

SOURCE	Union		
EFF.	97	01	01
TERM.	2001	12	31
No. OF EMPLOYEES	20		
NOMBRE D'EMPLOYÉS	20		

## COLLECTIVE AGREEMENT

**BETWEEN**

**SEABASE LTD.**

(Hereinafter the "Company" acting for  
and on behalf of owners "Rederiet A.P. Moller")

**AND**

**SEAFARERS' INTERNATIONAL UNION OF CANADA**

(hereinafter the "Union")

EFFECTIVE: JANUARY 1, 1997 - DECEMBER 31, 2001

10608601

## PREAMBLE

WHEREAS the Company operates, owns, manages and/or bareboat charters ships outside Canada in foreign voyages as defined by the Canada Shipping Act as amended.

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

### 1. GENERAL PURPOSE OF THIS AGREEMENT

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

1.2 It is agreed that there shall be no strikes, walkouts, lockouts, secondary boycotts, or other similar interruptions of work during the term of this Agreement or any renewal thereof, and disputes and grievances shall be addressed in accordance with the Grievance Procedures set out in this Agreement.

1.3 A Labour Management Committee shall be established consisting of the following:

One (1) Union Representative;

and

One (1) Management Representative.

The purpose of the Labour Management Committee shall be to discuss and resolve matters of mutual interest and grievances prior to referring them to arbitration.

Committee meetings shall be held no less than once every eight (8) weeks. Committee meetings may be held by telephone discussion if mutually agreed.

Each of the parties shall submit to the other an agenda of matters to be discussed at least fourteen (**14**) days prior to the meeting day.

- 1.4 **An** Occupational Health and Safety Labour-Management Committee having at least one S.I.U. of Canada representative on it is established to promote safe and healthy working conditions for persons employed aboard Company vessels. It will not deal with matters such as operational safety or public safety. The S.I.U. representative should be one of the employees of the Maersk Chignecto and Maersk Gabarus designated by the other unlicensed seafarers covered by this Agreement.

## 2. RECOGNITION AND MANAGEMENT RIGHTS

- 2.1 The Company recognizes the Union as the sole and exclusive representative for the purpose of collective bargaining for the unlicensed personnel employed on the Maersk Gabarus and the Maersk Chignecto, which unlicensed personnel are hereinafter referred to as “employees” which word shall include the singular as well as the masculine and feminine.
- 2.2 The Union agrees that the Captain, Chief Engineer, or designated Management representative have the exclusive right to hire, suspend, discharge employees for cause, direct the crew, determine qualifications, promote or lay-off employees.
- 2.3 Probationary Employees
- i) **An** employee shall be considered to be a probationary employee until he/she has been employed by the Company in the bargaining unit for the period of six (6) months.
  - ii) 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.
  - iii) Any days previously worked for the Company by an employee on a relief basis in the previous twelve (12) months will be counted towards the six (6) month probationary period.
- 2.4 Discipline shall be governed by the principles and procedures laid out in the Disciplinary Code as agreed to by the Company and the Union.

### 3. CLAUSE PARAMOUNT

- 3.1 The parties to this Agreement will not establish rules or enforce regulations which will in any way be contrary to or interfere with the effective implementation of all clauses in this Agreement.

### 4. GOVERNMENT LAWS AND REGULATIONS

- 4.1 Nothing in this Agreement shall be so construed as to affect the obligations of the signatories under the provisions of the Canada Shipping Act as amended, or other government legislation, or to impair in any manner whatsoever the authority of the Captain.

### 5. MAINTENANCE OF MEMBERSHIP AND EMPLOYMENT

- 5.1 **An** employee covered by this Agreement who is not a member of the union shall, within thirty (30) days of employment, make application for membership in the Union. If the Union refuses to accept such employee, a satisfactory written statement of reason must be supplied by the Union to the Company.
- 5.2 The Company agrees to maintain in their employ only members of the Union in good standing. "Good standing" is herein interpreted to mean that a member has not failed to pay the periodic dues, assessments and initiation fees uniformly required to be paid by all members of the Union.
- 5.3 The Company agrees to deduct initiation fees and/or monthly Union dues in respect to all employees covered by this Agreement in the amounts as established by the Union.

All amounts required to be deducted by the Company by this Article shall be remitted to Union Headquarters no later than the 25th day following the end of the pay period.

- 5.4 The Union shall indemnify the Company and hold it harmless against any and all suits, claims, demands and liabilities that shall arise out of or by reason of any action that shall be taken by the Company for the purpose of complying with the foregoing provisions of this Article or in compliance with any notice which shall have been furnished to the Company under any of such provision.

- 5.5 Employees will be required to be in possession of a valid medical certificate issued by a competent authority in accordance with international convention.

Should the Company require medical examinations other than those referred to above, they will be done at the Company's expense.

- 5.6 Refusal of any employee to work as directed or to obey lawful orders of his superior officers shall be grounds for discharge. Any employee who leaves a vessel without being properly relieved shall forfeit his or her job with the Company.
- 5.7 One (1) month's written notice will be given from either side to terminate employment with the Company. The one (1) month's notice will not apply in cases of discharge for cause.
- 5.8 Employees returning from medical leave must notify the Company immediately upon being certified fit for duty by his/her doctor. Proper medical clearance must be supplied to the Company prior to returning to the vessel.
- 5.9 Employees agree to refrain from supplying any information to the media and further agree to treat all knowledge of the Company and the A.P. Moller group of companies with the utmost of confidence.

## 6. GRIEVANCE PROCEDURE

- 6.1 An employee who is discharged, suspended, or laid off from his employment has the right to file a grievance with the Company through the Union within five (5) days of its occurrence subject to the procedure outline herein.
- 6.2 Where the employee has a grievance while working on board a vessel or on leave, he must present his grievance on Standard Grievance Form (if available) to the Captain or Chief Engineer and the Company with a copy to the ship's delegate within ten (10) days of the alleged occurrence.
- 6.3 Upon request of the grieving employee, the Ship's delegate shall assist in the grievance procedure. He shall not be subject to discipline for assisting the griever in the grievance procedure, provided such assistance does not interfere with the operation of the ship.
- 6.4 The Captain or Chief Engineer shall acknowledge receipt and reply to the grievance by completing and returning to the griever a duly completed Standard Grievance Form (if available) within five (5) days of receipt of grievance.

- 6.5 If settlement is not achieved upon receipt by the grievor of the Captain's or Chief Engineer's reply, the grievor shall submit the Standard Grievance Form to the Union immediately with copy to the Company's head office.
- 6.6 Within thirty (30) days of the Captain's or Chief Engineer's reply, the Union shall submit the duly completed Standard Grievance Form to the head office of the Company.
- 6.7 Within thirty (30) days of the date the grievance is submitted by the Union to the Company's head office, the Company shall reply to the grievance.
- 6.8 The Union shall also have the right to submit a grievance in writing to the representative of the Company on behalf of all the employees in the bargaining unit or a group or category thereof within thirty (30) days of the occurrence giving rise to the grievance. In both these instances above, the Company shall reply to the grievance as per clause 6.7 above.
- 6.9 A labour management meeting shall be held between the Company and the S.I.U. prior to a grievance being referred to arbitration. Such meeting may be held by telephone conversation.
- 6.10 If the grievance is not settled at the meeting referred to in clause 6.9 of this Article, the grievance must be referred to arbitration within ten (10) days thereafter.
- 6.11 Due to the location of the vessels and the difficulty in getting information quickly, the above time limits may be extended upon request from either party. Agreement for extensions will not be unreasonably withheld.

## 7. ARBITRATION

- 7.1 Any grievance involving the interpretation or alleged violation of the provisions of this Agreement which has not been settled to the satisfaction of the Company and the Union by conference or negotiation, may be submitted to an arbitration board. Matters involving any request for a modification of this Agreement or which are not covered by this Agreement shall not be subject to arbitration.
- 7.2 The arbitration board shall consist of one (1) Arbitrator who shall be jointly selected by the Union and the Company. This selection shall be made within ten (10) days after the request for arbitration has been made by either party to this

Agreement. In the event that the parties fail within the said ten (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 elect and designate the Arbitrator.

- 7.3 In the event the arbitration board is vacated by reason of death, incapacity or resignation, or for any other reason, such vacancy shall be filled in the same manner as is provided herein for the establishment of the board in the first instance.
- 7.4 A statement of the dispute or question to be arbitrated shall be submitted by both parties, either jointly or separately, to the Arbitrator within fifteen (15) days of his appointment. The arbitration board shall convene within twenty (20) days following the appointment of the Arbitrator unless otherwise mutually agreed by the parties, and shall render its decision as soon thereafter as possible.
- 7.5 The decision of the board shall be limited to the dispute or question contained in the statement or statements submitted to it by the parties. The decision of the arbitration board shall not change, add to, vary or disregard any conditions of this Agreement.

The decisions of the Arbitrator which are made under the authority of this Arbitration Article shall be final and binding upon the Company, and the Union and all persons concerned.

- 7.6 The expenses, fees and costs of the Arbitrator shall be paid by the party to this Agreement found to be in default upon the Arbitrator's resolution of the grievance or, if the Arbitrator resolved 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 of the Arbitrator, fees and costs between the two parties in the proportion appropriate to the share of responsibility that each side had in the production of the grievance.

## 8. UNION OFFICERS BOARDING VESSELS

- 8.1 Union representatives shall be given access to Company property and aboard Company vessels by checking with the Company office. It is agreed that these visits will not interfere with the sailing or maintenance of the vessel.

At the time when the Company office is not open, permission shall be obtained from the Master of the vessel. It is agreed that the Company assumes no liability for injury to any Union representative while he is on Company Property.

- 8.2 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 Union in endeavouring to secure such passes.
- 8.3 The Company grants to the Union the use of the bulletin boards for the posting of notices of Union meetings, elections, election results, appointments and social and recreational events or other legitimate Union business. The bulletin boards shall not be used by the Union or its representatives for posting and distributing brochures of a political or advertising nature.

## 9. SENIORITY AND PROMOTIONS

- 9.1 For the purpose of this Article, seniority shall be defined as the employees starting date with the Company provided he/she has successfully completed the probationary period pursuant to Article 2.3.
- 9.2 A seniority list will be compiled by the Company and will be revised annually. Such list will show the employees name and date of seniority with the Company.
- 9.3 A copy of the seniority list shall be forwarded to the Union, and shall be posted on each vessel for all to see, annually, no more than thirty (30) days after it is compiled.
- 9.4 It is agreed that in layoffs and rehires, preference will be given to employees with the greatest length of service with the Company and that for placements within the bargaining unit, where skill and efficiency are relatively equal, preference will be given to the employee with the greatest length of service with the Company.
- 9.5 An employee who has been laid off will retain his seniority and the right to be recalled for a period of twelve (12) months, provided he reports to the Company when recalled. **An** employee who is given reasonable notice and fails to report to work upon recall is subject to discharge from service.

An employee on leave of absence of any reason including medical leave or lay off shall be responsible to maintain required Union dues and failure to do so may, at the Union's direction, result in loss of seniority.



## 10. GENERAL AND EMERGENCY DUTIES

- 10.1 In addition to the duties specifically imposed by this document, all employees shall perform competently the ordinary duties pertaining to their positions on the vessel.
- 10.2 The Captain may, whenever he deems it advisable, require any employee to participate in lifeboat or other emergency drills. Such drills will take place at least once per calendar month.

## 11. OTHER CONVENIENCES

- 11.1 The following items shall be supplied to the unlicensed personnel employed aboard vessels of the Company.
- i) A suitable number of clean blankets for each employee
  - ii) **An** adequate supply of sheets, pillow cases, hand and bath towels, standard brand or generic face soap and laundry soap or detergent, to be supplied at least once a week.
  - iii) **An** adequate supply of crockery
  - iv) The Company agrees to supply on each vessel a washing machine, an iron and ironing board and where electrical capacity and space are available an electric dryer, and where space presently permits, space for drying clothes will be made available.
  - v) Equipment for the purpose of making coffee shall be made available in the engine room and wheelhouse of all vessels.

The Company agrees to pay the cost of maintenance of these appliances necessitated by normal wear and tear. Any members willfully damaging or destroying linen, mattresses, and/or any of the above equipment, shall be held accountable for same and may be terminated.

- 11.2 Upon request, the Company shall supply two (2) pairs of coveralls to all permanent employees who have successfully completed their probationary period. Such items shall be replaced when necessary upon presentation of the old items.
- 11.3 The Company policy of supplying protective foot wear will continue for the duration of this agreement.

## 12. MEALS, COFFEE TIME AND LUNCHESES

12.1 The meal hours for the unlicensed crew members covered by this Agreement shall be as follows:

Breakfast from 0730 to 0830 hours  
Dinner from 1130 to 1230 hours  
Supper from 1730 to 1830 hours

12.2 These hours may be varied for good reason, provided such variation shall not exceed one-half ( $\frac{1}{2}$ ) hour either way and also provided that one (1) unbroken hour shall be allowed at all times for dinner and supper when the vessel is in port. In addition, there shall not be more than six hours between the end of one meal period and the start of the next meal period.

12.3 When unlicensed crew members are required to work overtime and where the safety of the vessel or the work being performed allows they shall be entitled to a coffee break after approximately two (2) hours' work and a lunch break of at least thirty (30) minutes after four (4) hours' work.

12.4 Coffee breaks will be given as near to the middle of each shift segment as possible.

- i) Eight (8) hour employees shall receive a fifteen (15) minute break in the first four (4) hour segment as well as a fifteen (15) minute break in the second four (4) hour segment.
- ii) Those employees working a twelve (12) hour day shall be given a twenty (20) minute break in each six (6) hour segment of the work day.
- iii) During the performance of overtime breaks shall be taken as set out in i) and ii) above.

12.5 Ingredients for night lunches shall be available for crews changing watch and those called to work overtime and premium time; however, the cook will not be required to prepare and serve the aforementioned night lunch.

## 13. TRANSPORTATION COSTS

13.1 The Company will provide transportation expenses only under the following circumstances and will be limited to travel to or from residences located within the Atlantic provinces only:

- i) When going on or returning from scheduled leave.
- ii) When the employee has to get off the vessel due to illness or injury or is returning to work after same. In this case, he/she shall have to show evidence from a qualified medical practitioner of inability to perform service aboard the vessel and clearance to return to work.
- iii) When the employee is being transported by the Company during the course of his employment.
- iv) Those employees who are dismissed for cause or who terminate service without one (1) month's written notice shall bear the costs of their own transportation expenses.

Should a dismissed employee successfully grieve his/her termination all reasonable transportation expenses shall be reimbursed by Company.

13.2 Transportation costs shall be provided on the following basis:

- i) Second class rail and economy air fare as may be deemed appropriate.
- ii) Reasonable hotel expenses if required to stay overnight as well as meals supported by receipts, all as approved by a representative of the Company which may include an officer of the vessel.
- iii) All reasonable out of pocket expenses supported by valid receipts that are not covered in i) and ii) above including taxis and limousines.
- iv) Where there is no public transportation available and an employee may use his/her own vehicle the Company shall pay a one-way car allowance of forty (\$0.40) cents per kilometer.

#### 14. SAFETY AND EQUIPMENT

- 14.1 The Company shall make every effort to furnish and maintain safe working gear and equipment for the protection of its employees and shall continue to make reasonable provisions and rules for their safety.
- 14.2 Any vessel tied up at any wharf, dock or landing place where crew members may go ashore or come aboard, shall have a suitable gangway and a safety net properly secured to the ship for the safe and convenient transit of crew members.

- 14.3 Members employed in the engine room shall not be required to work on staging or Bosun's chair while the ship is under way. Crew members shall not be required to work on staging overside while the vessel is under way.
- 14.4 Goggles, hard hats and respirators shall be signed for. Immersion suits which meet MOT standards shall be provided to all crew members on all vessels. It is understood that each unlicensed crew member shall be fully responsible and accountable for the suit at all times. If any of the above items are not returned at termination of employment, the Employee shall pay for the cost of replacement and hereby authorizes deduction of such costs from their payment of wages.
- 14.5 It is agreed that any safety regulations that the Company may now have in force for the safety of the vessel and crew, and any further safety regulations which the Company shall put into effect and bring to the attention of the crew, shall be strictly adhered to by all crew members.

## 15. HOURS OF WORK AND OVERTIME

- 15.1 Employees covered by this agreement will be considered as dayworkers or watchkeepers.
- 15.2 The hours of work for watchkeepers shall be on the basis of the two (2) watch system of six (6) hours on and six (6) hours off commencing at the beginning of the calendar day.
- 15.3 Basic hours of work and overtime pursuant to the annual salary contained in Appendix "A" shall be an average of ninety (90) hours per week averaged over the eight (8) week work cycle.
- 15.4 The Master shall determine the number of hours to be worked each day. The maximum hours of work per day shall be 12 hours, unless, at the discretion of the Master, additional hours are required to ensure the safety of the crew and/or the vessel and/or the safety of charterer's personnel and/or equipment.
- 15.5 All hours worked in excess of those referred to in 15.3 above shall be paid for at the rate of time and one half (1.5 x). Overtime accumulated shall be credited to the employees leave day account for payment in accordance with Company Policy.
- 15.6 The Company and the Union agree that the hours of work and rest regulations contained in the Canada Shipping Act, as amended from time to time, shall be strictly adhered to.

## 16. LEAVE AND WAGE **COMMENCEMENT**

- 16.1 In all classifications covered by this Agreement, monthly leave with pay shall be granted as follows.
- 16.2 Where the twelve (12) hour day applies, the time off schedule will consist of one (1) day off with pay for each twelve (12) hour day worked.
- 16.3 The work schedule shall be eight (8) weeks on followed by eight (8) weeks off.
- 16.4 Payment of wages shall be monthly on a fixed date established by the Company by way of direct bank deposit. Any advances received during the previous month will be deducted from the end of the month payroll.

## 17. MARINE DISASTER

- 17.1 An employee covered by this Agreement, while employed by the Company, who suffers loss of clothing or other personal effects because of a marine disaster or shipwreck shall be compensated by the Company, for such loss, up to a maximum of one thousand dollars (\$1,000.00).
- 17.2 **An** employee or his estate making a claim under this Article shall submit reasonable proof to the Company of the actual value of the loss suffered. Such proof shall be a signed affidavit listing the individual items and values claimed.

## 18. DRUG AND ALCOHOL POLICY

- 18.1 Employees agree to comply with the mandatory drug and alcohol testing policies and procedures of the A.P. Moller Group of Companies and/or the policies and procedures of its customers.

## 19. SEVERANCE PAY

- 19.1 Severance shall be paid to employees with one (1) or more years service as set out in the Canada Labour Code.

20. DURATION OF AGREEMENT

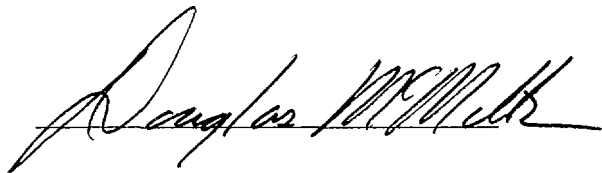
20.1 This Agreement shall become effective January 1, 1997 unless otherwise noted herein, and shall continue in full force and effect until December 31, 2001 inclusive and thereafter from year to year unless or until either party serves written notice on the other party to the contrary at least one hundred and fifty (150) days prior to December 31, 2001 and one hundred and fifty (150) days prior to December 31 of any subsequent year.

Dated this 18th day of June, 1997, at MTL, QUE

SEABASE LIMITED  
(acting for and on behalf of  
owners "Rederiet A.P. Moller")

  
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SEAFARERS' INTERNATIONAL  
UNION OF CANADA

  
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**APPENDIX "A"****WAGES**

From date of ratification to December 31, 1997:

G.P.C. \$36,250

Cook \$36,250

Commencing January 1, 1998 and effective January 1st of every subsequent year covered by this Agreement, the annual salary shall be increased by the full increase in the Consumer Price Index (CPI) for Newfoundland and Labrador for the previous year.

Annual salary is inclusive of Statutory Holiday pay, vacation pay and overtime that is pursuant to Article 15.

## APPENDIX "B"

## FRINGES

## MEDICAL PLAN

The Company will supply and maintain payment for all employees who have completed their probationary period a comprehensive group health and medical plan similar to that in existence at the commencement of this Agreement. Employees agree to contribute and have deducted from their pay approximately one third ( $\frac{1}{3}$ ) of the cost of such coverage.

## PENSION PLAN

- i) Each employee who has completed his/her probationary period shall have an annual contribution made to his/her R.R.S.P. account in the amount of two thousand and fifty dollars (\$2,050.00). Such contributions shall be made monthly.
- ii) Employees terminating service shall have pro-rated contributions.



## APPENDIX "C"

## DISCIPLINARY CODE

- (1) The following acts of misconduct, if proved to the reasonable satisfaction of the Master to have been committed, are those for which dismissal from the ship, either immediately or at the end of voyage will, according to the circumstances of this case, be considered appropriate, apart from any legal action which may be called for:
- i) assault;
  - ii) wilful damage to ship or any property on board;
  - iii) theft or possession of stolen property;
  - iv) possession of offensive weapons;
  - v) persistent or wilful failure to perform duty;
  - vi) unlawful possession or distribution of drugs;
  - vii) conduct endangering the ship or persons on board;
  - viii) combination with others at sea to impede the progress of voyage or navigation of the ship;
  - ix) disobedience of orders relating to safety of the ship or any persons on board;
  - x) to be asleep on duty or fail to remain on duty if such conduct would prejudice the safety of the ship or any persons on board;
  - xi) incapacity through the influence of drink or drugs to carry out duty to the prejudice of the ship or of any person on board;
  - xii) to smoke, use a naked light or unapproved electric torch in any part of the ship carrying dangerous cargo or stores where smoking or the used of naked lights or unapproved torches is prohibited;
  - xiii) intimidation, coercion and interference with the work or other employees;
  - xiv) behaviour which seriously detracts from the safe and efficient working of the ship;

- xv) behaviour which seriously detracts from the social well-being of any other person on board;
- xvi) causing or permitting unauthorized persons to be on board the ship while it is at sea;
- xvii) the solicitation or acceptance of any gratuities or favours, whether in case or kind, in the course of or related to service with the owners;
- xviii) repeated acts of misconduct of a lesser degree listed in paragraph (3) after warnings have been given in accordance with the procedures in paragraph (2).

(2) Lesser acts of misconduct may be dealt with by:

- (a) Informal warning administered at an appropriate level lower than that of Master;
- (b) Formal warning by the Master, recorded in the ship's official logbook.

When a formal warning is given, the seafarer should be advised of the likely consequence of further acts of misconduct.

- (3) Acts of misconduct, if proved to the reasonable satisfaction of the Master, Officer or Petty Officer to have been committed, for which the procedure in paragraph (2) is considered appropriate, are:
- (a) offenses of the kind described in paragraph (1) which are not considered to justify dismissal in the particular circumstances of the case;
  - (b) minor acts of negligence, neglect of duty, disobedience and assault;
  - (c) unsatisfactory work performance;
  - (d) poor time keeping;
  - (e) stopping work before the authorized time;
  - (f) failure to report to work without satisfactory reason;
  - (g) absence from place of duty or from ship without leave;

(h)offensive or disorderly behaviour.

- (4) In the event of dismissal the seafarer may take up the matter with the Company's designated Manager.

Letter of Understanding  
between

SEAFARERS INTERNATIONAL UNION  
OF CANADA

and

SEABASH LTD.

It is agreed between the parties that employees currently working aboard the Haersk Chignecto and Haersk Gabarus who commence employment under the domestic agreement shall carry their full company seniority to that contract.

However, those employees (listed below) who are on the seniority list of the Haersk Placentia, Haersk Norseman and Haersk Nascopic as of today's date shall be deemed protect against bumping by employees from the foreign agreement who may have more seniority.

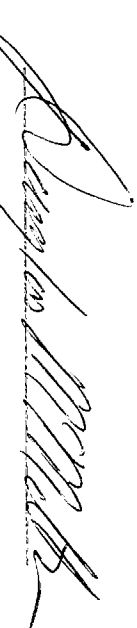
- Dion Crawley	- Reginald Kelland	- Andrew Dave
- Wade Degruchy	- Howard Kean	- Stephen Brinson
- Keith Thorne	- Wallace Gosse	- John Scevlour
- James Philpott	- Randy Dawe	- Colin Hanham
- Frank King	- Conrad Lambert	- Judson Parsons
- William Synyard	- Todd Ball	- Tony Kean
- Matthew Breen	- Fred Royle	- Thomas Kane
- John Williams	- Winston Fowlow	- John Prior
- Scott Gilbert	- Mervin Day	- Chris Whistle
- Lloyd Downey	- Geoffrey Turk	- Doug Stoodley
- Keith Lundrigan	- Brian Butt	- Cyril Synard
- Douglas Ryan		

Furthermore, any new hires who may currently be employed or employed in the future shall appear on a separate temporary seniority list.

Signed at St. John's, Nfld. this 17th day of July, 1998.



SEABASH LTD.



SEAFARERS' INTERNATIONAL  
UNION OF CANADA

MEMORANDUM OF AGREEMENT  
MADE THE DAY OF NOVEMBER, A.D. 1998

BETWEEN:

SEABASE LIMITED  
(hereinafter "the Company" acting for  
and on behalf of owners Rederiet A.P. Moller A/S)

AND:

SEAFARERS' INTERNATIONAL UNION OF CANADA  
(hereinafter "the Union")

WHEREAS by Certification Order dated 11 July 1996, the Canada Labour Relations Board certified the Union as bargaining agent for a unit of employees of the Company comprising all unlicensed employees employed aboard the Canadian flag vessels *Maersk Chignecto* and *Maersk Gabarus*, excluding ship's officers, office employees, and those persons automatically excluded by law (C.L.R.B. File No. 555-3998),

AND WHEREAS the Company has been operating the Canadian flag vessels *Maersk Chignecto* and *Maersk Gabarus* outside Canada in foreign voyages as defined by the *Canada Shipping Act*, primarily servicing the offshore oil industry in the North Sea,

AND WHEREAS the Company and the Union concluded a Collective Agreement ("the Overseas Collective Agreement") for the bargaining unit of unlicensed employees employed aboard the Canadian flag vessels *Maersk Chignecto* and *Maersk Gabarus* on 18 June 1997, with effect from 1 January 1997 to 31 December 2001,

10008

AND WHEREAS the Company operates the *Maersk Bonavista*, a Canadian flag Vessel not covered by the Certification Order dated 11 July 1996, outside Canada in foreign voyages as defined by the *Canada Shipping Act*, primarily servicing the offshore oil industry in the North Sea,

AND WHEREAS the Company has a charter to operate the Canadian flag vessels *Maersk Chignecto*, *Maersk Gabarus*, and *Maersk Bonavista* in Canadian waters, primarily servicing the offshore oil industry off the east coast of Canada,

WHEREAS by Certification Order dated 31 October 1997, the Canada Labour Relations Board certified the Union as bargaining agent for a unit of employees of the Company comprising all unlicensed employees employed aboard the Canadian flag vessels *Maersk Norseman*, *Maersk Placentia*, and *Maersk Nascopie*, excluding ship's officers, office employees, and those persons automatically excluded by law (C.L.R.B. File No. 555-4186),

AND WHEREAS the Company operates the Canadian flag vessels *Maersk Norseman*, *Maersk Placentia*, and *Maersk Nascopie* in Canadian waters, primarily servicing the offshore oil industry off the east coast of Canada,

AND WHEREAS the Company and the Union concluded a Collective Agreement ("the Domestic Collective Agreement") for the bargaining unit of unlicensed employees employed aboard the Canadian flag vessels *Maersk Norseman*,

*Maersk Placentia*, and *Maersk Nascopie* on 10 March 1998 for a period to coincide with the period of the charter with Hibernia Management & Development Co., Ltd., including any extensions or renewals thereto,

AND WHEREAS the parties have signed a Letter of Understanding dated 30 March 1998 to the effect that the Domestic Collective Agreement is immediately transferable to any other vessels that the Company brings to Canada, including the *Maersk Gabarus* and the *Maersk Chignecto*,

NOW THEREFORE THIS AGREEMENT WITNESSES:

1. The parties agree that the Domestic Collective Agreement will apply to the unlicensed employees of the Company employed aboard the Canadian flag vessels *Maersk Chignecto*, *Maersk Gabarus*, and *Maersk Bonavista* or any one or more of them when operating in Canadian waters, off the east coast of Canada, on a charter in excess of 35 days. The Overseas Collective Agreement will continue to apply to the unlicensed employees of the Company employed aboard the Canadian flag vessels *Maersk Chignecto* and *Maersk Gabarus*, outside Canada in foreign voyages as defined by the *Canada Shipping Act*.
2. To that end, and for the purpose of this Memorandum of Agreement only, the Domestic Collective Agreement is appended as a Schedule to the Overseas Collective Agreement so that the terms and conditions of employ-

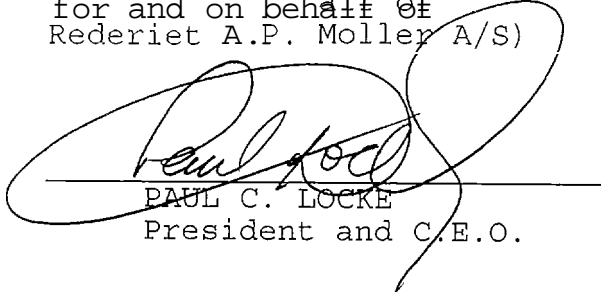
ment set out in the Domestic Collective Agreement, including Article 22, Duration, are applicable while the Canadian flag vessels *Maersk Chignecto*, *Maersk Gabarus*, and *Maersk Bonavista* or any one or more of them are operating in Canadian waters, off the east coast of Canada, on a charter in excess of 35 days duration.

3. For the purpose of this Memorandum of Agreement, Clause 5.1 of the Domestic Collective Agreement, as scheduled to the Overseas Collective Agreement, will be applied to unlicensed employees working on the *Maersk Bonavista* so as to allow such employees 30 days from the date of signing of this Memorandum of Agreement to obtain membership in the Union.
4. For the purpose of this Memorandum of Agreement only, the vessel names *Maersk Chignecto*, *Maersk Gabarus*, and *Maersk Bonavista*, are substituted for the vessel names *Maersk Norseman*, *Maersk Placentia*, and *Maersk Nascopie* in the Domestic Collective Agreement, as scheduled to the Overseas Collective Agreement.
5. The Domestic Collective Agreement will continue to apply as a separate Collective Agreement to the bargaining unit of unlicensed employees of the Company employed aboard the Canadian flag vessels *Maersk Norseman*, *Maersk Placentia*, and *Maersk Nascopie*.



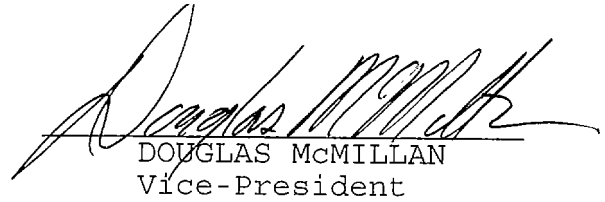
IN WITNESS WHEREOF the parties hereto have caused this Memorandum of Agreement to be executed by duly authorised representatives on the                      day of November, A.D. 1998.

SEABASE LIMITED (acting  
for and on behalf of  
Rederiet A.P. Moller A/S)



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PAUL C. LOCKE  
President and C.E.O.

SEAFARERS' INTERNATIONAL  
UNION OF CANADA



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DOUGLAS McMILLAN  
Vice-President