

RECEIVED  
10/22/07

**Collective Bargaining Agreement**

**Between**

**ALGOMA TANKERS LIMITED**

**hereinafter referred to as**

**THE COMPANY**

**AND**

**CANADIAN MERCHANT SERVICE GUILD**

**hereinafter referred to as**

**THE GUILD**

**Effective: August 1, 2005 to July 31, 2010**

13686 (01)

## TABLE OF CONTENTS

ARTICLE 1 PURPOSE AND SCOPE.....	1
ARTICLE 2 MANAGEMENT RIGHTS.....	2
ARTICLE 3 DISCRIMINATION.....	2
ARTICLE 4 MEMBERSHIP AND DUES DEDUCTION.....	3
ARTICLE 5 GUILD REPRESENTATION.....	4
ARTICLE 6 BOARDING OF VESSELS.....	4
ARTICLE 7 OFFICERS' DUTIES.....	5
ARTICLE 8 DEFINITIONS.....	5
ARTICLE 9 PROBATIONARY OFFICERS.....	5
ARTICLE 10 SENIORITY.....	6
ARTICLE 11 LAYOFF AND RECALL.....	7
ARTICLE 12 TOURS OF DUTY AND HOURS OF WORK.....	7
ARTICLE 13 RATES OF PAY AND PAID LEAVE SYSTEM.....	9
ARTICLE 14 EXTRA OVERTIME.....	10
ARTICLE 15 MEALS.....	11
ARTICLE 16 WAGE ADMINISTRATION.....	11
ARTICLE 17 VACATION PAY.....	11
ARTICLE 18 FAMILY SECURITY PLAN.....	12
ARTICLE 19 PENSION PLAN.....	12
ARTICLE 20 TRANSPORTATION COSTS.....	13
ARTICLE 21 OFFICER RESIGNATION.....	14
ARTICLE 22 LEAVES OF ABSENCE.....	14
ARTICLE 23 HEALTH AND SAFETY.....	15
ARTICLE 24 DRUG AND ALCOHOL POLICY.....	15
ARTICLE 25 FAMILY VISITATION.....	15
ARTICLE 26 DISCIPLINE.....	15
ARTICLE 27 MARINE DISASTER.....	16
ARTICLE 28 GRIEVANCE PROCEDURE.....	16

<b>ARTICLE 29</b>	<b>ARBITRATION PROCEDURE</b>	<b>17</b>
<b>ARTICLE 30</b>	<b>STRIKES AND LOCKOUTS</b>	<b>17</b>
<b>ARTICLE 31</b>	<b>LEGAL DEFENCE INSURANCE</b>	<b>18</b>
<b>ARTICLE 32</b>	<b>HIRING SERVICES</b>	<b>18</b>
<b>ARTICLE 33</b>	<b>GENERAL PROVISIONS</b>	<b>19</b>
<b>ARTICLE 34</b>	<b>SCHOOL PLAN</b>	<b>19</b>
<b>ARTICLE 35</b>	<b>DURATION AND RENEWAL</b>	<b>20</b>
<b>APPENDIX "A"</b>		<b>21</b>
	CLOTHING POLICY	
<b>APPENDIX "B"</b>		<b>22</b>
	PROFICIENCY PAY	
<b>APPENDIX "C"</b>		<b>23</b>
	ALGOSCOTIA MANNING	
<b>LETTER OF UNDERSTANDING 1</b>		<b>24</b>
	TRANSPORTATION COSTS	
<b>LETTER OF UNDERSTANDING 2</b>		<b>25</b>
	ATO CLARIFICATION AND INTERPRETATION OF 20.03	
<b>LETTER OF UNDERSTANDING 3</b>		<b>26</b>
	EMPLOYEES LAID OFF DUE TO VESSEL RETIREMENT	
<b>LETTER OF UNDERSTANDING 4</b>		<b>27</b>
	NEW VESSEL OPPORTUNITIES	
<b>LETTER OF UNDERSTANDING 5</b>		<b>28</b>
	SHORT PERIOD LAY-UP	
<b>LETTER OF UNDERSTANDING 6</b>		<b>29</b>
	FAMILY SECURITY PLAN	
<b>LETTER OF UNDERSTANDING 7</b>		<b>30</b>
	TRANSPORTATION	

## Article 1 PURPOSE AND SCOPE

### 1. INTERPRETATION AND AMENDMENT

1.01 The purpose of **this** Agreement is:

- (a) to establish terms and conditions of employment and related matters for Officers covered by **this** Agreement;
- (b) to establish a procedure for final settlement of differences concerning the interpretation, administration and application of alleged violations of any of the provisions of **this** Agreement.

1.02 A party proposing an amendment shall submit a written draft of the suggested amendment to the other party to the agreement, along with a notice in writing of the suggested time and place of a joint meeting to discuss the proposal.

A party proposing an amendment under the foregoing provision shall give the other party at least seven (7) clear days notice.

Before any amendment to **this** Agreement, which has been agreed to by all parties, becomes operative it shall be reduced to writing, it shall state the effective date of the amended provision and it shall be executed in the same manner **as** the Agreement.

1.03 The Company acknowledges the Guild **as** the sole bargaining agent for all Officers employed on vessels owned, operated or under bareboat charter, or otherwise effectively controlled by the Company either directly or indirectly.

1.04 The Company operates, owns, manages and/or bareboat charters ships capable of carrying liquid petroleum products in Canada, in both home trade voyages **as** well in foreign voyages **as** defined by the Canada Shipping Act. It is recognized **by** the parties that the bulk of the trade is in the Maritime Provinces.

1.05 Any notice required to be given to the Guild pursuant to **this** Agreement shall be delivered or transmitted by fax to the Office of the Guild, at 36 Wright Street, Unit 1, St. Catharines, Ontario, L2P 3J4 or at any other address which the Guild may designate and which the Guild shall notify the Company in writing; fax number (905) 685-1648.

1.06 Any notice required to be given to the Company pursuant to **this** Agreement shall be delivered or transmitted by **fax** to 63 Church Street, Suite 600, St. Catharines, Ontario, L2R 3C4, **fax** 905-708-3841.

## Article 2 MANAGEMENT RIGHTS

- 2.01 The Company has and shall retain the exclusive right to manage its business and direct its working forces in the most economical manner possible. The Company has the right to hire, discipline and discharge for just cause, and promote/demote Officers in accordance with the provisions of this Agreement.
- 2.02 The right of any Officer to employment with the Company will be conditional upon the Officer being medically fit to perform his/her duties and in possession of a medical fitness card. The Company reserves the right to require a medical examination of any present or future Officer at any time by a medical practitioner approved by the Canadian Coast Guard, and to require certification from a medical practitioner that the Officer or applicant for employment is medically fit to perform the duties of the job in question. Where the Company requires a present Officer to undergo a medical examination (apart from any examination required to maintain the Officer's medical fitness card), the Company will pay the fee charged for the examination.

## Article 3 DISCRIMINATION

- 3.01 The Company will not discriminate against an Officer because of membership in the Guild or activity authorized herein on behalf of the Guild or for exercising his/her rights under the Canada Labour Code or as provided by this Agreement.
- 3.02 The Guild agrees not to intimidate or coerce or threaten Officers in any manner that will interfere with or hinder the effective carrying out of this Agreement and the principles contained herein, and will assist and cooperate with the Master and other Management representatives of the Company in maintaining discipline aboard ship.
- 3.03 The Company and the Guild agree that they will not threaten, intimidate or unlawfully discriminate in the workplace against any Officer for reasons of race, national or ethnic origin, colour, religion, age, sex (including pregnancy and childbirth), marital status, family status, disability (as under the Canadian Human Rights Act), a conviction for which a pardon has been granted or political affiliation with a legitimate political party.

## Article 4 MEMBERSHIP AND DUES DEDUCTION

- 4.01** The Company agrees to retain in its employ only members in good standing of the Guild. Such members shall, **as** a condition of employment, maintain their membership in the Guild for the duration of this Agreement.
- 4.02** An Officer is deemed to be a member in good standing of the Guild until the Guild determines that the Officer is not in good standing pursuant to the Guild's Constitution, Rules and Regulations, and until the Guild gives notice in writing to the Company that the Officer is not in good standing.
- 4.03** 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, them or any of them for the purpose of complying with the provisions of this section or that arise out of or by any reason of reliance by it, them or any of them on any list or notice furnished to the Company by the Guild pursuant to the provisions of **this** section, or by reason of compliance by the Company with provisions of Article 4.12 (Dues Deduction).
- 4.04** The Company recognizes the Guild **as** the primary source of employment for all Officers covered by this Agreement and will make all requests for Officers from the office or sub-offices of the Guild. Such requests shall be **confirmed** in writing or fax and shall specify whether the job is permanent or relief and the position and qualifications required.
- 4.05** The Company and the Guild agree that where the Guild fails or is unable to fill a request for replacement personnel acceptable to the Company within forty-eight (**48**) hours of the receipt of the Company's request, the Company shall be **free** to engage such personnel through any other available source.
- 4.06** **Any** person not a member of the Guild, **hired** or promoted to the position of an Officer, shall within **thirty (30)** days of employment make application for membership in the Guild. Such application may be made by telegram, fax or otherwise directed to the Office or sub-offices of the Guild.
- 4.07** The actual selection and hiring of Officers shall be at the discretion of the Company. Officers who are not accepted by the Company must be notified in writing of the reason of rejection, with a copy provided to the Guild. The Company shall only be required to **show** that it acted reasonably in judging the employee unsuitable for employment.
- 4.08** When an Officer is dispatched on a ship **upon** the Company's request, and is **refused** by the Master for just cause, this Officer shall be paid out of pocket transportation expenses to and from the vessel and one days pay.
- 4.09** The Guild agrees **that** membership in the Guild of an Officer shall not be denied, suspended or terminated for any reason other than in accordance with the Constitution, Rules and Regulations of the Guild.
- 4.10** When an Officer joins a vessel, the Company shall, **as** a condition of employment, deduct the monthly dues and/or initiation fees **as** required or requested by the C.M.S.G. The amount(s) so deducted will only be changed during this Agreement to conform with changes in the amount of the regular dues or fees of the Guild in accordance with its Constitution and By-Laws.
- 4.11** Should the Company require an Officer to present himself/herself for **an** employment interview at the Company's office, or any other location not in the vicinity of the Officer's

residence, he/she will be reimbursed for reasonable traveling expenses according to the Company's travel expense policy.

- 4.12 The Company agrees to deduct from the wages of each Officer the monthly dues and/or assessments and/or initiation fees and/or any other amounts **as** specified by the Guild. The deductions will be made from the Officers first pay cheque of each month and remitted to C.M.S.G., 36 Wright Street, Unit 1, St. Catharines, Ontario, L2P 3J4, by the end of each calendar month in which the deduction was made.

## Article 5 GUILD REPRESENTATION

- 5.01 The Guild agrees to notify the Company in writing of the names of its Officers and to inform the Company in the **same** manner of any changes and thereafter, the Company shall conduct all its dealings with the Guild through these designated representatives.

## Article 6 BOARDING OF VESSELS

- 6.01 The Company agrees to issue passes to authorized representatives of the Guild for the purpose of consulting with the Officers aboard vessels of the Company covered by **this** Agreement in respect to Guild business.
- 6.02 Authorized representatives of the Guild may board, and remain on board, the vessels only while they are in port. Arrangements to board a vessel must be made through the Company's office, on reasonable notice. Any Guild representative boarding a vessel must immediately report to the Master or his/her designate. While onboard, Guild representatives may confer with **Officers**, but otherwise may engage in discussion only with the Master in respect of any dispute or grievance. Guild representatives shall not have the right to interfere in any way with the operations of the vessel.
- 6.03 The Company upon receiving a waiver, in form satisfactory to the Company, of 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/her to board the Company's vessels while in port for the purpose set out in **this** Section. In the event the Guild withdraws the privilege of boarding Company vessels **from** the designated Guild representative, the Guild undertakes to notify the Company to revoke such pass.
- 6.04 The Guild representative shall not violate any provision of **this** Agreement or interfere with the Officers aboard the vessel or retard the work of the vessel, subject to the penalty of revocation of the pass granted by the Company pursuant to **this** Section.
- 6.05 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 securing such passes.

## Article 7 OFFICERS' DUTIES

- 7.01 An Officer shall not be required to perform any duties usually assigned to unlicensed crew members.
- 7.02 During all mooring and unmooring operations, Officers shall be assisted by one other person at each station.

## Article 8 DEFINITIONS

- 8.01 In **this** Agreement "Day" means a twenty-four (24) hour day commencing at 0000 hours one day and ending at 2400 hours on the same day.
- 8.02 In **this** Agreement words importing male persons include female persons and corporations, words in the singular include the plural and words in the plural include the singular.
- 8.03 In **this** Agreement where a number of days expressed to be "Clear Days" is prescribed, both the first day and the last day shall be excluded.
- 8.04 In this Agreement "Department" means Deck Department.
- 8.05 In **this** Agreement "Officer" means certified First Mate, Second Mate or Third Mate.
- 8.06 In this Agreement "Vessel" or "Ship" or "Company Vessel" means a ship owned, operated or bareboat chartered by the Company.
- 8.07 In **this** Agreement "Year of Service" means a period consisting of twelve (12) months.
- 8.08 In **this** Agreement "CPI" means Consumer Price Index.
- 8.09 In **this** Agreement "Company" means Algoma Tankers Ltd.
- 8.10 ~~In~~ **this** Agreement "Guild" means the Canadian Merchant **Service** Guild.

## Article 9 PROBATIONARY OFFICERS

- 9.01 **An** Officer shall be considered to be a probationary Officer ~~until~~ **he/she has** been employed by the Company in the bargaining unit for a period of ninety (90) days working on a vessel. During the period of probation, the Officers suitability for permanent employment will be assessed by the Company.
- 9.02 At any time during the period of probation, an Officer may be released by the Company if the Company judges the Officer unsuitable for permanent employment. In the event a probationary Officer grieves his/her release, the Company shall only be required to show that it acted reasonably in ~~judging~~ the Officer unsuitable for permanent employment with the Company.
- 9.03 Any days previously worked for the Company by ~~an Officer~~ on a relief basis will be counted towards the ninety (90) day probationary period.





## Article 10 SENIORITY

- 10.01 For the purpose of **this** Agreement, seniority is the total length of continuous service with the Company **as** an Officer.
- 10.02 If two (2) or more Officers have the same seniority date, the Officer first hired shall be deemed to have the most seniority.
- 10.03 The Company will prepare and post on appropriate bulletin boards, by January 15 of each year, listings showing the seniority of Officers. One (1) copy of these listings will be sent to the Guild.
- 10.04 In the event an Officer is promoted to a position outside this bargaining unit, he/she will continue to accrue seniority provided he/she **has** maintained his/her membership in the Guild.
- 10.05 An Officer shall lose his/her seniority standing and shall have **hisher** name removed from all seniority lists in any one of the following cases:
- a) where the Officer voluntarily quits;
  - b) where the Officer is discharged for cause;
  - c) where the Officer is laid **off** and fails to return to work within fifteen (15) days after the Company has delivered written notice to him/her and to the Guild by prepaid registered post advising **him/her** to return to work;
  - d) where an Officer has been laid **off** because of lack of work for a continuous period of more than twenty-four (24) months.
- 10.06 In the selection of Officers for promotion within the bargaining unit, where ability **and** qualifications are equal, seniority will be the determining factor.
- 10.07 Notwithstanding any other provisions contained in this agreement, the Company may at its discretion promote a Company Officer in order to fill a temporary vacancy for a period not exceeding sixty (60) days, but at or before the expiry of that sixty (60) day period, **the** Company shall fill the vacancy in accordance with the express provisions of **this** agreement.



## Article 11 LAYOFF AND RECALL

- 11.01 The Company agrees that in matters relating to the selection of Officers for layoff and recall, where ability and qualifications are equal, seniority will be determined by length of service within the Company in the position the Officer is in at the time of layoff, **so** that if the Company must reduce the size of the workforce in any given position, the **Officer** who has held that position for the least amount of time will be the one laid off, and recall will be in reverse order of layoff.
- 11.02 Notice of layoff will be given in accordance with the provisions of the Canada Labour Code.
- 11.03 **An** Officer who is laid off will retain his/her seniority and the right to recall for work for a period of twenty-four (24) months from the date of layoff provided he/she reports to the Company for work when recalled. **An** Officer who is recalled in conformity with the provisions of this Agreement and does not report for work within fifteen (15) days will have his/her employment terminated for just cause.
- 11.04 Notice of recall will be by telephone and will be provided at least seventy-two (72) hours in advance of the scheduled report time unless exceptional circumstances do not permit **this**. It is the responsibility of the Officer to ensure that the Company is always advised of how best to contact the Officer for purposes of recall from layoff.

## Article 12 TOURS OF DUTY AND HOURS OF WORK

- 12.01 The Guild and the Company agree that a "Tour of **Duty**" be a minimum of twenty-five (25) days and maximum of thirty-five (35) days on board ship, followed by approximately ~~thirty~~ (30) days **off** the ship, acknowledged **as** a thirty (30) day on **and off** system. For every day worked, **an** Officer is credited with one days leave. The company will do everything possible to maintain **this** schedule but reserves the right to extend or shorten this schedule to allow the vessel to reach the port determined by the Company to be appropriate for Officers to leave or join the vessel. Tour of Duty may be extended beyond thirty-five (35) days with the consent of the Company, the Officer and the Guild.
- 12.02 Officers shall work a twelve (12) hour day each day of the week. Officers shall be expected to work any hours necessary to operate, overhaul, or otherwise preserve the safety, efficiency, and operation of the vessel and crew. **An Officer** may make a **written** request to extend **his/her** tour of duty in order to accumulate a longer period of leave. Approval will be at the discretion of the Company and will be subject to operational considerations, but not to the detriment of **noth**er Officer wishing to return to work.
- 12.03 Day working Officers will work twelve (12) hours per day on a "flex hour schedule". "Flex hour" means that normal working hours **can** be adjusted to meet the requirement of the job. However, if more than twelve (12) hours of work is required in a day, the excess hours qualify **as** overtime and overtime provisions apply.
- 12.04 A minimum of seven (7) days notice in writing must be given to the Master by an Officer intending to take leave. However, having regard to the need of the Company to be able to continue to operate its vessels with sufficient qualified Officers at all times, the right to begin a period of leave is conditional upon the approval of the Company. Such approval will not be unreasonably withheld.
- 12.05 Where **Officers** are required to work six (6) and six (6) **shifts**, shifts shall be **as** assigned

by the Master with due consideration given to seniority and ability.

- 12.06 Should an Officer fail to report for duty **as** scheduled, the **Officer** he/she was to replace must remain on duty until a substitute is secured. The extra hours worked by the Officer remaining on watch will be owed to him/her by the Officer who was missing from his/her watch and must be repaid.
- 12.07 When a vessel is at a dock, an Officer may leave the vessel but must return to the vessel not less than thirty (30) minutes prior to his/her assigned shift or to the time of sailing, whichever comes first. The time of sailing will be posted on the notice board.
- 12.08 With the prior approval of the Master or Chief Engineer, which shall not be unreasonably withheld, an Officer may, while the vessel is in port or at anchor, make private arrangements with other Officers to exchange watches thereby enabling him/her to go ashore. There shall be no additional cost to the Company as a result of any such exchange of watches.
- 12.09 If an **Officer** misses a vessel due to the fact that it sails before the posted sailing time, he/she will notify the Master by telephone within two (2) hours of the original posted sailing **time**, and if the Officer joins the vessel at the first point where it can be boarded, he/she will be reinstated and reimbursed his/her transportation costs to the vessel, provided he/she notifies the **Master** as soon as possible of his/her intention to rejoin the vessel. **There** will be no break in **service** of the Officer under these circumstances.
- 12.10 If an Officer misses a vessel due to circumstances for which he/she cannot be held responsible, he/she will be reinstated provided he/she promptly notifies the Master or the Company's office of his/her 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 Officer.

**Article 13 RATES OF PAY AND PAID LEAVE SYSTEM**

**13.01** An Officer will be entitled to one (1) days leave for each full day worked on board ship.

**13.02** Each Officer will receive a regular bi-monthly pay cheque while on board ship and while on shore leave. The amount will be based on one half (½) of the Earnings per Day Worked plus vacation pay. The Earnings per Day Worked rate represents compensation for the following:

- (a) While on tour of duty, eight (8) working hours per day paid at the Officer's Regular Wage Rate;
- (b) While on tour of duty, four (4) working hours per day paid at the Officer's Overtime Wage Rate;
- (c) Pay for the following Statutory Holidays:

New Year's Day	January 2nd	Good Friday
Easter Monday	Victoria Day	First Monday in June
Canada Day	First Monday in August	Labour Day
Thanksgiving Day	Remembrance Day	
Christmas Day	Boxing Day	

**13.03** Regular Hourly Wage Rates and Overtime Hourly Wage Rates and Statutory Holiday Hourly Wage Rates shall be as follows:

Effective August 1, 2005, the base hourly rates in effect will increase by two and one half per cent (2.5%).

Position	Regular Hourly Wage Rate	Overtime Hourly Wage Rate	Daily Stat Premium	Earnings per Day Worked	Calendar Day Rate Paid
1 <sup>st</sup> Mate	\$28.07	\$42.11	\$25.99	\$418.99	\$209.50
2 <sup>nd</sup> Mate	\$25.42	\$38.13	\$23.54	\$379.42	\$189.71
3 <sup>rd</sup> Mate	\$23.95	\$35.93	\$22.18	\$357.50	\$178.75

Effective August 1, 2006, the base hourly rates in effect outlined in Article 13.03 will increase by two and one half per cent (2.5%) or COLA\* whichever is the greater..

Position	Regular Hourly Wage Rate	Overtime Hourly Wage Rate	Daily Stat Premium	Earnings per Day Worked	Calendar Day Rate Paid
1 <sup>st</sup> Mate	\$28.77	\$43.16	\$26.64	\$429.44	\$214.72
2 <sup>nd</sup> Mate	\$26.06	\$39.09	\$24.13	\$388.97	\$194.49
3 <sup>rd</sup> Mate	\$24.55	\$36.83	\$22.73	\$366.45	\$183.23

Effective August 1, 2007, 2008, 2009, the base hourly rates in effect outlined in Article 13.03 will increase by two and one half per cent (2.5%) or COLA\* whichever is the greater.

\*COLA will be based on the annual average published by Statistics Canada for the year preceding the August 1 increase. (i.e. the August 1, 2007 increase will be based on the 2006 annual COLA average published by Statistics Canada, if required.)

13.04 The Earnings per Day Worked shall be calculated as follows:

Earnings per Day Worked = (Regular Wage Rate x 8 hours)  
+ (Overtime Wage Rate x 4 hours)  
+ (Daily Statutory Premium\*).

\*Daily Statutory Premium = (6% Statutory Days Worked and paid at 12 hrs at 1%) (=117)  
+ (6% Statutory Days on Leave and paid at 8 hours basic) (=52)  
x Overtime Hourly Wage Rate  
+ Total Annual Days Worked (365+2=182.5)

## Article 14 EXTRA OVERTIME

- 14.01 All hours worked in excess of twelve (12) hours in a day will be considered Extra Overtime and will be paid at the overtime hourly wage rate as per Article 13. Any portion of the first hour worked in excess of twelve (12) hours will be paid as a full hour and on the half hour (1/2) thereafter.
- 14.02 Extra Overtime will be recognized only when it has been approved by the Master in writing prior to the overtime being worked.
- 14.03 No Officer shall be required to perform more than sixteen (16) hours of continuous work, excluding meal hours, in a twenty-four (24) hour period.
- 14.04 The Master will ensure that Overtime work is distributed equitably among the Officers.
- 14.05 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, will 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 will overtime be paid for the work performed in connection with these emergency duties of which the Master will be the sole judge. Further, the Master may, whenever he/she deems it advisable, require any Officer to participate in lifeboat or other emergency drills without incurring overtime.

## Article 15 MEALS

- 15.01 Officers who are entitled to meals while **on** Company business will be reimbursed upon submission of bona fide receipts for reasonable costs incurred by them in the purchase of meals when the Company is unable to provide the Officer with a meal(s) **on** board a ship. Allowable costs for such meals are stated in Article **20.07**.
- 15.02 All Officers shall be permitted one half (**1/2**) hour free from work for the purpose of eating each meal.

## Article 16 WAGE ADMINISTRATION

- 16.01 The basic rates of pay for the Officers covered by this Agreement shall be as set forth **in** the wage schedules in Article **13**.
- 16.02 When an Officer is temporarily assigned by the Master to a higher paid position, for a period of at least one (**1**) **shift**, for the purpose of replacing an Officer who is injured, sick or absent, the Officer will receive the rate of the position to which he/she has been temporarily assigned by the Master. If assigned to a lower paid position for the purpose of replacing an Officer who is injured, sick, or absent, the Officer will continue to receive the rate of **hisher** regular position rather than the lower rate of the position to which he/she **has** been temporarily assigned.
- 16.03 Wages will be paid by way of direct deposit into the Officer's bank account no later than two (**2**) days following the end of each pay period. The pay stub will be sent to the Officer aboard the vessel. Each Officer must provide the Company with an authorization for direct deposit and all relevant banking information and any changes thereto.

## Article 17 VACATION PAY

- 17.01 An Officer having completed less than one (**1**) full year of service with the Company shall receive vacation pay monthly equal to four percent (**4%**) of hisher **gross** wages on the basis of thirty (**30**) days **on** and thirty (30) days off.
- 17.02 An Officer having completed one (1) but less **than** five (**5**) full consecutive years of service with the Company shall receive vacation pay monthly equal to five percent (**5%**) of **hisher gross** wages **on** the basis of thirty (30) days **on** and thirty (**30**) days off.
- 17.03 An Officer having completed five (**5**) but less than ten (**10**) full consecutive years of service with the Company shall receive vacation pay monthly equal to seven percent (**7%**) of his/her **gross** wages **on** the basis of thirty (30) days **on** and thirty (**30**) days off.
- 17.04 An Officer having completed ten (**10**) or more full consecutive years of service with the Company shall receive vacation pay monthly equal to nine percent (9%) of hisher **gross** wages **on** the basis of thirty (30) days **on** and thirty (30) days off.
- 17.05 A year of service commences from hire to anniversary date and in accordance with the preceding clauses of **this** Article, the percentages shall change effective one (**1**) day after anniversary date.
- 17.06 Vacation pay is accumulated during the thirty (30) day work period and paid on the basis of thirty (30) days **on** and thirty (30) days off (i.e.; continues uninterrupted during **on** and off periods).



## Article 18 FAMILY SECURITY PLAN

18.01 The Company agrees, effective August 1, 2005, to make a contribution of nine dollars and eighty-nine cents (\$9.89) per position per day on the basis of thirty (30) days on and thirty (30) days off (i.e.: continues uninterrupted during on and off periods).

Effective August 1, 2006, the Company's contribution to the Family Security Plan will increase by three per cent (3%) to ten dollars and nineteen cents (\$10.19).

Effective August 1, 2007, the Company's contribution to the Family Security Plan will increase by two and one half percent (2.5%) to ten dollars and forty-four cents (\$10.44).

Effective August 1, 2008, the Company's contribution to the Family Security Plan will increase by two and one half percent (2.5%) to ten dollars and seventy cents (\$10.70).

Effective August 1, 2009, the Company's contribution to the Family Security Plan will increase by two and one half percent (2.5%) to ten dollars and ninety-seven cents (\$10.97).

18.02 The Company agrees to send the aggregate of the contributions for each month to the Family Security Plan administrator designated by the Guild, on or before the 15th of the following month. The contributions shall be accompanied by a list in duplicate showing each Officer's name, the number of days for which contributions are being made and the number of positions on each vessel, whether such positions are filled or vacant.

18.03 The Company agrees to continue Family Security Plan contributions during any period the Officer is off work as a result of compensable disability or illness up to a period of twenty-four (24) months for the same compensable disability or illness.

## Article 19 PENSION PLAN

19.01 All Officers employed shall, as a condition of employment, become and maintain membership in the CMSG Retirement Security Plan.

19.02 Effective February 1, 2004, the Company shall pay, on behalf of each Officer, in addition to his/her regular pay, seven and three quarter percent (7 3/4%) of the Officer's basic Regular Hourly Wage Rate of twelve (12) hours per payroll day. Effective August 1, 2008 this rate will increase to eight percent (8%).

19.03 Each Officer shall contribute an amount equal to that remitted by the Company. As such, each Officer shall have deducted from his/her pay by the Company, effective February 1, 2004, the amount of seven and three-quarter percent (7 3/4%) of the Officer's basic Regular Hourly Wage Rate of twelve (12) hours per payroll day, over and above any contributions to the Federal or a Provincial Plan. Effective February 1, 2008, this rate will increase to eight percent (8%).

Effective August 1, 2009 both the Employer contribution and the Officer deduction will increase to eight and one quarter percent (8.25%).

19.04 The combined contributions shall be remitted to the Trustees of the aforementioned C.M.S.G. Retirement Security Plan.

## Article 20 TRANSPORTATION COSTS

20.01 Upon joining or leaving the vessel for leave or work periods, the Company agrees to pay the Officer reasonable transportation costs to and from **hisher** home and the ship. These costs are to include first class surface passage or economy air fare or two way car allowance where public transport is not available and meals and berth. Effective the June 8, 2006, increase the mileage allowance to thirty-seven cents (\$0.37) per kilometer.

Effective August 1, 2008 increase the mileage allowance to forty cents (\$0.40) per kilometer.

a) Upon joining the vessel, relief employees and new permanent employees hired after January 1, 2004, shall be responsible for their own transportation to the nearest designated airport (Toronto, Hamilton, Montreal, Quebec City, Stephenville, Moncton, Saint John, Fredericton, Chatham, Bathurst, Charlottetown, Halifax, Sarnia, Sydney, St. John's, Gander and Deer Lake). The Company will pay the costs from the designated airport to the vessel. Upon leaving the vessel, the Company will pay the transportation costs from the vessel to the designated airport nearest the employee's home base, or directly to the employee's home, whichever is the lower.

20.02 To be eligible to have the Company pay the transportation **costs**, the Officer must complete **hisher** assigned tour of duty. If an Officer quits or is dismissed for cause, transportation costs will not be paid by the Company.

20.03 **An** Officer shall be given forty-eight (48) hours notice prior to joining his/her vessel. The Officer will be paid for the day of travel providing he/she works a minimum of one (1) four (4) hour **shift** on the traveling day.

20.04 In the event that **an** Officer is transferred by the Company from one vessel to another vessel of the Company, the Company shall continue to pay the Officer **hisher** regular lay-day rate of pay, and benefits, and reasonable expenses during the time period necessary to enable him to make **hisher** transfer.

20.05 In the event an Officer is injured or becomes ill and a medical doctor determines that he/she must leave the vessel **as** a result, the Company will pay the Officer's cost of transportation to the hospital or to the Officer's residence.

20.06 If the Company requests an Officer to attend to any Company business, without limiting the generality of the foregoing, it will be without loss of pay or benefits and the Company shall reimburse the Officer for all reasonable expenses incurred by him/her upon production of acceptable receipts and vouchers.

20.07 Effective the June 8, 2006, the maximum allowable rate for meals shall be fifteen dollars (\$15.00) per meal exclusive of taxes and eighty-five dollars (\$85.00) per room, exclusive of taxes supported by receipts.

Effective August 1, 2008, increase the meal allowance to eighteen dollars (\$18.00) per meal. Increase the room allowance to one-hundred and ten dollars (\$110.00) per **night**.



## Article 21 OFFICER RESIGNATION

- 21.01 When an Officer decides to resign from employment with the Company, he/she must give the Master a minimum of forty-eight **(48)** hours notice in writing.
- 21.02 The Company will not pay the cost of transportation from the vessel to an Officer's home when an Officer resigns while working on board a vessel. Should an Officer work less than fifteen **(15)** days of *his/her* scheduled tour of duty, the Company shall be entitled to recover all related expenses incurred while joining the vessel. If the ship is trading outside of Canadian waters and the Company is required to repatriate the Officer, the cost of repatriation will be deducted from the Officer's pay cheque.

## Article 22 LEAVES OF ABSENCE

- 22.01 An Officer who has completed the probationary period, will be granted bereavement leave when death occurs to a member of his/her immediate family, that is, *his/her* father, mother, spouse, child, brother, sister, parents-in-law and grandparents. The Officer granted leave to attend the funeral will be paid at *his/her* basic rate for time lost up to a maximum of ten (10) days for immediate family (spouse, children, and parents); five **(5)** days for brother, sister, grandparents and grandchildren. The Company will pay transportation costs from the vessel to the Officer's home under these circumstances.
- 22.02 Officers will be entitled to reasonable leave of absence without pay in the event of either illness or injury to himself/herself or a member of *his/her* immediate family.
- 22.03 Officers will be entitled to child care leave in accordance with the provisions of the Canada Labour Code.
- 22.04 Claims for leave under **this** Article must be supported by proper medical or bereavement evidence upon returning to the vessel, otherwise the Officer forfeits his/her right to employment with the Company.
- 22.05 An Officer returning from leave under Article **22.01** or Article **22.02** will notify the Company's office seventy-two **(72)** hours in advance of the time he/she is ready to return to the vessel.
- 22.06 In the event an Officer is elected or appointed to work in an official capacity for the Guild,
- a) if the Officer requests a leave of absence in writing, and
  - b) if the Guild approves of the Officer's request, the Company shall grant the Officer a leave of absence without pay of not more than three (3) years to work in that capacity and if the Company consents the leave of absence may be extended.
- 22.07 In the event an Officer has been elected or appointed to attend a Guild convention or to carry out other business of the Guild, if the Officer gives fifteen **(15)** clear days notice to the Company and if satisfactory replacement is found, the Company shall, for **this** purpose, grant leave of absence without pay to the Officer. When the Guild reports to the Company that the Officer is ready to return to work after completing the Guild business, he/she shall be entitled to return to *his/her* vessel at the earliest convenient date.
- 22.08 The Company will assist in providing adequate time off without pay for Officers

wishing to attend school to either maintain their present qualifications or upgrade their certifications, when mutually agreed and in the best interest of the Company.

## **Article 23 HEALTH AND SAFETY**

- 23.01 A Shipboard Safety Committee, having at least one (1) Officer representative on it, shall be established to promote safe and healthy working conditions for the persons employed on vessels of the Company. The Committee shall hold meetings ~~as~~ necessary but no later than every three (3) months unless both parties agree to postpone or cancel a meeting. Minutes of the meetings will be ~~kept~~ by an Officer and forwarded to the Company's Safety Officer for information and circulation.
- 23.02 All safety regulations which are or come into effect by the Company shall be strictly adhered to by each Officer. Failure of an Officer to comply with safety regulations may be cause for dismissal.
- 23.03 No animals or pets will be permitted on board a ship.

## **Article 24 DRUG AND ALCOHOL POLICY**

- 24.01 The parties recognize that the employer has a drug and alcohol policy that applies to all Officers and it shall be in compliance with the legislation.

## **Article 25 FAMILY VISITATION**

- 25.01 With the prior approval of the Master, which will not be unreasonably withheld, an Officer may, only while the vessel is in port, bring *his/her* spouse and family aboard for a visit, with the exception of children under twelve (12) years of age. Immediately upon coming on board, the Officer and *his/her* family members must sign a waiver releasing the Company from all liability and while on board must observe the Company's safety policy.

## **Article 26 DISCIPLINE**

- 26.01 No Officers shall receive a written reprimand or warning, be suspended or be dismissed, except for just cause.
- 26.02 The Company, when dismissing an Officer, shall give that Officer notice in writing of his/her dismissal ~~as~~ per the disciplinary code.
- 26.03 The Company agrees not to introduce as evidence in a hearing related to disciplinary action any document from the file of an Officer, the existence of which the Officer was not aware at the time of filing or within a reasonable period thereafter.
- 26.04 Disciplinary information which may have been placed in the personnel file of an Officer shall not be relied on for disciplinary purposes after twenty-four (24) months have elapsed since the disciplinary action was taken provided that no further disciplinary action has been recorded during ~~this~~ period. Upon ~~written~~ request of ~~an~~ Officer, the personnel file of that Officer shall be made available once per year for the examination

in the presence of an authorized representative of the Company.

- 26.05 Refusal of any Officer to work **as** directed or to obey lawful orders of his/her superior Officers may be grounds for **summary** dismissal. Any Officer who leaves a vessel without being properly relieved will forfeit his/her job with the Company.
- 26.06 The Guild agrees to cooperate with the Company to instruct each Officer to assist and to cooperate with the Master and Company Executives **to** maintain discipline on board ship.

## **Article 27 MARINE DISASTER**

- 27.01 **An** Officer who, while employed by the Company, suffers loss of clothing or other personal effects of any kind because of marine disasters or shipwreck, shall be compensated by the Company for such a loss, up to a maximum of *three* thousand, five hundred dollars (\$3,500.00).
- 27.02 An Officer or his/her estate making a claim under **this** section shall submit reasonable proof to the Company of the actual loss he/she has suffered.

## **Article 28 GRIEVANCE PROCEDURE**

- 28.01 In the event a grievance arises on a vessel of the Company **as** to the interpretation or application of or in compliance with the provisions of **this** Agreement, including without limiting the generality of the foregoing, a grievance in respect to wages, hours of work or conditions of employment of any Officer, there shall be no interruption or impeding of work, and the parties shall endeavour to settle the grievance in the following manner:

a) **STEP ONE**

An Employee who believes he has a grievance must discuss that grievance with the Master, and if no satisfactory solution is achieved, he must submit that grievance in writing to the Master of the vessel within ten (10) days of its alleged occurrence. The Master must reply to the written grievance within ten (10) days of its receipt. If the Master is not living aboard or is not available, such grievance must be submitted directly to the Company within the same time limit of its alleged occurrence. The Company must reply to the written grievance within ten (10) days of its receipt.

b) **STEP TWO**

If no settlement is reached in Step One, the Guild representative acting on the Officer's behalf must within twenty (20) days from the date the Master replied under Step One, meet with a Company representative in order to discuss the grievance, and if possible, to achieve a settlement. The Company representative shall render **his** decision in writing.

c) **STEP THREE**

If no settlement is reached in Step Two, either party must indicate its intention to proceed to arbitration by notifying the other party by registered mail within ten (10) days of receipt of the decision in Step Two.

- 28.02 Notwithstanding any other provisions of the agreement, if the Company or any of its representatives fail or refuse to comply with any step or condition of the grievance procedure set out in Article 28.01, the Guild, acting on behalf of an Officer, may submit the grievance at once to arbitration in the manner set out in Article 29.
- 28.03 If there is a grievance which is the same for a number of Officers of a Company, such a grievance shall be presented directly to a representative of the Company involved. If no settlement can be reached between this representative and a representative of the Guild, the matter may then be submitted to arbitration as per Step Three. The results of such arbitration shall be binding on the Company, the Guild and all persons concerned with the particular grievance involved.

## Article 29 ARBITRATION PROCEDURE

- 29.01 In the event any difference arises between the Company and The Guild as to the interpretation, alleged violation or application of or compliance with this Agreement or as to any grievance or dispute arising out of the operation of Article 28 of this Agreement the difference may be submitted to arbitration pursuant to the terms of this section.
- 29.02 Arbitration of any difference arising under Article 29.01 shall be submitted to a single arbitrator 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.
- 29.03 In the event the selected arbitrator is unable to serve by reason of death, incapacity or resignation, or for any other reason, his replacement shall be appointed in the same manner as is provided herein for the appointment of the first arbitrator.
- 29.04 A statement of the dispute or question to be arbitrated shall be submitted by the grieving party to the arbitrator within five (5) days of his appointment. The arbitrator shall convene the parties within ten (10) days following his appointment unless a delay is agreed to by the parties, and the arbitrator shall render his decision as soon thereafter as possible.
- 29.05 The decision of the arbitrator shall be limited to the dispute or question contained in the statement or statements submitted to him. The decision of the arbitrator 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 Guild and all persons concerned.
- 29.06 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.

## Article 30 STRIKES AND LOCKOUTS



**30.01** The Guild and the Company declare it to be their common intention that all controversies shall be resolved amicably in accordance with the provisions of **this** Agreement, and to **this** end:

- a) the Guild agrees that there shall be no strikes, slowdowns or stoppages of work for any cause; and
- b) the Company agrees that there shall be no lockout for any cause during the term of **this** Agreement.

**30.02** The Company will not expect the Officers to **cross** a lawful picket line in an industry related to the business of the Company nor to perform the work of the people on strike. However, Officers will be expected to remain on board the vessel and perform their regular duties.

## **Article 31 LEGAL DEFENSE INSURANCE**

**31.01** Legal Defense Insurance for **Officers** covered by **this** Agreement shall be provided in the following manner:

The Guild shall provide legal defense insurance which shall be paid for by the Company at the rate of two dollars and twenty-five cents (**\$2.25**) per day per position, effective January 1, 2002.

The Company agrees to send the aggregate of the contributions for each month to the Canadian Merchant Service Guild, **36** Wright Street, Unit **1**, St. Catharines, Ontario, **L2P 3J4**, on or before the **15th** of the following month.

The contributions shall be accompanied by a list in duplicate showing each Officer's name, the number of days for which contributions are being made and the number of positions on each vessel, whether such positions are filled or vacant.

In **this** Article "Officer" means Officers who are members in good standing of the Canadian Merchant Service Guild.

## **Article 32 HIRING SERVICES**

**32.01** The Company agrees to pay the CMSG the sum of one dollar and seventy-five (**\$1.75** cents) per position per day aboard the vessel to be remitted to the CMSG, **36** Wright Street, **Unit 1**, St. Catharines, Ontario, **L2P 3J4**, not later than the 15th of the following month.



## Article 33 GENERAL PROVISIONS

- 33.01 Nothing in this Agreement will be construed so **as** to affect the obligations of the parties under the provisions of the Canada Shipping Act, or other legislation, or to impair in any manner whatsoever the authority of the Master.
- 33.02 Where Officers are displaced due to automation, mechanization, permanent reduction in the number of Officers because of the sale of a vessel, or a layoff, recall and severance will be determined **as** follows:
- a) Officers with less than three (3) years seniority with the Company shall have their employment terminated and will be entitled to severance pay equal to five (5) days basic pay per year of service with the Company calculated at the date of termination of employment.
  - b) Officers with at least three (3) years seniority with the Company will be laid off and remain on the recall list pursuant to the provisions of Article 11, with entitlement to be placed on other vessels **as** vacancies occur provided they are qualified to perform the available work.
  - c) Should an Officer not be offered a placement on another Company vessel during the time he/she is on the recall list, his/her employment will terminate and he/she shall be entitled to severance pay equal to five (5) days basic pay per year of service with the Company calculated at the date of layoff.

## Article 34 SCHOOL PLAN

An Officer who has completed at least one (1) full navigation season of continuous employment, or **has** celebrated his first anniversary with the Company and who succeeds in obtaining an upgrading of certification according to the following schedule:

Watchkeeping to CNII or ONII  
CNII to CNI  
ONII to ONI  
ONI to Master Foreign-going

Shall be entitled to receive from the Company, in respect of time spent, a subsistence of three thousand five hundred dollars (\$3,500.00) provided that, **after** obtaining such certificate, the Officer remains with the Company for one (1) year.

Should an Officer refuse a transfer to a vessel operating on a voyage to which his certificate is applicable, or refuses a promotion to the position for which the certificate is applicable within one (1) year of subsistence payment, the subsistence payment shall be refunded.

**Article 35 DURATION AND RENEWAL** \*

35.01 This Agreement shall take effect the 1st day of **August 2005**, and shall remain in full ~~force and effect~~ until the **31st day of July 2010**, and shall, ~~without further act of~~ the parties be renewed from year to year ~~thereafter~~, unless **written** notice of desire to amend, modify or cancel any term hereof is given **by** either party to **the other**, not later ~~than~~ one hundred **and** twenty (120) **days** prior to the expiry of ~~this~~ Agreement.

35.02 In the event neither party gives notice to reopen **one hundred and twenty (120) days** prior to expiry, **allowing** the ~~Agreement~~ to continue on **a year to year basis**, either party may **give** written notice of desire to amend, modify or **cancel any term** thereof **one hundred and twenty (120) days** prior to the anniversary date, in **any** year, in which **case** this Agreement shall terminate on the anniversary date in **that** year.

Appendices "A", "B", "C" and Letters of Understanding 1, 2, 3, 4, 5, 6, 7 are attached to **and** form part of this Agreement.

IN WITNESS WHEREOF the parties hereto have signed this Agreement the 25 day of JANUARY, 2007.

ALGOMA TANKERS **LIMITED.**

CANADIAN MERCHANT SERVICE GUILD

  
\_\_\_\_\_

  
\_\_\_\_\_

## APPENDIX "A"

### BETWEEN ALGOMA TANKERS LIMITED AND CANADIAN MERCHANT SERVICE GUILD

#### Clothing Policy

This will confirm that the Company will continue to apply its clothing policy to the Officers covered by this Collective Agreement.

Pursuant to the policy, the Company supplies one (1) pair of coveralls to each new Officer at the time the Officer first goes to work on a vessel, and thereafter two (2) additional pairs of coveralls during the first twelve (12) months of employment. Subsequently, coveralls are replaced as needed to a maximum of three (3) pairs of coveralls per year, one (1) of which will be insulated if the ship is trading in Canada. The employee will have the option of selecting either an insulated pair of coveralls or a winter parka.

Each Officer, upon completion of one (1) years service with the Company and at the completion of each subsequent year of service, shall be paid a safety footwear allowance.

Effective June 8, 2006, the boot allowance will increase to one hundred dollars (\$1 10.00).

Effective August 1, 2008, the boot allowance will increase to one hundred and twenty dollars (\$ 120.00).


Signed at St. Catharines, this 25 day of JANUARY, 2007.

ALGOMA TANKERS LIMITED

CANADIAN MERCHANT SERVICE GUILD



---



---



**APPENDIX "B"**

**PROFICIENCY PAY**

When an Officer is in charge of a vessel between Tibbets Point and St. Lambert Lock, excepting when the vessel is at anchor or not underway, he shall receive, effective June 8, 2006, twenty dollars (\$20.00) per hour in addition to the applicable rate at the time the work is performed. Effective August 1, 2006 the proficiency pay premium will be increase to twenty dollars and fifty cents (\$20.50) per hour.

This proficiency pay will be paid for each hour, calculated to the nearest quarter ( $\frac{1}{4}$ ) hour, during which he is in charge on the bridge of the vessel in this area.


It shall be the right of any Mate to refuse to apply for a pilotage certificate for any district or part of a district, within the jurisdiction of the Laurentian and Atlantic Pilotage Authorities, where compulsory pilotage is required by law and for so long as the same continues to be so required for vessels of Canadian Registry. Any such refusal shall not subject a Mate, directly or indirectly to any penalty whatsoever. Any violation of the aforesaid shall be subject to redress in accordance with the grievance procedure within the Collective Agreement between the Company and the Guild.

Signed at St. Catharines, this 25 day of JANUARY, 2007.

**ALGOMA TANKERS LIMITED**

**CANADIAN MERCHANT SERVICE GUILD**

  
\_\_\_\_\_

  
\_\_\_\_\_

APPENDIX "C"

BETWEEN ALGOMA TANKERS LIMITED AND  
CANADIAN MERCHANT SERVICE GUILD

ALGOSCOTIA MANNING


The new tanker Algoscotia will come into the renewed Collective Agreement. The manning for the new tanker will be two (2) Officers.

Signed at St. CATHARINES, this 25 day of JANUARY, 2007.

ALGOMA TANKERS LIMITED

CANADIAN MERCHANT SERVICE GUILD

  
\_\_\_\_\_

  
\_\_\_\_\_

# Letter of Understanding 1

Re: Article 20 ~ Transportation Costs

Memorandum of Understanding  
Between  
Algoma Tankers Ltd.  
And the  
Canadian Merchant Service Guild

Article 20.03

This clause reads as follows:

*"An Officer shall be given forty-eight (48) hours notice prior to joining his/her vessel. The Officer will be paid for the day of travel providing he/she works a minimum of one (1) - four (4) hour shift on the traveling day."*

For the duration of the existing Collective Agreement, the parties agree to apply this clause in the following manner:

An Officer shall be given forty-eight (48) hours notice prior to joining his/her vessel for a normal crew change. The Officer shall receive one (1) calendar days pay plus one half (1/2) of a leave day providing the Officer works a minimum of one (1) - four (4) hour shift on the traveling day. The Officer leaving shall receive one (1) calendar days pay plus one half (1/2) of a leave day if the Officer works that day.

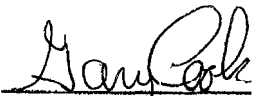
Effective July 1, 1999 inclusively.

Signed at St. Catharines this 26<sup>th</sup> day of January 2005.

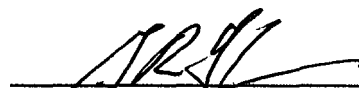
For: Canadian Merchant Service Guild

For: Algoma Tankers Ltd.

Signature



Gary Cook  
Labour Relations Officer, CMSG



Graham Fisher  
Vice President, Human Resources

## Letter of Understanding 2

Re: **ATO Clarification and Interpretation of 20.03**

**Conditions to be applied on readjustment of ATO days with regard to the Memorandum of Understanding on the interpretation of Article 20.03 of the CMSG/ATL Collective Agreement**

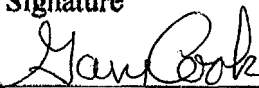
1. Each Officer shall be given a complete statement **regarding** those accrued **ATO days**.
2. All data shall be gathered **from** each Officer's **discharge book**.
3. **All reconciliation of ATO's shall be conducted by ATL's payroll department.**
4. Copies of all pertinent documentation will be given **to a** representative of the Guild.
5. **This** calculation will account for the accumulation of one (1) ATO day joining and **one (1)** day leaving.
6. Each Officer shall **be** given **the** option to **bank** those ATO days or **be** paid the **equivalent** amount in cash.
7. All ATO days paid **to** the Officer shall be completed at the earliest **possible** opportunity **but** no later than December 15, 1999.
8. Retroactivity shall **be** from the first date of employment pertaining **to** this Collective Agreement.
9. Each **Officer** shall be given a complete **record** of their ATO account **by** the payroll department quarterly or **when** laid off.
10. In the **event** of a **layoff**, all ATO **days** shall be paid out **in total and** a Record of Employment (ROE) shall **be issued**.
11. An Officer who **has been called** to work **and** is waiting at the vessel's next port of call shall not lose nor accrue **ATO** days if **the** vessel is delayed. The Officer shall receive one (1) calendar **days** pay **for** each **day** so delayed.
12. This MOU shall nullify **any** filed and/or pending grievances regarding ATO.

**Signed at St. Catharines this 26<sup>th</sup> day of January 2005.**

**For: Canadian Merchant Service Guild**

**For: Algoma Tankers Ltd.**

**Signature**



Gary Cook  
Labour Relations Officer, CMSG



Graham Fisher  
Vice President, Human Resources

### Letter of Understanding 3

**Re: Employees laid off due to vessel retirement**

During the term of the Collective Agreement the vessels Algosar, and Algofax, may be retired. As a result of these potential retirements there will be a ~~number~~ of crew ~~members~~ that could be laid off. The Officers that may be laid off as a result of these retirements will be placed on a special re-employment list that will allow them to have first right of refusal for all vacancies that they are qualified for within the rest of the Algoma fleet (including the dry bulk fleet and other tanker vessels). Selection of these Officers will be based on qualifications, skill, ability and seniority. If qualification, skill and ability are equal then seniority will be the governing factor.

If an Officer has been laid off from Algoma Tankers Limited under the provisions of Article 33, Section 33.02, ~~more~~ specifically Section 33.02 (b) accepts a permanent position to any vessel in the Algoma Central dry bulk fleet, or tanker fleet (petroleum or non-petroleum carrying vessels) that Officer will be deemed to be recalled under the provisions of Article 33, Section 33.02 (b).

Signed at St. Catharines, this 25 day of JANUARY, 2007.

ALGOMA TANKERS LIMITED

CANADIAN MERCHANT SERVICE GUILD

  
\_\_\_\_\_

  
\_\_\_\_\_

## Letter of Understanding 4

### Re: New Vessel Opportunities

If during the term of the Collective Agreement the Company decides to add new vessels to the fleet in the petroleum or non-petroleum trade, the Company and the Union agree to meet to discuss the terms and conditions of employment for the new vessels. The conditions of employment to be discussed and agreed to could include, but are not limited to, wages, hours of work, leave system, travel and benefits.

Signed at St. Catharines, this 25 day of JANUARY, 2007.

ALGOMA TANKERS LIMITED

CANADIAN MERCHANT SERVICE GUILD



---



---

**Letter of Understanding 5**


**Re: Short Period Lay-up**

It is agreed that the parties will meet and discuss the issue of any short period lay-up during the terms of this Agreement. The purpose of these meetings will be to discuss the commercial reality of that situation. The Company shall endeavour to have these meetings prior to any short period lay-up happening.

Signed at ST. CATHARINES, this 25 day of JANUARY, 2007.

**ALGOMA TANKERS LIMITED**

**CANADIAN MERCHANT SERVICE GUILD**

  
\_\_\_\_\_

  
\_\_\_\_\_

## Letter of Understanding 6

Re: Family Security Plan

During the course of negotiations to renew the Collective Agreement, the Company and the Union had several discussions about Health and Welfare Benefits.

The members of the Guild that are employed by Algoma Tankers are part of the CMSG Eastern Branch Health and Welfare plan. This plan is a multi-employer trust fund that provides benefits to the members. Due to the makeup of the plan it is difficult for a small group of members to have an impact on the plan in terms of funding and contribution level.

To that end, the Company and the Union shall meet during the term of the Collective Agreement to discuss plan alternatives, funding alternatives and areas where Algoma Tankers may have an impact on the plan. These meetings will be scheduled on an annual basis, and will be in conjunction with Trustee's meetings.

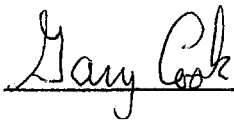
Signed at St. Catharines, this 25 day of JANUARY, 2007.

ALGOMA TANKERS LIMITED

CANADIAN MERCHANT SERVICE GUILD



---



---



## Letter of Understanding 7

Re: Transportation

All permanent employees at date of ratification will be subject to the provisions of Article 20.01.

Signed at ST. CATHARINES, this 25 day of JANUARY, 2007.

ALGOMA TANKERS LIMITED

CANADIAN MERCHANT SERVICE GUILD

  
\_\_\_\_\_

  
\_\_\_\_\_