

COLLECTIVE BARGAINING AGREEMENT

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BETWEEN


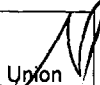
THE SEAFARERS' INTERNATIONAL UNION OF CANADA

AND

RIGEL SHIPPING CANADA INC.

EFFECTIVE FEBRUARY 1ST, 2006 TO JANUARY 31ST, 2010

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Company	Union

10051(04)

ARTICLE 1 - PURPOSE AND SCOPE

1.01 The purpose of this Agreement is:

(a) To establish terms and conditions of employment and related matters for employees covered by this Agreement;

(b) To establish a procedure for final settlement of differences concerning the interpretation, administration, application of alleged violation of any of the provisions of this Agreement.

1.02 This agreement applies to all employees employed in unlicensed positions aboard the vessels owned and or operated by the Company.

1.03 The Company acknowledges the Union as the sole bargaining agent for employees covered by this Agreement.


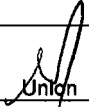
1.04 The Company operates, owns, manages and/or bareboat charters ships in Canada, in both home trade voyages as well in foreign voyages as defined by the Canada Shipping Act. It is recognized by the parties that the bulk of the trade is in the Maritime Provinces.

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, consistent with the terms and conditions of this Agreement. The Company has the right to hire, discipline and discharge for just cause, and promote employees in accordance with the provisions of this Agreement.

2.02 The right of any employee to employment with the Company will be conditional upon the employee 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 employee at any time by a medical practitioner approved by the Canadian Coast Guard, and to require certification from a medical practitioner that the employee or applicant for employment is physically fit to perform the duties of the job in question. Where the Company requires a present employee to undergo a medical examination (apart from any examination required to maintain the employee's medical fitness card), the Company will pay the fee charged for the examination. The examination shall be conducted on Company time and all expenses including wages and transportation shall be paid by the Company. This paragraph also applies to those employees who are off on laydays.

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2.03 The Company shall not be obliged to hire applicants who have restricted access to a foreign port.

Permanent employees who have restricted access into a foreign port shall be granted a **reasonable time** of absence without pay in order to obtain a waiver enabling them to enter such foreign ports.

### ARTICLE 3- DISCRIMINATION

3.01 The Company will not discriminate against an employee because of membership in the Union or activity authorized herein on behalf of the Union or for exercising his/her rights under the Canada Labour Code or as provided by this Agreement.

3.02 The Union agrees not to intimidate or coerce or threaten employees 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 co-operate with the Master and other management representatives of the Company in maintaining discipline aboard ship.

3.03 The Company and the Union agree that they will not threaten, intimidate or unlawfully discriminate in the workplace against any employee 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 - UNION MEMBERSHIP AND DUES DEDUCTION

4.01 An employee covered by this agreement who is not a member of the Union shall, within thirty (30) days of having completed the probationary period referred to in article 7.01, make application for membership in the Union and become a member. If the Union refuses to accept such employee, a satisfactory written statement of reason must be supplied by the Union to the Company

4.02 The Company agrees to maintain in its employ only members of the Union in good standing. "Good standing" is herein interpreted to mean that a member has not failed to pay the periodic dues, assessments and initiation fees uniformly required to be paid by all members of the Union.

4.03 The Company shall not be required to discharge any employee under paragraphs (4.01) and (4.02) above unless and until a qualified replacement is available, subject to the Captain's determination and the grievance procedure.

4.04 The Company agrees to deduct initiation fees and/or monthly Union dues and/or assessments in respect to all employees covered by this Agreement in the amounts as established by the Union.

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In addition to the above amounts, the Company also agrees to deduct and remit to Union Headquarters any other amount or money when requested to do so by the Union.

All amounts required to be deducted by the Company by this article shall be remitted to the Union Headquarters no later than the 15<sup>th</sup> of the month following the end of the pay period.

4.05 The Company agrees to include the amount of union dues paid by each employee on the employee's T-4 slip.

4.06 The Company agrees that during the period this Agreement is in effect, all personnel to be hired shall be requested through the offices of the Union closest to the location of the vessel for which the request is made. In addition, the Union shall supply the name of the employee along with copies of relevant discharged book entrances, certificates of compliances along with a copy of the applicants' passport to be dispatched as soon as such name is determined to the person having made such a request.

4.07 The Union agrees that its dispatch facilities shall be available as follows:

a) The Union Dispatch Hall shall be open Monday through Friday from 09:00 hours to 17:00 hours.


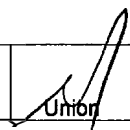
b) Subject to the conditions of paragraph (9) below, shipping shall be conducted at all **ports** in accordance with the above-stated hours, Monday through Friday.

c) Telephone numbers of Union officials in each port shall be furnished to the Company in case of emergency calls for employment.

d) Outside the hours of 09:00 hours to 17:00 hours, the Union Halls shall have an answering service available for incoming calls, which are received.

e) The Union Dispatch Facility shall be closed on all statutory holidays specified in LOU # 5 herein and on all other federal and/or applicable provincial statutory holidays. Where such statutory holidays fall on a Saturday or a Sunday, the Union Dispatch Hall shall be closed on the following Monday or on the next juridical day should the following Monday be a statutory holiday.

f) Any request for employees made by the Company by calling pursuant to c) or d) above outside the hours of 09:00 hours to 17:00 hours Monday to Friday or on a holiday shall be responded to and filled by the Union within the same time frame as a request made when the Union Dispatch Halls are open.

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4.08 The Union agrees to co-operate fully with the ships' officers and management of the Company in obtaining qualified, reliable employees to fill vacancies as they occur. When employees are requested, the Union agrees that the Company's requirements will be filled as quickly as possible.

4.09 When presenting themselves for employment, members shall remit a Union dispatch slip (if issued) and discharge book and a valid Medical Fitness Card to the Captain or designated ships' officer. Members who are refused for employment must be immediately furnished in writing with a valid reason for such refusal. If the member is not accepted by the Company as a result of or because of an error committed by the Company in placing a call for a replacement, the said member shall be reimbursed any and all reasonable transportation costs to and from the vessel, living expenses supported by receipts and shall receive one day's basic pay.



If a ship is delayed in transit and the employee must stay overnight waiting for the vessel, the Company shall pay reasonable living expenses supported by receipts until the arrival of the vessel or until the call is cancelled and, in the later case, the employee shall receive basic wages from the date on which the employee was to report to the vessel.

4.10 The right of any employee to employment with the Company shall be conditional upon the employee being medically fit to perform his duties and in possession of a valid Medical Fitness Card. The Company may, at any time, cause the employee to be medically examined at the Company's expense.

4.11 The parties agree that where the Union fails or is unable to fill a request for unlicensed 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 unlicensed personnel through any other available source, subject to the following rules:

- a) Where an employee terminates his employment with the Company, he shall provide an officer with a minimum of forty-eight (48) hours' written notice. Such notice shall be in writing and in duplicate so that the employee can retain a signed copy from the officer. The Company shall immediately thereafter request the Union to supply the required personnel.

If the Union is unable to dispatch the replacement personnel within forty-eight (48) hours, the Company may hire replacement personnel from any other source available on a temporary basis only. Should this occur, the Company upon hiring temporary personnel shall immediately notify the nearest Union office **so** that the replacement personnel hired by the Company will be replaced by a Union member **upon the next scheduled tour of duty.**

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b) When the Company does not provide the Union with a minimum of forty-eight (48) hours' notice for replacement personnel, the Union shall in any event endeavour to dispatch the requested personnel within the time limits required by the Company. However, if the Union is unable to dispatch within the time limits required by the Company, the Company shall be free to hire replacement personnel on a temporary basis only. Should this occur, the Company upon hiring temporary personnel shall immediately notify the nearest Union office so that the replacement personnel hired by the Company will be replaced by a Union member **upon the next scheduled tour of duty?**



c) Where an employee terminates his employment without giving forty-eight (48) hours' written notice to an officer, the Company shall notify the nearest Union Hall immediately with the request for replacement personnel. However, if the Union is unable to dispatch within the time limits required by the Company, the Company shall be free to hire replacement personnel on a temporary basis only. Should this occur, the Company upon hiring temporary personnel shall immediately notify the nearest Union office so that the replacement personnel hired by the Company will be replaced by a Union member as soon as possible.

d) Where an employee is discharged for cause, the Company shall notify the Union Hall immediately with the request for replacement personnel. However, if the Union is unable to dispatch within the time limits required by the Company, the Company shall be free to hire replacement personnel on a temporary basis only. Should this occur, the Company upon hiring temporary personnel shall immediately notify the nearest Union office so that the replacement personnel hired by the Company will be replaced by a Union member as soon as possible.

## ARTICLE 5- UNION OFFICERS BOARDING VESSELS

5.01 The Union agrees to notify the Company in writing of the name of its officers, ship's delegates and bargaining representatives and to inform the Company in the same manner of any changes. A union officer, ship's delegate or bargaining representative shall not act as such until the Company has been notified of his/her appointment but thereafter, the Company shall conduct all its dealings with the Union through these designated representatives.

5.02 The Company will permit the Union to post notice of Union meetings, elections, election results, appointments and social and recreational events or other legitimate Union business on bulletin boards on the vessels. The bulletin boards shall not be used by the Union or its representatives for posting and distributing brochures of a political or advertising nature. In any case, the Master will have the right to remove from the bulletin board anything inconsistent with the provision of this Article 5.02.

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5.03 The Company agrees to issue passes to the Union's representatives for the purpose of consulting with employees aboard vessels of the Company covered by this Agreement. Representatives must first advise the Captain of the vessel of his/her presence. If the Captain is not available, the representative shall notify the deck officer on watch.

5.04 The Union shall submit to the Company the name and relevant particulars of the bona fide Union members authorized to act as its representatives and the Company, upon receiving from any representatives 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 Article.

5.05 The Union representative shall not violate any provision of this Agreement or interfere with the Officers aboard the ship or retard the work of the vessels, subject to the penalty of revocation of the pass granted by the Company pursuant to this Article.

5.06 The Company assumes no responsibility for securing passes to or through property owned or controlled by others, but the Company agrees to co-operate with the Union in securing such passes.

#### ARTICLE 6 - LABOUR-MANAGEMENT COMMITTEE

6.01 The Company and the Union agree to form a Labour-Management Committee consisting of senior Company and Union representatives to provide a forum for the discussion of any issue except matters which have been made the subject of grievance/arbitration procedure.



6.02 The Labour-Management Committee will meet at least three (3) times each calendar year, but can also meet at the request of either party.

6.03 The parties will agree in advance on the agenda for each meeting. Minutes will be kept, circulated after each meeting, and signed off by the parties.

#### Article 7 - PROBATIONARY EMPLOYEES

7.01 An employee **hired in a permanent vacant position** shall be considered to be a probationary employee 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 employee's suitability for permanent employment will be assessed by the Company.

7.02 At any time during the period of probation, an employee may be released by the Company if the Company judges the employee unsuitable for permanent employment.

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In the event a probationary employee grieves his/her release, the Company shall only be required to show that it acted reasonably and did not act in a manner that was arbitrary, discriminatory or in bad faith in judging the employee unsuitable for permanent employment with the Company.

**7.03 Relief employees may acquire seniority after having completed ninety (90) days work within one year from the first day of employment. Those having completed the said probationary period shall be placed on the company seniority which shall be comprised of approximately 50% of it's permanent crew. Such employees shall be considered as "Permanent Relief Employees".**

Article 8 - SENIORITY

8.01 For the purpose of this Agreement an employee's seniority date shall be his/her start date with the Company.

8.02 The Company shall maintain two seniority lists, one for permanent employees who are assigned to a normal work/leave system and the other for employees who have conformed to article 7.01 and for whom no permanent status is yet available.

The permanent employee seniority list shall be limited to the number of positions required to crew the vessels of the Company on a two months on/one month off rotation.


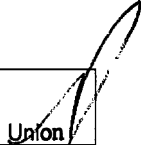
Seniority lists shall be updated and distributed no later than each anniversary date of the Collective Agreement.

8.03 If two or more employees have the same seniority date, the crew member dispatched from the Union Hall first shall be deemed to have the most seniority.

8.04 In the event an employee is promoted to a position outside this bargaining unit, he/she will continue to accrue seniority for a period of six (6) months from the date of promotion, at the conclusion of which time he/she must either return to his/her former position in this bargaining unit or renounce his/her seniority in this bargaining unit.

8.05 In the selection of employees for promotion within the bargaining unit, where ability and qualifications are relatively equal, seniority will be the determining factor.

8.06 All permanent employees shall have preference for placement aboard Company vessels in accordance with Article 10. Under no circumstances shall employees with seniority be run into the hole while reliefs are employed except in circumstance of (1) normal crew changes and (2) mutual agreement between an employee and the Company.

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## Article 9 - LAYOFF AND RECALL

9.01 The Company agrees that in matters relating to the selection of employees for layoff and recall, where ability and qualifications are relatively equal, seniority will be the determining factor.

9.02 Notwithstanding the foregoing, where the Captain or Chief Engineer decides to lay off, twenty-four (24) hours written notice shall be given to the employees affected, stating thereon the reason for such layoff. Such notice may be in the form of an announcement placed on the ship's bulletin board.

9.03 A permanent employee who has conformed with article 7.01 (probationary employees) who is laid off will retain his/her seniority and the right to recall for work for a period of twelve (12) months from the date of layoff provided he/she reports to the Company for work when recalled. An employee who is recalled in conformity with the provisions of this Agreement and does not report for work will have his/her employment terminated for just cause.


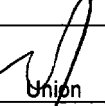
9.04 Notice of recall will be by telephone and will be provided at least seventy-two (72) hours in advance of the scheduled report time unless exceptional circumstances do not permit this. It is the responsibility of the employee to ensure that the Company is always advised of how best to contact the employee for purposes of recall from layoff.

9.05 Recall will be by seniority to any of the Company's vessels, subject to the ability and qualifications of the employee to perform the work available to the satisfaction of the Company.

## ARTICLE 10 - TOURS OF DUTY AND HOURS OF WORK

10.01 The normal tour of duty for employees on the vessels will be approximately sixty (60) days on board a ship followed by thirty (30) days of leave off ship. 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 employees to leave or join the vessel. However, considering that the vessel must reach a port where crew-change may normally take place, this adjustment may not exceed three (3) days before or after the scheduled date of crew change or sixty (60) days worked.

10.02 The regular working hours when an employee is on a vessel are eight (8) in each calendar day. Watchkeeping employees will normally work an eight (8) hour day consisting of two (2), four (4) hour watches, seven (7) days a week. With the exception of the Catering Department, dayworkers will normally work eight (8) hours a day between the hours of 08:00 and 17:00, seven (7) days a week. Employees in the Catering

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Department will normally work eight (8) hours a day within a spread of fourteen (14) hours, as determined by the Master from time to time.

10.03 Shifts shall be as assigned by the Master with due consideration given to seniority and ability.

10.04 Should an employee fail to report for duty as scheduled, the employee he/she was to replace must remain on duty until a substitute is secured.

10.05 When a vessel is in port, an employee 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. Where an employee is directed by the Master (or his/her designate) to be on board the vessel in port after the completion of his/her watch or regular day's work, or over and above his/her assigned shift, he/she will be paid for all such hours he/she is directed to be on board at the approximate overtime rate.



The above paragraph shall not apply in foreign ports where shore leave is not recommended for reasons of civil strife, which may lead, to danger to crew and/or vessel.

10.06 With the prior approval of the Master or Chief engineer, which shall not be unreasonably withheld, an employee may, while the vessel is in port, canalling or at anchor, make private arrangements with other employees to exchange watches thereby enabling him/her to go ashore. There shall be no additional cost to the Company (including the payment of overtime) as a result of any such exchange of watches.

10.07 If an employee 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 employee 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 employee under these circumstances.

10.08 If an employee 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 employee.

10.09 Maintenance work is hereby defined as painting, chipping, soogeeing or maintenance to ships gear. When maintenance work is applied to the deck of the ship, it shall be performed only in daylight hours and when weather conditions are such that allow this work to be performed in a completely safe manner.

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The company and the Union recognize the importance of maintaining the ship in a high level of good cosmetic condition, therefore the company agrees to allow, on prior approval of the Master, approximately two (2) hours per day of overtime to each available deck position on acceptable days for maintenance work.

10.10 An employee may request additional unpaid time off over and above paid time off referred to in this Article, which shall be taken in conjunction with their 30 day paid time off period. Such requests shall be limited to two (2) times per year to a maximum of two (2) weeks per request.

Requests for additional time off must be submitted in writing at least fourteen (14) days prior to the taking of additional time off.

The Company has the right to approve a request under this Article but approval shall not be unreasonably withheld and is conditional upon a suitable replacement being available.

This provision for requesting time off is not intended to replace any existing arrangements or practices with respect to the granting of leaves of absence.

#### ARTICLE 11 - OVERTIME


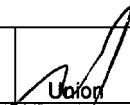
11.01 All hours worked in excess of eight (8) hours in a day and forty (40) hours in a week are considered overtime.

11.02 Overtime worked will be compensated at the rate of time-and-one-half an employee's regular hourly rate.

11.03 It is recognized that the wages paid to an employee while he/she is on his/her thirty (30) days' leave pursuant to Article 10.01 include payment for a certain amount of overtime over the course of a tour of duty. However, should an employee be required to work more than fifty six (56) hours during a week (defined as Sunday to Saturday inclusive), these extra hours will be paid for at the overtime rate set out in Article 11.02. Should an employee not work a complete week, the hourly calculation will be prorated. Any calculations for overtime will be made at the end of each month and paid out on the next paycheque following receipt by the Company's payroll department of detailed overtime sheets.

11.04 Overtime will be recognized only when it has been approved by the Master in writing prior to the overtime being worked.

11.05 No employee shall be required to perform more than sixteen (16) hours of continuous work, excluding meal hours, in a twenty-four (24) hour period.

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11.06 The Master will ensure that overtime work is distributed equitably among the employees.

11.07 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 employees 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 employee to participate in lifeboat or other emergency drills without incurring overtime.

11.08 When an employee is called out to work overtime for less than one hour, he/she shall be paid not less than one (1) hour overtime pay. After the first hour, entitlement to overtime pay shall be in half hour increments, rounded upward to the nearest half hour from the actual length of time worked on the call out.

11.09 In accordance with Tank Entry Procedures and with Master's prior approval, when it becomes necessary for members to work wearing breathing apparatus in confined or dangerous spaces such as slop, cargo or fuel tanks, they will be paid a premium of one hour's **basic pay** in addition to their **applicable** rate of pay for each **hour worked**.

## ARTICLE 12 - MEALS



12.01 Meal hours, when practicable, shall be as follows, unless otherwise directed by the Master, but in no case shall the indicated hours be altered more than one half (1/2) hour in either direction, except in an emergency:

BREAKFAST	from 07:30 hours to 08:30 hours
LUNCH	from 11:30 hours to 12:30 hours
DINNER	from 17:00 hours to 18:00 hours

Meal schedules will be reviewed from time to time and if changes are required (apart from changes to be made by the Master pursuant to this Article 12.01) they will be made on consent of both parties.

12.02 A fifteen (15) minutes coffee break shall be allowed to each employee on each watch, and for employees on day work, each morning and afternoon. Coffee breaks for dayworkers will be taken as close to 10:00 hours and 15:00 hours as possible. For watchkeepers, coffee breaks will be taken as near as possible to the middle of the watch.

12.03 Nutritious food will be provided for the employees at all meals, and will be available for night lunches for employees changing watch and those working overtime.

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12.04 Employees will be given one (1) hour per meal to eat. Should for some reason an event occur (other than as indicated in Article 11.07) that does not provide for an employee to have one (1) hour to eat a meal, the employee will be credited with two (2) hours of work. For these crediting provisions to apply, the reduction in or disruption of a meal hour must be at request or with the approval of the Master.

**If an employee does not receive ½ hour in which to eat his meal, he shall receive 1 extra hour basic pay as compensation.**

12.05 Employees who are entitled to meals while on Company business will be reimbursed (upon the submission of bona fide receipts) for reasonable costs incurred by them in the purchase of meals when the Company is unable to provide them with meals on board a vessel.

#### ARTICLE 13 - WAGE ADMINISTRATION


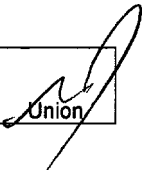
13.01 The basic rates of pay for the employees covered by this Agreement shall be as set forth in the wage schedules in Appendix "A" attached hereto and forming part of this Agreement. Wages include any amounts required to be paid by statute on account of vacation pay and statutory holidays.

13.02 When an employee 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 employee who is injured, sick or absent, the employee 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 employee who is injured, sick or absent, the employee will continue to receive the rate of his/her regular position rather than the lower rate of the position to which he/she has been temporarily assigned.

13.03 Wages will be paid by way of direct deposit into the employee's bank account no later than Friday following the end of each pay period. The pay stub will be sent to the employee aboard the vessel. Each employee must provide the company with an authorization for direct deposit and all relevant banking information and any changes thereto.

#### ARTICLE 14 - PAID LEAVE SYSTEM

14.01 The Company's leave system, whereby employees receive a regular biweekly pay cheque during their approximately sixty (60) days aboard the vessel followed by approximately thirty (30) days on leave, is designed to compensate employees in respect of statutory holidays, vacation pay and overtime worked in excess of forty (40) hours per week as indicated in Article 11.03.

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14.02 For every day worked, an employee is credited with one-half (1/2) day's leave **with pay**.

14.03 Subject to Article 10 - TOURS OF DUTY AND HOURS OF WORK, an employee will begin his/her period of leave once he/she has earned thirty (30) days' leave.

14.04 An employee 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.

14.05 No employee may accumulate more than sixty (60) days' leave and upon reaching this limit, must take a minimum thirty (30) days' leave.

14.06 Leave shall be granted for a minimum period of thirty (30) days and a maximum period of sixty (60) days.

14.07 A minimum of seven (7) days' notice in writing must be given to the Master by an employee intending to take leave.


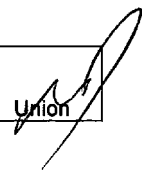
14.08 Having regard to the need of the Company to be able to continue to operate its vessels with sufficient qualified employees at all times, the right to begin a period of leave is conditional upon the approval of the Company.

#### ARTICLE 15 - GROUP INSURANCE POLICY

15.01 The Company will continue to make available to the employees group insurance coverage including life insurance (inclusive of dependent life insurance), long-term disability insurance, health care ( inclusive of vision care and prescription drugs) and dental care providing benefits that are no less favourable to the employees than in force on October 15, 1994, subject to the following conditions:

- (a) Should the experience of the group health/dental/prescription drug programs exceed ten percent (10%) of the acceptable experience level, the Company on notification to the Union may implement a surcharge on prescription drugs of up to \$15.00 per prescription and can not reduce payment of dental fees below seventy-two point five percent (72.5%).
- (b) The Company reserves the right to change insurance carriers from time to time;
- (c) Upon the request of the Union, the Company will provide the Union with the financial justification for any change in benefits.

15.02 Premium costs shall be shared at a ratio of 80% by the Company and 20% by the employee.

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15.03 It is agreed between both parties that there shall be no reductions of benefits under this Article for the complete term of this Agreement.

#### ARTICLE 16 - TRANSPORTATION COSTS

16.01 Upon joining the vessel, employees are responsible for their own transportation to the nearest designated airport (Toronto, Montreal, Quebec City, Stephenville, Moncton, Saint John, Fredericton, Chatham, Bathurst, Charlottetown, Halifax, Sarnia, Sydney, St. John's, Gander and Deer Lake). The cost of transportation from the designated airport to the vessel will be paid by the Company.

Upon leaving the vessel, the Company will pay the transportation cost from the vessel to the designated airport nearest to the employee's home base.

16.02 To be eligible to have the Company pay the transportation costs, the employee must complete his/her assigned tour of duty. If an employee quits or is dismissed, transportation costs will not be paid by the Company.



16.03 Whenever possible, an employee shall be given 96, but no less than 72 hours notice prior to joining the vessel. If the crewmember is not available at his normal place of contact 96 hours prior to his scheduled return to his vessel, he shall contact the office and provide new contact information. On the day of travel, either joining or leaving the vessel, for a normal Tour of Duty, a crew member shall be credited with one half day of work, and one half day of leave, regardless of whether the crew member works that day or does not work that day.

16.04 In the event that an employee is transferred by the Company from one vessel to another vessel of the Company, the Company shall continue to pay the employee his/her regular day rate of pay, and benefits, and reasonable expenses during the time period necessary to enable him/her to make his/her transfer.

16.05 The Company will reimburse employees for reasonable hotel and meal expenses incurred in the course of following the Company's instructions with respect to joining a vessel.

16.06 If the Company requests an employee 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 employee for all reasonable expenses incurred by him/her upon production of acceptable receipts and vouchers.

16.07 The maximum allowable rate for meals shall be nine dollars (\$9.00) for breakfast, thirteen dollars and fifty-cents (\$13.50) for lunch and nineteen dollars and fifty cents (\$19.50) for supper, exclusive of taxes, and one hundred and five dollars (\$105.00) per room, exclusive of taxes, supported by receipts.

 Company	 Union
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16.08 In the event an employee 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 employee's cost of transportation to the hospital or to the employee's residence.

#### ARTICLE 17 - EMPLOYEE RESIGNATION

17.01 When an employee decides to resign from employment with the Company, he/she must give the Master a minimum of forty-eight (48) hours' notice in writing.

17.02 The Company will not pay the cost of transportation from the vessel to an employee's home where an employee resigns while working on board a vessel. Should an employee work less than thirty (30) days of his scheduled tour of duty, the Company shall be entitled to recover all related expenses incurred while joining the vessel.

#### ARTICLE 18 - LEAVES OF ABSENCE

18.01 An employee 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**. The employee 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**. The Company will pay transportation costs from the vessel to the employee's home **and return** under these circumstances.


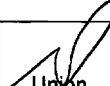
An employee who has completed the probationary period will be granted bereavement leave when death occurs to a member of his/her family, that is, his/her parents in law and grandparents. The employee granted leave to attend the funeral will be paid at **his/her basic rate for time lost up to a maximum of five (5) days**. The Company will pay transportation **costs** from the vessel to the employee's home **and return to the vessel** under these circumstances.

The usual requirement for giving forty-eight (48) hours notice to leave the vessel shall be waived at the employee's request, where there has been a death, or other emergency in the immediate family of the employee.

18.02 Employees 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.

18.03 Employees will be entitled to child care leave in accordance with the provisions of the Canada Labour Code.

18.04 Claims for leave under this Article must be supported by proper medical or bereavement evidence upon returning to the vessel, otherwise the employee forfeits his/her right to employment with the Company.

	
Company	Union



18.05 An employee returning from leave under Article 18.01 or 18.02 will notify the company's office seventy-two (72) hours in advance of the time he/she is ready to return to the vessel.

#### ARTICLE 19 - HEALTH AND SAFETY

19.01 a) An occupational Health and Safety Committee, having at least one S.I.U. of Canada representative on it, shall be established to promote safe and healthy working conditions for persons employed on vessels of the Company.

b) 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.

c) Each of the parties shall submit to the other an agenda of matters to be discussed at least thirty-six (36) hours prior to the meeting day.

19.02 No animals or pets will be permitted on board a ship.

#### ARTICLE 20 - DRUG AND ALCOHOL TESTING


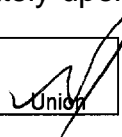
20.01 The Union and the employees recognize that the company must have a "zero tolerance" drug and alcohol policy in place in order to transact business with the major oil companies.

20.02 The details of the policy and its implementation may change from time to time on advance notice to the Union and the employees but the primary elements of the policy (which is equally applicable to all members of the vessel crew) are:

- (a) there will be no drugs or alcohol permitted on board any of the Company's vessels at any time;
- (b) employees returning to the vessel from any shore leave must be in an absolutely sober condition;
- (c) random testing for drug and alcohol use will be performed without prior notice;
- (d) failure to comply with the policy will result in immediate dismissal.

#### ARTICLE 21 - FAMILY VISITATION

21.01 With the prior approval of the Master, which will not be unreasonably withheld, an employee may, 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

 Company	 Union
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coming on board, the employee 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 22 - DISCIPLINE

22.01 No employee shall receive a written reprimand or warning, be suspended or be dismissed, except for just cause.

22.02 Whenever a meeting between the Company and an employee is held for the purpose of imposing discipline, or to investigate a matter which could result in the discipline of that employee, the ship's delegate or, if the employee in question is the ship's delegate, another employee, will be present where possible.

22.03 Where an employee is discharged for cause or suspended from his employment, the Captain or Chief Engineer shall immediately furnish to the employee in writing the reasons for such discharge or suspension which the Captain or Chief Engineer shall sign.

22.04 The Company will not introduce as evidence in a discipline matter any document from the file of an employee, the existence of which the employee was not aware, at the time the document was placed in his/her file or within a reasonable period thereafter.

22.05 The Company agrees that it will not rely on those elements of an employee's discipline record which are in excess of twenty-four (24) months old. However, all disciplinary measures on an employee's record may be relied upon until a period of twenty-four (24) months has elapsed without any additional disciplinary measures being taken against that employee.

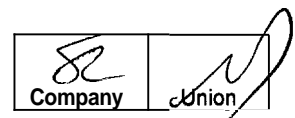
22.06 Refusal of any employee to work as directed or to obey lawful orders of his/her superior officers may be grounds for dismissal. Any employee who leaves a vessel without being properly relieved will forfeit his/her job with the Company.

## ARTICLE 23 - MARINE DISASTER

23.01 An employee who suffers **loss** of clothing or other personal effects because of a marine disaster or shipwreck will be compensated by the Company for such **loss** to a maximum of twenty-five hundred (\$2500.00) dollars.

23.02 An employee or his/her estate making a claim under this Article will submit reasonable proof to the Company of the Actual value of the **loss** suffered. Such proof will be a signed affidavit listing the individual items and amounts claimed.

## ARTICLE 24 - GRIEVANCE AND ARBITRATION PROCEDURE



**24.01** "Grievance" shall mean a statement in writing that is submitted in accordance with the applicable procedure contained in this Article and which sets out any difference relating to the interpretation, application, administration or alleged violation of any provision of this Agreement.

**24.02** "Day", for the purpose of this article, shall mean any day that is not Saturday, Sunday or a contractual, federal or provincial statutory holiday.

**24.03** "Grievor" shall mean the employee(s) concerned, the Union or the Company as the case may be.

**24.04** It is agreed that a final and binding settlement of all grievances shall be arrived at in accordance with the steps set out in this Article.



**24.05** Before presenting a grievance, an employee shall first discuss the matter with his department head. If the employee is not satisfied with the department head's response, a grievance may be advanced in accordance with the steps set out in this Article.

**24.06** No grievance will be considered where the circumstances giving rise to the grievance were known or ought to have been known by the grievor more than three (3) days before the filing of the grievance.

**24.07** Step One: The grievance shall be given to the department head. The employee may have the assistance of a ship's delegate in preparing and presenting the grievance. The department head will give his reply in writing within three (3) days of his receipt of the grievance.

**24.08** Step Two: If the grievor is not satisfied with the department head's reply, or if a reply has not been given, the grievance may be referred to the Master. This referral shall be made no later than two (2) days after the expiration of the three (3) day period for reply at Step One. A meeting with respect to the grievance will be convened by the Master within two (2) days after the referral to Step Two. The meeting will be attended by the Master (or his designate), the grievor and a ship's delegate. The Master or his/her designate shall give his/her reply in writing within five (5) days after the Step Two meeting has been held.

**24.09** Step Three: If the grievor is not satisfied with reply of the Master or his/her designate, or if a reply has not been given, the grievances may be referred to the General Manager or his/her designate. This referral shall be made no later than five (5) days after the expiration of the five (5) day period for reply at Step Two. A meeting with respect to the grievance will be convened by the General Manager or his/her designate within five (5) days after the referral of the grievance to Step Three. The meeting will be attended by the General Manager (or his/her designate) and the Secretary-Treasurer of the Union and, subject to their availability, anyone else any party considers could assist in resolving

 Company	 Union
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the matter in issue. The General Manager or his/her designate shall give his/her reply in writing within five (5) after the Step Three meeting has been held.

**24.10** A Union grievance or a Company grievance shall be submitted at Step Three, to the General Manager of the Company or the Secretary-Treasurer of the Union respectively, within then **(10)** days of when the circumstances giving rise to the grievance were known or ought reasonably to have been known by the party grieving. The Step Three meeting and reply to the grievance shall be in accordance with the provisions of Article **26.09**.


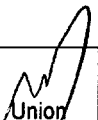
**24.11** Failing settlement at Step Three of the grievance procedure, a grievance may be referred to arbitration within twenty **(20)** days of receipt of the reply at Step Three.

**24.12** The parties agree that in most cases, arbitrations will be heard by single arbitrators, appointed by agreement of the parties. However, both parties reserve their right to require the appointment of a three-person arbitration board.

**24.13** The party referring a grievance to arbitration shall, in accordance with the time limits set out in Article **26.11**, give written notice of the referral to the other party and shall indicate in the notice whether a single arbitrator or three-person arbitration board is desired. If the referring party selects a single arbitrator, the notice shall contain the name of the suggested arbitrator. If the referring party suggests a three-person board, the notice shall contain the name of that party's nominee to the board.

**24.14** The party receiving notice of the referral of a grievance to arbitration must respond in writing to the notice within five (5) days of receiving it. If arbitration by single arbitrator has been suggested, and the receiving party agrees, the receiving party shall so indicate in its response, and shall indicate agreement with the arbitrator proposed by the referring party or suggest another arbitrator for consideration by the referring party. In the event of agreement on arbitration by single arbitrator but disagreement on the arbitrator suggested by the referring party, the parties shall have a further five (5) days to agree on the appointment of an arbitrator, and shall make every effort to agree on an arbitrator who can hold the hearing within thirty **(30)** calendar days of appointment. If agreement on an arbitrator is not reached within this further five (5) day period, either party may apply to the Minister of Labour for the appointment of an arbitrator.

**24.15** If the referring party has suggested arbitration by a three-person board, the receiving party shall indicate in its response within the time limit set out for response in Article **24.14** the name of its nominee to the board. If the receiving party wishes arbitration by three-person board, it shall so indicate in its response the name of its nominee to the board. The referring party shall then have five (5) days from its receipt of the response to name its nominee to the board, and the nominees shall have a further five (5) days within which to agree on the appointment of a board chair. The nominees shall make every effort to agree on a chair who can hold the hearing within thirty **(30)** calendar days of

 Company	 Union
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appointment. If agreement on a chair is not reached within this further five (5) day period, either nominee may apply to the Minister of Labour for the appointment of a chair.

**24.16** Each party shall normally be responsible for its own expenses (including the cost of its nominee in the case of a three-person board) and the parties shall share equally the compensation and expenses of the single arbitrator (or board chair). However, the arbitrator (or board chair) may consider submissions from the parties and where the arbitrator or arbitration board judges it appropriate in the circumstances, make as part of the award, an order that the successful party in the arbitration ought to have some or all of its costs paid by the unsuccessful party.

**24.17** If advantage of the provisions of this Article has not been taken within the time limits specified herein, the grievance shall be deemed to have been abandoned and cannot be reopened. Time limits in this Article may be extended by written agreement between the Company and the Union.

#### ARTICLE 25 - STRIKES AND LOCKOUTS

**25.01** The Union agrees there will be no strikes and the Company agrees there will be no lockouts, except as permitted by the provisions of the Canada Labour Code.

**25.02** The Company will not expect the employees 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, employees will be expected to remain on board the vessel and perform their regular duties.



#### ARTICLE 26 - GENERAL PROVISIONS

**26.01** 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.

#### ARTICLE 27 - SEVERANCE PAY

**27.01** Permanent employees who are laid off, due to shortage of work shall retain recall rights for up to twelve (12) months from the date of layoff. Should they not be recalled during this time, they shall be severed and the Company shall pay each employee five (5) days basic pay for each full year of service.

Permanent employees for the purpose of this article shall be those employees with a minimum of one year seniority with the Company. A full year of service is defined as three hundred and sixty-five (365) days on the Company payroll. Approved leave of absence, sickness or injury shall be credited towards the completion of the above three hundred and sixty-five days.

 Company	 Union
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27.02 Where employees are displaced due to automation, mechanization, permanent reduction in the number of employees or the sale or re-flagging of the vessel on which they are employed, the following rules shall apply:

- 1) The right to placement on other Company vessels shall remain in effect for twelve (12) months after the original job was terminated, after which time those were not placed shall receive severance in accordance with article 27.01 above.
- 2) Should an employee be offered a permanent placement, within the twelve (12) month period prescribed, and refuses the assignment, that employee will be considered to have self-terminated and no severance pay shall be forthcoming.

ARTICLE 28 - DURATION OF AGREEMENT

28.01 This Agreement shall take effect the 1<sup>st</sup> day of February, **2006**, and shall remain in full force and effect until the 31<sup>st</sup> day of January, **2010**, and from year to year thereafter unless written notice to bargain is given by either party to the other during the ninety (90) day period immediately preceding the expiry of this Agreement.

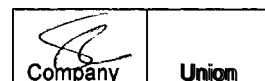
IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their duly authorized representatives this 30<sup>th</sup> day of November, 2006.

RIGEL SHIPPING CANADA INC.

SEAFARERS' INTERNATIONAL UNION  
OF CANADA

  
\_\_\_\_\_  
SCOTT LEWIS  
General Manager


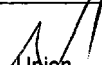
  
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MICHEL DESJARDINS  
Executive Vice-President



APPENDIX "A"**2006 WAGE SCALE**

<b>L.S.</b>	19.04	28.56	152.32
<b>Seaman</b>	16.55	24.83	132.40
<b>Q.M.E.D.</b>	16.55	24.83	132.40
<b>Cook</b>	19.04	28.56	152.32
<b>General Duty</b>	13.19	19.79	105.52

In year 2007, 2008 and 2009, the wage increase shall be 2.5% or COLA, whichever is greater, but not to exceed 3%. COLA shall be based on the National CPI as published by Statistic Canada covering the previous calendar year.

	
Company	Union

LETTER OF UNDERSTANDING- No. 1

RE: Clothing Policy

This will confirm that the Company will continue to apply its clothing policy to the employees covered by this collective agreement.

Pursuant to the policy, the Company supplies one (1) pair of coveralls to each new employee at the time the employee 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 of which, one (1) shall be insulated as well as a sufficient supply of work gloves.


Each employee, upon completion of one year' service with the Company and the completion of each subsequent year of service, is paid a safety footwear allowance up to **one hundred and twenty-five dollars (\$125.00) supported by receipts for the duration** of this collective agreement.

The Company reserves the right to change its clothing policy at any time. The Company does however agree that the overall benefit will never be less than what is in effect on February 1st, 2002, provided that the Union is informed prior to it's implementation.

Signed at Montréal, this 30<sup>th</sup> day of November, 2006.

RIGEL SHIPPING CANADA INC.

SEAFARERS' INTERNATIONAL UNION  
OF CANADA

  
\_\_\_\_\_  
SCOTT LEWIS  
Manager

  
\_\_\_\_\_  
MICHEL DESJARDINS  
President

Company	Union
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LETTER OF UNDERSTANDING- No.2

RE: Manning Scale

The Company agrees that effective the date of signing of this Collective Agreement, the manning scale for each of the three vessels covered by this Collective Agreement (JADE STAR, EMERALD STAR and DIAMOND STAR) will be as follows for the life of the Collective Agreement and will not be reduced without the agreement of the Union:

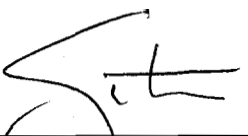
Leading Seaman	1
Seamen	3
Cook	1
General Duty	1
<u>Q.M.E.D.</u>	<u>1</u>
TOTAL	7

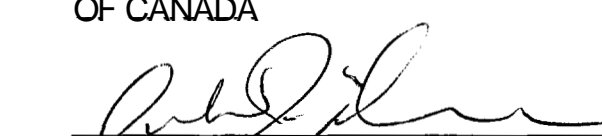
In the event the Company acquires new vessels requiring different manning levels than the existing vessels, the Company will discuss such manning levels with the Union prior to commencing the operation in Canadian waters of any such vessel.

Signed at Montreal, this 30<sup>th</sup> day of November, 2006

RIGEL SHIPPING CANADA INC.

SEAFARERS' INTERNATIONAL UNION  
OF CANADA

  
 \_\_\_\_\_  
 SCOTT LEWIS  
 General Manager

  
 \_\_\_\_\_  
 MICHEL DESJARDINS  
 Executive Vice-President

Company	Union
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## LETTER OF UNDERSTANDING- No. 3

## RE: EMPLOYEES QUALIFICATIONS AND REQUIREMENTS

The minimum requirements for a candidate to apply for employment in positions covered by this Agreement are:

## Galley Department

- in possession of a valid MED certificate
- ship's cook certificate (chief cook only)
- tanker endorsement certificate
- acceptable references and experience
- Valid passport

## Deck Department

- in possession of valid MED certificate
- bridge watchman certificate (S.T.C.W./95)
- tanker endorsement certificate
- acceptable references and experience
- rating Chemical Tanker (only if the vessel is operating with chemical products and provided it is required by the Canadian Coast Guard)
- Valid passport


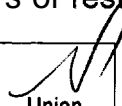
## QMED (qualified member engine and deck):

- in possession of a valid MED certificate
- tanker endorsement certificate
- acceptable references and experience
- rating chemical tanker (only if the vessel is operating with chemical products and provided it is required by the Canadian Coast Guard)
- Valid passport

The QMED's primary function aboard Rigel Tankers is to perform duties pertaining to machinery spaces aboard the vessel.

However, from time to time the QMED may be used for limited duties in the deck department when extra personnel are required, including but not limited to tying up, untying and canalling **as well as deck maintenance work when painters are employed.**

Under no circumstances shall QMED replace a member of the deck department in the performance of overtime, unless there is a violation of the hours of rest

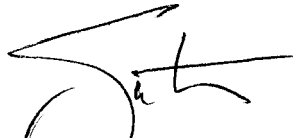
 Company	 Union
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requirements of the Crewing Regulations of the Canada Shipping Act. Should a QMED replace a member of the deck department in the performance of overtime, the employee who should have been called will receive overtime pay for each hour worked by the QMED.

Signed at Montreal, this 30<sup>th</sup> day of November, 2006.

RIGEL SHIPPING CANADA INC.

SEAFARERS' INTERNATIONAL UNION  
OF CANADA



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SCOTT LEWIS  
General Manager



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MICHEL DESJARDINS  
Executive Vice-president

Company	Union
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## LETTER OF UNDERSTANDING- No.4

## Rigel Shipping Canada Inc. Leave System

Purpose:

Rigel Shipping Canada Inc. operates a "Two on/One off" Leave System. The purpose of the Leave System is to compensate an employee for certain wages and benefits that accumulated to him/her under the requirements of Federal Labour Law while working on board ship.

Coverage:

The Leave System is designed to sufficiently cover the following items:



- 1) Overtime incurred in a regular work week (weekends)
- 2) Statutory Holidays **(12)**
- 3) Vacation Pay at 6%
- 4) Employees who have been continuously employed with the company ten **(10)** or more years shall receive a monetary bonus of **\$500.00** on their ten **(10)** year anniversary date.
- 5) Employees who have been continuously employed with the company fifteen **(15)** or more years shall receive a monetary bonus of **\$750.00** on their fifteen **(15)** year anniversary date.
- 6) Employees who have been continuously employed with the company twenty **(20)** or more years shall receive a monetary bonus of **\$1000.00** on their twenty **(20)** year anniversary date.

Tour of Duty:Tour of Duty:

The Company requires a "Tour of Duty" to be a minimum of 56 days and maximum of 63 days or often described as "approximately" 60 days on board ship, followed by 30 days off the ship. Tour of duty may be extended beyond 63 days upon written application to Head Office outlining valid reasons for request. Such requests shall be limited to **two (2)** times per year to a maximum of two **(2)** weeks per request.

An employee may request additional time on provided that a permanent employee on leave does not have paid lay days expired.

An employee may request and be granted an additional period of up to **2** months leave of absence, without pay, per year, provided a qualified replacement is

	
Company	Union

available and the time off is not used to be worked\engaged, in the "marine industry".

Requests for additional time on must be submitted in writing at least fourteen (14) days prior to the taking of additional time off.

The Company has the right to approve a request under this Article but approval shall not be unreasonably withheld and is conditional upon a suitable replacement being available.

Particulars:

1) Overtime incurred in regular work week (weekends)

As the company operates under Federal Law, overtime becomes due after 40 hours or five days at the rate of time and one half. The Company pays 56 hours or seven days at straight time on regular payroll (every 2 weeks). This means that the "half rate" for weekends is owed to the employee. Or stated otherwise, the employee is owed eight hours pay for every weekend worked.

2) Statutory Holidays:

Federal Law recognizes the following twelve Statutory Holidays. If an employee works on a statutory holiday he/she is entitled to two and one half times the Daily rate.

- 01) New Year's Day
- 02) Good Friday
- 03) Victoria Day
- 04) Labour Day
- 05) Thanksgiving Day
- 06) Canada Day
- 07) Remembrance Day
- 08) Christmas Day
- 09) Boxing Day
- 10) New Brunswick Day
- 11) Easter Monday
- 12) January 2nd

3) Vacation Pay

It is recognized that vacation pay is included in the leavesystem.

Signed at Montréal, this 30<sup>th</sup> day of November, 2006.

RIGEL SHIPPING CANADA INC.



SCOTT LEWIS  
General Manager

SEAFARERS' INTERNATIONAL UNION  
OF CANADA



MICHEL DESJARDINS  
Executive Vice-President

Company	Union
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LETTER OF UNDERSTANDING- No. 5

APPLICATION OF THE COLLECTIVE AGREEMENT TO  
RIGEL SHIPPING CANADA INC. UMBRELLA COMPANIES


The parties hereby agree that the Collective Agreement between Rigel Shipping Canada Inc. and the Seafarers' International Union of Canada will apply to all vessels operated, owned or managed by any umbrella company of Rigel Shipping Canada Inc.

Signed at Montreal, this 30 day of November, 2006.

RIGEL SHIPPING CANADA INC.

  
\_\_\_\_\_  
SCOTT LEWIS  
General Manager

SEAFARERS' INTERNATIONAL UNION  
OF CANADA

  
\_\_\_\_\_  
MICHEL DESJARDINS  
Executive Vice-president

Company	Union
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## Letter of Understanding - No 6

ARRANGEMENT CONCERNING PERIODICAL  
EMPLOYMENT OF AN ARCTIC BOSUN

The following arrangement involves the understanding between the Company and the Union to cover the employment of an "Arctic Bosun" for those periodic voyages into the Arctic where the special skill of an experienced Arctic Bosun is required for the deployment and retrieval of floating hoses and transfer of cargo. The position referred to as the "Arctic Bosun" is outside the parameters of the current Collective Agreement and is created for the duration of the Arctic Voyage only and is not considered as permanent.


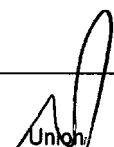
The Company in consultation with the Union, may select from the membership of the Union, a member in good standing with vast Arctic experience to perform the function.

The tour of duty will be for the duration of the Arctic Voyage(s) for which there is need for the position. The employee is expected to work a minimum of twelve (12) hours per day, seven days per week, however four (4) of the twelve (12) hours are at the discretion of the Master who may not require these four (4) hours to be worked every day.

When the employee accumulates more than eighty-four (84) hours of work in a normal work week (Monday to Sunday), that person will be paid overtime at the rate of time and one-half. The total, all inclusive, daily rate, including vacation pay, statutory holidays and leave system, is agreed at the following: Effective February 1, 2006, **two hundred sixty-six dollars and twenty-eight (\$266.28)** per day.

**In year 2007, 2008 and 2009, the wage increase shall be 2.5% or COLA, whichever is greater, but not to exceed 3%. COLA shall be based on the National CPI as published by Statistic Canada covering the previous calendar year.**


The agreed rate will be paid on the basis of one half the rate paid on regular Company pay days while on board the vessel. The balance owed to the member, at the member's option can be paid out over normal two week payroll periods or paid lump sum on the first payroll following conclusion of the voyage(s).

 Company	 Union
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All other provisions of the contract in effect between Rigel and the S.I.U., excluding the special monetary provisions as detailed above, will apply to the position.

Signed at Montreal, this, 30<sup>th</sup> day of March 2006

RIGEL SHIPPING CANADA INC



SCOTT LEWIS  
General Manager

SEAFARERS INTERNATIONAL UNION  
OF CANADA



MICHEL DESJARDINS  
Executive Vice-President

Company	Union



Letter of Understanding No. 7

BETWEEN

SEAFARERS INTERNATIONAL UNION OF CANADA

and

RIGEL SHIPPING CANADA INC

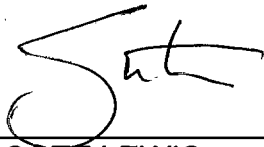
It is agreed between the parties that the current cap of sixteen (16) hours per month overtime allotted the chief cook shall be eliminated effective the date of ratification of this Agreement.

However, all overtime must have the prior approval of the Captain or Officer in charge.

Signed at Abotuel, this 30<sup>th</sup> day of Nov, 2006

RIGEL SHIPPING CANADA INC.

SEAFARERS' INTERNATIONAL UNION  
OF CANADA



SCOTT LEWIS  
General Manager



MICHEL DESJARDINS  
Executive Vice-President

Company	Union
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Letter of Understanding No. 8

BETWEEN

SEAFARERS INTERNATIONAL UNION OF CANADA

and

RIGEL SHIPPING CANADA INC

Reference: Stewards Extra Meals

When extra crew or guests, including gaugement, linesmen, are served meals during the regular working hours the members of the stewards department involved in the preparation and serving extra meals shall equally share three (3) dollars per extra meals.


Extra crew or guests shall be comprised of persons who are not part of the vessels normal crew complement. Officials of Rigel Canada, Rigel Germany, Union Representatives, pilots and crew members' families are exempt from this Letter of Understanding.

Signed at Spokane this 30<sup>th</sup> day of November, 2006

RIGEL SHIPPING CANADA INC.

SEAFARERS' INTERNATIONAL UNION  
OF CANADA

  
\_\_\_\_\_  
SCOTT LEWIS  
General Manager

  
\_\_\_\_\_  
MICHEL DESJARDINS  
Executive Vice-President

Company	Union
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Letter of Understanding No. 9

BETWEEN

SEAFARERS INTERNATIONAL UNION OF CANADA

and

RIGEL SHIPPING CANADA INC

Effective date of ratification the Company agrees to establish a group R.R.S.P. for all employees.

Effective February 1<sup>st</sup>, 2006, the Company shall contribute 6.5% of each employee's earnings based on the following calculations

8 hrs per day X hourly rate X 365 days X 6.5%.

Effective February 1<sup>st</sup>, 2009, the above contributions shall be increased to 7%.

Personal contributions by Company employees shall be permitted.

For all those employee working during that period that are members of the official "Rigel Shipping Permanent Relief List", produced January 1<sup>st</sup>, of each year,

From signing Date of this contract until January 31<sup>st</sup>, 2009:

the Company shall contribute 6.5% of each employee's earnings based on the following calculations:

8 hrs per day X hourly rate X EVERY WORKED DAYS AND EARNED LAY DAYS X the applicable percentage. The Company shall remit on a quarterly basis to the SIU of Canada pension plan.


Effective February 1<sup>st</sup>, 2009, the above contributions shall be increased to 7%.

Signed at Montréal this 30<sup>th</sup> day of Nov, 2006

RIGEL SHIPPING CANADA INC.

SEAFARERS' INTERNATIONAL UNION OF CANADA

  
\_\_\_\_\_  
SCOTT LEWIS  
General Manager

  
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L. DESJARDINS  
MICHEL DESJARDINS  
Executive Vice-president

Company	Union
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Letter of understanding No. 10

between

THE SEAFARERS INTERNATIONAL UNION OF CANADA

and

RIGEL SHIPPING CANADA INC.

Reference: Seafarers' Medical Plan

The Company agrees to make monthly contributions, described hereafter, to the Seafarers' Medical Plan on behalf of all Permanent relief employees:

From the date of signing of the collective agreement to January 31, 2007, \$6. 76 per employee per day worked.

In year 2007, 2008 and 2009, the rate increase shall be 2.5% or COLA, whichever is greater, but not to exceed 3%. COLA shall be based on the National CPI as published by Statistic Canada covering the previous calendar year.

Signed at Montreal this 30<sup>th</sup> day of November, 2006

RIGEL SHIPPING CANADA INC.

SEAFARERS' INTERNATIONAL UNION OF CANADA

  
\_\_\_\_\_  
SCOTT LEWIS  
General Manager

  
\_\_\_\_\_  
MICHEL DESJARDINS  
Executive Vice-president

Company	Union
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Letter of understanding No. 11

between

THE SEAFARERS' INTERNATIONAL UNION OF CANADA

and

RIGEL SHIPPING CANADA INC.

Reference: Seafarers' Hiring Hall

Effective February 1<sup>st</sup>, 2006, the Company will pay to the Union the annual fee for service of **eleven thousand six hundred sixteen dollars and sixty-six cents (\$11,616.66)** per vessel for providing qualified candidates for selection for employment.


**In year 2007, 2008 and 2009, the increase shall be 2.5% or COLA, whichever is greater, but not to exceed 3%. COLA shall be based on the National CPI as published by Statistic Canada covering the previous calendar year.**


This fee will increase by the applicable annual single ship's rate for any additional vessel added to the Rigel fleet and covered by this Agreement. These payments one-twelfth of the annual fees and shall be remitted monthly.

Signed at Montréal, this 30<sup>th</sup> day of November 2006.

RIGEL SHIPPING CANADA INC.

SEAFARERS' INTERNATIONAL UNION OF CANADA

  
\_\_\_\_\_  
SCOTT LEWIS  
General Manager

  
\_\_\_\_\_  
MICHEL DESJARDINS  
Executive Vice-President

Company	Union
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Letter of Understanding No. 12

between

THE SEAFARERS' INTERNATIONAL UNION OF CANADA

and

RIGEL SHIPPING CANADA INC

OFFICER CADETS

Where in cooperation with Government training programs, officer cadets are articulated on any current vessels owned by the Company, it is agreed that a maximum of two (2) cadets shall be carried on any one vessel. On new Company vessels, the parties will agree on the number of cadets.

Officer cadets shall be assigned to either regular watches, or to one watch per day of eight (8) hours of work. Where a cadet is assigned to a watch, he shall be in addition to the regular watchkeeper and in no event shall be considered a substitute or replacement.

On no account shall an officer cadet replace an unlicensed crewmember in the performance of any overtime work on the vessel.

It is agreed that this Collective Agreement will hold no jurisdiction over the approved teaching curriculum of officer cadets.

At the Union's request, the Company shall supply proof to the effect that one or several cadet officers assigned to a vessel are undergoing training in accordance with the rules and regulations of the training institute they attend.

Signed at Montreal, this 30<sup>th</sup> day of November 2006.

RIGEL SHIPPING CANADA INC.

SEAFARERS' INTERNATIONAL UNION  
OF CANADA

  
\_\_\_\_\_  
SCOTT LEWIS  
General Manager

  
\_\_\_\_\_  
MICHEL DESJARDINS  
Executive Vice-president

Company	Union
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Letter of Understanding No. 13

between

THE SEAFARERS' INTERNATIONAL UNION OF CANADA

and

RIGEL SHIPPING CANADA INC


RE: SHORTAGE OF QUALIFIED SEAMENSHIP


The parties hereby recognize that there is presently a worldwide shortage of qualified seamanship. Having considered the existing shortage, the Company may provide the Union with resumes of duly qualified seamen so that the Union may considerate them for membership which won't be unreasonably refused subject to the Union's policies and its Constitution.

Signed at Montreal, this 20<sup>th</sup> day of November 2006.

RIGEL SHIPPING CANADA INC.

SEAFARERS' INTERNATIONAL UNION  
OF CANADA

  
\_\_\_\_\_  
General Manager

  
\_\_\_\_\_  
MICHEL DESJARDINS  
Executive Vice-president

Company	Union
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Letter of Understanding No. 14

between

THE SEAFARERS' INTERNATIONAL UNION OF CANADA

and

RIGEL SHIPPING CANADA INC

Summer Student training Program

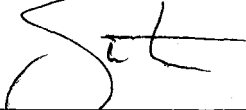
Whereas the Union and the Company agree that the maintenance of the cosmetic condition of the ship is of vital importance to the continuous long term charter of the ships by the Canadian Industry, and, whereas due to the nature of the normal trading pattern of the ships, the performance of painting by member is limited by other work commitments, it is agreed that non-members summer students can be employed between May 1<sup>st</sup> and September 30<sup>th</sup>, while operating in the Canadian and East coast USA ports.

The following conditions will apply;


- This class of temporary employee will not be covered under the terms of the Collective Agreement.
- This class of employee will not be permitted to perform any type of work normally performed by union members outside of Deck Maintenance (painting).
- The regular workweek will be 40 hours per week and any additional hours will be paid at the rate of time and one half.
- Canada Labour Standards Act shall apply.
- The hourly rate shall be \$ 11.00 per hour
- The company shall pay a servicing fee of \$ 25.00 per position per month that the employee works, to the Union.

Signed at Montréal, this 30 day of \_\_\_\_\_ 2006.

RIGEL SHIPPING CANADA INC.

  
\_\_\_\_\_  
SCOTT LEWIS  
General Manager

SEAFARERS' INTERNATIONAL UNION  
OF CANADA

  
\_\_\_\_\_  
MICHEL DESJARDINS  
Executive Vice-President

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Company	Union
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