securing passes to or through property owned or controlled by others but the Company agrees to cooperate with the Guild in endeavouring to secure such passes.

9. SENIORITY

9.01 A seniority list of all officers shall be prepared showing present classification, date of appointment to this classification, certificate held and date of issue, and Ro-Ro service seniority. A copy shall be supplied to each officer concerned and to the Guild.

All officers will be separated into nine classifications: first mate, second mate relieving first mate, second mate, third mate, second engineer, third engineer relieving second engineer, third engineer, junior engineer relieving third engineer, and junior engineer, and as between two officers:

(a) within different classifications, the officer in the higher wage classification is deemed to be the senior officer;

(b) within the same classification, the officer with the greater length of continuous service in that classification is deemed to be the senior officer;

(c) with the same length of service within one classification, the officer with the greater length of service as an officer with the Company is deemed to be the senior officer.

9.02 Officers entering the service as new employees after the signing of this Agreement shall be considered to be on probation for three (3) months worked. If found to be unsatisfactory during this period, their services may be dispensed with at the discretion of the Company management. A report of release for unsatisfactory service will be forwarded to the Guild. For all other purposes, new employees shall be regarded as coming under the Agreement and entitled to all rights and privileges pertaining hereto.

9.03 Seniority lists shall be revised annually on the anniversary date of the signing of this Agreement. They shall thereafter be open to correction for a period of ninety (90) days upon proof of error being submitted by the officer concerned or his official representatives.

9.04 Once seniority has been established for ninety (90) days without protest, it shall thereafter remain unchanged, unless agreed to by mutual consent of all parties concerned.

9.05 Subject to section 9.09, seniority of an officer in any classification shall count from the date of employment in that classification. Seniority shall be maintained and accumulated while the officer is absent from employment:

- (a) due to a lay-off
- (b) due to sickness
- (c) pursuant to authorized leave of absence
- (d) due to Company business
- (e) due to Guild business

9. Cont'd

9.06 An officer shall lose seniority for the following reasons:

- (a) for resigning from the Company
- (b) for discharge with cause
- (c) for unjustified failure to join the vessel upon expiration of leave
- (d) for requesting a separation certificate showing layoff status or shortage of work when work is available
- (e) where the officer has been absent due to illness for a continuous period of more than two (2) years
- (f) where the officer has been laid off because of lack of work for a continuous period of more than one (1) year.

9.07 In the case of demotion, lay-off and recall after lay-off, the most senior employee with the qualifications indicated in 5(i) of this agreement will be entitled to preference where demonstrated performance, ability and physical fitness are equal.

9.08 An officer who establishes seniority in a position with a certificate indicated in 5(i) will also establish seniority from the same date in junior positions in the same department.

9.09 Promotion of an officer to fill a vacancy on a Ro-Ro vessel shall be subject to the following conditions providing demonstrated performance, ability and physical fitness are equal:

(a) The senior officer holding the certificate of competency indicated in 5(i) of this agreement employed by the Company shall be promoted to fill the vacancy.

(b) If this officer refuses promotion, his refusal will result in the reduction of his seniority to a point immediately below that of the officer who accepts the promotion.

(c) In the event of a refusal as in (b), the next senior officer holding the certificate indicated in 5(i) of this agreement will be offered the promotion on the same terms.

(d) If there is no officer holding the certificate indicated in 5(i) of this agreement, a person with a lesser certificate may be promoted for a period of twelve months. At the end of twelve months if the officer is promoted has not achieved the level of certification outlined in 5(i) of this agreement, he may be demoted and replaced by an officer holding such certificate. If displaced, he shall forfeit any seniority established in the higher rank upon reverting to the lower rank.

(e) Temporary promotion of officers without the certificate indicated in 5(i) will not serve to establish seniority in the higher rank.

9.10 Should an officer not be promoted in his turn, the authorized representative of the officer shall, upon written request, be furnished with reason thereof in writing.

10. VACATION PAY

(a) (i) An employee shall receive vacation pay at the rate of pay of equal to five percent (5%) of his gross wages earned during the immediately preceding year with the Company.

(ii) An employee having completed more than two (2) full years of service with the Company shall receive vacation pay equal to six percent (6%) of his gross wages earned during the immediately preceding twelve (12) months with the Company.

(iii) An employee having completed more than seven (7) full consecutive years of service with the Company shall receive vacation pay equal to seven percent (7%) of his gross wages earned during the immediately preceding twelve (12) months with the Company.

10. Cont'd

(iv) The right of an employee to receive vacation pay pursuant to paragraphs (a), (b) and (c) above shall not be affected in any way where such employee is absent from his employment for reasons satisfactory to the Company.

(b) (i) An officer may request that his vacation pay be paid by separate cheque before the end of the year. Such a request must be presented to the company in writing prior to November 1 of that year.

or an officer may request that he be granted three weeks leave during which period his vacation pay is cashed in, such a request to be made in writing six months prior to the desired vacation leave period.

(ii) Only one deck and one engineering officer will be allowed vacation leave at one time. In cases of dispute, the senior officer shall receive preference.

(iii) Vacation leave shall be subject to the company being able to arrange a suitable relief.

(iv) The company has the right to hire temporary reliefs for any vacation leave period.

11. GENERAL AND EMERGENCY DUTIES

(a) Any work necessary for the safety of the vessel, passengers, crew or cargo or for the saving of or rendering assistance to other vessels, lives, property or cargoes, shall be performed at any time on immediate call by all officers and, notwithstanding any provisions of this Agreement which might be construed to the contrary, in no event shall overtime be paid for the work performed in connection with such emergency duties of which the Captain shall be the sole judge.

(b) The Captain may, whenever he deems it advisable, require any officer to participate in life boat or other emergency drill. Such drills will take place in accordance with government regulations.

12. STATUTORY HOLIDAYS

12.01 In addition to vacation pay as provided in this Agreement the following designated holidays shall be observed by the Company.

- 1) New Year's Day
- 2) Good Friday
- 3) Easter Monday
- 4) Victoria Day
- 5) Dominion Day
- 6) 1st Monday in August
- 7) Labour Day
- 8) Thanksgiving Day
- 9) Remembrance Day
- 10) Christmas Day
- 11) Boxing Day
- 12) Heritage Day or if not proclaimed, the third Monday in February

12.02 For each of the following designated holidays an officer shall be compensated as follows:

- a) When on duty 2 days pay plus a leave day in addition to the pay he would normally receive if the day was not a holiday, or
- b) When off duty 2 days pay in addition to the pay he would normally receive.

12.02 Cont'd

- c) If an officer is required to work Christmas day or New Year's Day the Company agrees to pay a bonus of one hundred & fifty dollars (0150.00) as compensation for working on each holiday. This bonus will be in addition to the designated holiday pay in article 12.02(a) & 12.02(b).

12.03 When a holiday falls on a Saturday and/or Sunday, the following Monday and/or Tuesday will be observed as a Holiday.

13. ACCOMMODATION AND CLEANINESS OF QUARTERS

13.01 The purpose of this clause is to endeavour to achieve the following minimum standards in officers accommodations on new construction or major conversion wherever economically feasible. Single berth occupancy, floor covering, wash basin, closet, desk and/or settee.

13.02 The Company shall see that all quarters assigned for the use of the officers are kept clean, tidy, lighted and ventilated insofar as is practical to do so. The Company and the officers 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.

14. OTHER CONVENIENCES

14.01 The following items shall be supplied to the licensed personnel employed on board RoRo vessels of the Company:

- (a) A suitable number of clean blankets for each officer.
- (b) An adequate supply of sheets, pillow cases, hand and bath towels, standard brand face soap and laundry soap or detergent to be supplied weekly.
- (c) An adequate supply of crockery.

14.02 The Company agrees to supply on each RoRo vessel one coloured TV set and antenna, a washing machine, an iron, an ironing board and, where electrical capacity and space are available, an electric dryer and, where space presently permits, space for drying clothes will be made available. The Company agrees to pay the cost of maintenance of these appliances necessitated by normal wear and tear. Any officer willfully damaging or destroying linen, mattresses and any of the equipment supplied for entertainment or recreational purposes shall be held accountable for same and shall be liable to have the equivalent value deducted from his pay.

14.03 (a) The Company agrees to supply to each officer having completed his probationary service on a Company RoRo vessel, the following protective and safety clothing as listed below:

DECK OFFICERS:

- 2 pairs coveralls per year
- 1 pair insulated coveralls per year
- 1 pair approved lace-up safety boots per year
- 1 set rain gear per year
- 1 pair steel-toed rubber calf boots per year
- 1 hard hat every two years

14.03 (a) Cont'd

ENGINEERING OFFICERS:

4 pairs coveralls per year
 1 pair insulated coveralls per year
 1 pair approved lace-up safety boots per year
 1 set rain gear every year
 1 hard hat every two years
 1 pair of ear muffs every two years

The officer will sign a Company clothing issue slip for all gear issued under Section 14.03, and will be responsible for keeping it in good order and ready for use while aboard ship.

If he does not have the clothing available, the Company may replace the clothing at the Officer's expense. Clothing, issued by the Company, damaged beyond use in the course of employment and without negligence on the part of the Officer, may be replaced at Company's expense with the approval of the Master or Chief Engineer.

An Officer with less than 90 days worked on a Company RoRo vessel will be responsible for supplying a sufficient quantity of protective and safety clothing to permit him/her to perform the necessary duties associated with the rank of the Officer.

The purpose of issuing hard hats and ear muffs to individual officers, instead of keeping a general supply of these items on board, is solely in the interest of hygiene.

The Company agrees to supply and keep on board the vessel a sufficient supply of work gloves and insulated gloves, for Officers required to work outside in cold weather, and to issue them as required.

(b) Additional protective clothing will be issued, as required for safety, for specific tasks, including tasks associated with hazardous cargoes.

15. MEALS, COFFEE TIME AND LUNCHES

a) Meal periods shall not constitute a part of any work period except where an officer is required to eat during his regular watch. In all cases officers shall be allowed at least one-half (1/2) hour free of work for the purpose of eating a meal.

16. TRANSPORTATION COSTS

a) Officers, when travelling to or from their vessels, shall be paid reasonable transportation costs upon rendering receipts in addition to their regular daily wage and leave pay.

b) In the event that an officer is unable to travel between his home and the location of the vessel within the day the crew change takes place he shall be paid for any additional days at the basic daily rate: if delays in travel are due to the Company's control then leave shall accrue. Reimbursement of transportation expenses shall be made no later than seven (7) days after the receipts have been submitted to the Company.

c) When an employee is required to use his own car, a rate of twenty-five (25) cents per kilometer will be paid, effective Nov 1, 1986, twenty-six (26) cents per km, and effective Nov 1, 1987, twenty-seven (27) cents per km. This will include two way travel.

d) Officers discharged for cause or leaving the vessel of their own accord prior to the end of their regular tour of duty shall be provided transportation to their, home port, the cost of which will be borne by the Officer.

16. Cont'd

e) Temporary reliefs for "vacation leave" periods shall be provided transportation to their port of joining.

17. ROOM AND MEAL ALLOWANCE

The Company agrees to pay room and board ashore for officers when accommodation is not provided aboard ship. When accommodated ashore an officer shall be reimbursed all fair and reasonable hotel expenses providing such expenses are supported by receipts.

18. SAFETY AND EQUIPMENT

a) 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 provision and rules for their safety.

b) The Company agrees to provide immersion suits that conform with the standards prescribed by M.O.T. to all crew members on all vessels. It is understood that each crew member will be fully responsible and accountable for the suit at all times while in his possession and will pass it over to his alternate prior to his going on leave and will ensure that he receives it back in proper condition on returning from leave. These suits shall remain the property of the Company. The procurement of these suits will be accomplished in the most expeditious manner.

c) The Company agrees to provide suitable protective clothing when crew members are required to work near hazardous chemical which will include recognized and acceptable respiratory face masks.

d) The Guild 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 endeavour, whenever practicable, and with the least possible delay, to have the situation rectified.

19. WAGES AND HOURS OF WORK

Effective Nov. 1, 1985, the following schedule of wages will apply.

RATES OF PAY

	<u>BASIC PER DAY</u>	<u>BASIC HOURLY WAGE RATE</u>	<u>OVERTIME PER HOUR</u>
1st Mate	115.37	14.42	21.63
2nd Mate) 3rd Engineer)	96.20	12.03	18.04
3rd Mate) Junior Engineer)	81.32	10.17	15.25

Effective Nov. 1, 1986 the above schedule of wages shall be increased by 5%; and effective Nov. 1, 1987, the above schedule of wages shall be increased by a further 5%.

b) Officers will work an eight (8) hour day normally in two (2) four (4) hour watches.

c) The regular hours of work for all officers who are assigned to the standard watches, i.e. watchkeepers shall be eight (8) hours during each calendar day on a two (2) watch system so that four (4) hours on watch shall be followed by eight (8) hours off watch except where meal reliefs are necessary, or in the Captain's or Chief Engineer discretion it is deemed

19. Cont'd

advisable to break watches while a vessel is in port, anchored or not otherwise underway. When watches are so broken and day work is undertaken then hours of work shall be between eight (8) a.m. to five (5) p.m. and no employee shall be called upon to work more than eight (8) hours during each calendar day without payment of overtime taking into Consideration watches which he has stood before day work commenced or which he will stand on completion of the day.

d) When a vessel is in port and watches are broken for the purposes of placing the crew on day work officers may also be placed on night watch from eight (8) p.m. to five (5) a.m. In this instance the overtime rate would not be applied for such a night watch. The regular hours of work for non-watchkeepers in the Deck and Engine Room Departments shall be eight (8) hours between 8:00 a.m. and 5:00 p.m. daily.

e) An officer performing overtime work which ceases before the expiration of one (1) hour shall nevertheless be credited with one (1) hour overtime. After the first hour of overtime each further period of one-half (1/2) hour or part thereof shall entitle the employee to one-half (1/2) hour at the overtime rate.

f) When officers are called out to work on overtime and then knocked off for less than two hours, overtime shall be paid straight through excepting where an officer is recalled for his regular watch.

20. TOUR OF DUTY

a) The normal tour of duty will be on the basis of forty-two (42) days on and twenty-one (21) days off. The Company shall do everything possible to maintain this schedule but reserves the right to extend this schedule to allow the ship to reach an appropriate terminal port.

21. OFFICERS' DUTIES

21.01 The prime responsibility of an Engineer is to operate and maintain the Engine Room equipment and to maintain other mechanical and electrical equipment on the vessel and to promote the highest level of maintenance and safety. All Engineering Officers shall promote the highest level of safety and good housekeeping on the vessel.

21.02 The prima responsibility of the Deck Officer is to the safety, pilotage and navigation of the vessel and the supervision of loading and discharging of cargo, and to promote the highest level of safety and good housekeeping on the vessel.

21.03 When a vessel sails without a full complement of officers, wages of the absent members shall be divided among the officers who must perform the work of the absent member.

22. DANGEROUS GOODS

(a) Dangerous goods are goods listed in the International Maritime Dangerous Goods Code or the Dangerous Goods Regulations.

(b) Whenever such cargoes are to be carried on any vessels strict adherence to the method of handling and storage as laid down in the Code and Regulations above shall be adhered to.

(c) The Company will provide any protective clothing or equipment required in the Code or Regulations or by Workers' Compensation Regulations for handling of specific cargo.

(d) Company will replace or pay the value of personal clothing damaged as a result of handling hazardous chemicals or explosives, providing such

22. Cont'd

clothing was suitable for the task at hand and providing that protective clothing provided by the Company for the task was worn.

22.01 Any officer who suffers clothing damage as a direct result of handling hazardous chemicals or explosives shall have the article of clothing replaced or be paid the value of the same providing such clothing was suitable for the job which was being performed and was damaged to a degree to make it unsuitable for wear or use in the future.

22.02 In addition, the Company will provide any protective clothing or equipment required by Workmen's Compensation Regulations for handling of specific cargo requiring same.

22.03 For the purpose of this Article all cargoes listed in the Dangerous Cargo Book or carrying red labels are so considered to be hazardous.

23. STRIKES AND LOCKOUTS

23.01 There shall be no strikes, lockouts or stoppage of work while the provisions of this Agreement are in effect. Failure of employees to cross through a legally established picket line to mean an official strike.

23.02 Definition for the purpose of this Section - a "Legal Picket Line" is a picket line established by another union in a bona fide dispute over wages and/or conditions, and the employees are directly employed by the Company, or the Company agents.

23.03 In no case will employers require employees to cross any picket line where there is a real danger of physical violence.

23.04 The Company agrees not to discriminate against any member of the Guild for his activities on behalf of/or for membership in the Guild.

24. STAND-BY PAY

24.01 In the event that officers, at the expiration date of their leave cannot be provided with their normal position, they shall go on stand-by pay after a period of three (3) days. Stand-by pay will be at the base rate with no leave pay accumulated. Officers returning from sick leave or injury shall give five (5) days notice (plus three (3) days grace) to be returned to the vessel before they go on stand-by.

24.02 Officers shall be required to return to sea after having completed eighteen (18) days of their leave if called by the Company. In the event that they refuse to return at that time, no stand-by pay will be applicable later.

25. SHORT PERIOD LAY UP

25.01 When vessels are laid up for refit or other purposes for periods of seven (7) days or less officers will suffer no loss of pay, benefits or lay day accumulations. Officers will not be laid off during such seven (7) day periods.

26. PAYMENT OF WAGES

a) All officers employed by the Company shall be paid in two (2) weekly intervals.

26. Cont'd

b) The officer will not receive any part of his pay in cash from the Captain.

27. LEAVE DAYS AND ACCUMULATED LEAVE DAY3

27.01 For each day on board the vessel, all Officers shall receive a 0.5 day off with pay.

27.02 The Company will pay accumulated leave days upon request as indicated by the Officer upon return to work, on the next regular pay period.

28. MARINE DISASTER

a) An officer 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 two thousand (\$2000.00) dollars.

b) An officer 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.

29. PENSION PLAN

29.01 All officers covered by this Agreement shall contribute to the Guild Retirement Security Plan. The Company shall pay on behalf of each officer in addition to his regular pay five percent (5%) of the officer's basic pay plus any contributions made on behalf of the officer to the Federal or Provincial Plan into a pension fund designated by the Guild. The officers shall likewise make a contribution to the Guild Retirement Security Plan of an amount equal to five percent (5%) of his basic pay.

29.02 The provisions of 29.01 need not apply to officers who were not members of the plan prior to January 31, 1982.

30. HIRING SERVICES

30.01 The Company agrees to pay to the Canadian Merchant Service Guild the sum of ninety three (93) cents per payroll day per position aboard the vessel to be remitted to the C.M.S.G., 3235 Granby Avenue, Montreal, Quebec, H1N 2Z8, not later than the fifteenth (15th) of the following month.

31. TRAINING

(1) The company will grant, upon written request from an officer, unpaid leave of absence to one officer per ship at a time, to attend a recognized Nautical College to obtain higher certificates. While attending College, an officer on leave as above will be maintained in his medical insurance coverage at Company's expense. In any semester in which an officer on leave as above passes an examination towards a higher certificate, the Company will reimburse tuition upon presentation by the officer of a receipted invoice from the College.

(2) The Company will make payment, to any officer employed by the Company for a period of twelve months, the following sums upon presentation of a photocopy of an upgraded certificate of competency:

Master Mariner, First Class Motor	\$3,000.00
ONI, Second Class Motor	\$2,000.00
ONII, Third Class Motor	\$1,000.00

Payment is conditional on six months' service with the Company after successful completion of certificate.

31. Cont'd

(3) Leave will be granted under subsection (1) in order of receipt of written request.

31.01 The Company agrees to assist those officers desiring further training under the Canada Manpower Industrial Training Program.

31.02 When the Company requires officers to undergo an M.E.D. course the Company shall pay for the course provided the officer agrees to serve for six (6) months service subsequent to the completion of the course.

32. LEAVE OF ABSENCE

32.01 Any employee desiring leave of absence for any reason other than those set out in Article 31.03, 31.04 and 31.05 must obtain same in writing from the Company, a copy of such leave, to be forwarded to the Guild.

32.02 Where an employee is granted a leave of absence under this section for a period of longer than thirty (30) days the Company agrees to notify the Guild as to the circumstances for granting of such period of leave.

32.03 The Company will grant unpaid leave of absence to employees suffering injury or illness subject to a medical certificate if required by the employer.

32.04 The Company will grant unpaid leave of absence to employees who are appointed or elected to Guild office for a period of up to and including three (3) years. Further leave of absence may be granted by mutual consent. Any employee who obtains such leave of absence shall return to the Company within thirty (30) calendar days after completion of his term of employment with the Guild.

32.05 The Company will grant unpaid leave of absence to employees who are elected as representatives to attend Guild meetings and Guild conventions or other members of any Guild negotiating committee in order that they may carry out their duties on behalf of the Guild.

32.06 It is agreed that before the employee receives this leave of absence as set forth in Article 30.03, 30.04 and 30.05 above the employer will be given due notice in writing by the Guild in order to replace the employee with competent substitute.

32.07 The Company will grant seven (7) days leave with pay to an officer in the event of death in the officer's immediate family. For the purpose of this clause the immediate family shall be defined as wife, spouse (including common-law spouse), son, daughter, mother, father, brother, sister and parents-in-law. This leave is to be granted for the purposes of attending the funeral and for making other arrangements and under no circumstances will this bereavement leave be granted retroactively or when an officer is on his days off.

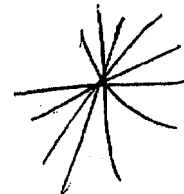
32.08 All new employees shall participate one hundred (100%) percent in the Group Insurance Plan.

33. LASHING AND UNLASHING OF CARGO AND TENDING OF REEFER CONTAINER(S)

Any officer employed by the Company, required for the actual lashing and/or unlashng of cargo or the supervision thereof and the tending of reefer container(s) shall be paid the rate of \$10.25 per hour; effective Nov. 1, 1986 \$11.00 per hour and effective Nov. 1, 1987, \$11.55 per hour in addition to the pay he would normally receive at that time.

34. SAFETY COMMITTEE

Guild and management will form an occupational health and safety committee to promote safe and healthy working conditions for officers by



34. Cont'd

the Company. This committee will meet as mutually agreed to discuss matters of relevance to ships officers.

A system of shipboard safety committees in which officers will play an active role is established aboard vessels subject to this contract.

35. NOTICE OF CHANGE IN UNION AFFILIATION OR STATUS CHANGE

Whenever an officer's status changes, management agrees to provide, without delay, but within fifteen (15) days, the Guild and the Branch concerned with a copy of the notice of change in union affiliation or status change form fully completed.

36. GROUP INSURANCE

The Company agrees to pay to the Canadian Merchant Service Guild, the sum of \$5.50 per officer, per payroll day, effective February 1, 1986, which shall be submitted to:

James E. Coughlin and Associates
881 Lady Ellen Place
Ottawa, Ontario K1Z 5L4

no later than the fifteenth (15th) of the following month.

Effective February 1, 1987, the amount shall be increased to \$6.00 per officer, per payroll day.

Effective February 1, 1988, the amount shall be increased to \$6.50 per officer, per payroll day.

The Company agrees to deduct and remit any members contributions as established by the Guild.

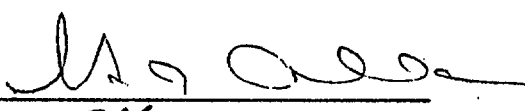
37. DURATION OF AGREEMENT

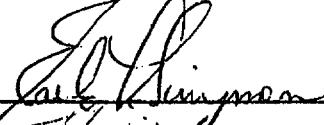
This agreement shall remain in effect for a term of three (3) years commencing November 1, 1985 and shall continue in full force and effect until October 31, 1988, and shall thereafter without further act or formality be renewed for a further term of one (1) year; unless, written notice of desire to amend, modify or cancel any of the terms herein if given by either party hereto the other within ninety (90) days prior to the expiration of such term in which event it shall terminate at the expiration of such term.

SIGNED IN HALIFAX, NOVA SCOTIA THIS 6TH DAY OF MAY 1986.

ON BEHALF OF
FEDNAV OFFSHORE INC.

ON BEHALF OF
THE CANADIAN MERCHANT SERVICE GUILD





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