

**MEMORANDUM OF AGREEMENT**

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**BETWEEN:**

**CANADIAN MARINE OFFICERS UNION**

**AND:**

**V.SHIP CANADA INC. / CANADA STEAMSHIP LINES,  
A DIVISION OF THE CSL GROUP INC.**

**Covering Deep Sea Bulkers**

**Expiry Date : May 31, 2011**

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## **1. PURPOSE OF AGREEMENT**

The general purpose of this Agreement is to ensure for the Company, the Union and the Marine Engineer Officers covered hereby the full benefits of orderly and legal collective bargaining, and to ensure to the utmost extent possible safety and physical welfare of such Marine Engineer Officers, economy of operation, standards of service and protection of the Company's property. It is recognized to be the duty of the Company and the Union and such Marine Engineer Officers to cooperate fully, individually and collectively for advancing of such purposes.

During the life of this agreement, when matters of mutual interest arise that require discussion, such as changes in technology, acquisition of new tonnage, altering the role and function of those onboard, the parties shall make arrangements to meet. Whenever possible, the topics for discussion will be identified prior to the meeting.

The parties recognize that in the early stages of implementation of technology, matters of safety of operation will be discussed.

## **2. RECOGNITION**

- a) The Union is recognized to be the exclusive bargaining agent for a unit of the employees of the Company comprised of Marine Engineer Officers. In this agreement, Marine Engineer Officers shall mean all Marine Engineer Officers employed by the Company and serving on the Company's vessels but shall not include the Chief Engineer Officers.
- b) When an assistant to the Chief Engineer is appointed he shall be supernumerary, and his duties shall be to assist the Chief Engineer. He shall not take over a watch or perform repair work and the Union will be notified when the Company employs such supernumerary on board a ship.
- c) The Company agrees to issue passes to the Union's representatives for the purpose of consulting with its members aboard vessels of the Company covered by this Agreement. Representatives of the Union shall be allowed on board vessels at principal loading and unloading ports as well as in the St. Lawrence Seaway and the Welland Canal. Such representatives shall have the right to engage in negotiation with the Captain or officers in charge of the ship in respect of any dispute or grievance, but shall not have the right to interfere in any way with the operations of the vessel.
- d) The Union shall submit to the Company the name and relevant particulars of the bona fide Union members authorized by the Union to act as its representatives provided that 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 to board the Company's ships in ports for the purpose herein provided. In the event that such privilege is withdrawn from the designated Union representative, the Union will undertake to notify the Companies to revoke such pass.
- e) 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 penalty of revocation of the pass granted herein. Any revocation shall be subject to the Grievance Procedure. Upon such revocation, the parties agree to meet within seven (7) days to attempt to resolve the matter: should it not be resolved, then the matter will proceed to expedited arbitration.
- f) 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 endeavoring to secure such passes.

- g) 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.

### **3. CLAUSE PARAMOUNT**

- a) 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.
- b) 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 way or manner whatsoever the authority of the Captain.
- c) Interpretation- Except where the context requires, all words and expressions used herein shall have the meaning ascribed to them by the Canada Labour Code.
- d) It is agreed between the parties, that should a difference of opinion arise on the interpretation of the Collective Agreement that the English Text shall prevail.
- e) All references in this Agreement to the masculine gender shall apply as well to the feminine gender.

### **4. STRIKES AND LOCKOUTS**

The Canadian Marine Officers Union and the Company declare it to be their common intention that all disputes and grievances shall be resolved amicably in accordance with the provisions of this Agreement, and to this end:

- a) The Canadian Marine Officers Union agrees that there shall be no strikes, slow-downs or stoppages of work for any cause, and
- b) The Company agrees that there shall be no lock-outs for any cause during the term of this Agreement.
- c) It is agreed for the purposes of this Agreement that the refusal of a member to pass through a lawful picket line shall not be construed as a violation of this Agreement and shall not be a reason for dismissal.

### **5. CONDITIONS OF EMPLOYMENT**

- a) All Engineer Officers as a condition of employment must possess a valid Medical Fitness Card recognized by Transport Canada.
- b) The Company recognizes the Union as a source of employment for Engineer Officers covered by this Agreement. After exhausting the Company's supply of Engineer Officers on lay-off possessing the requisite qualifications and ability, the Company shall be free to use any source of supply for such personnel, including the Union hiring hall. If an Engineer Officer is supplied from the Union hiring hall, or hired by the Company, the Union and the Company shall supply his/her name, certificate he/she holds, date of birth, social insurance number, nationality and passport number when mandatory, as soon as such Officer is determined. The Company shall advise the Union of any Engineer Officers so hired.

- c) 1. The actual selection and hiring of Marine Engineer Officers shall be at the discretion of the Company's office representative or the Chief Engineer.

Engineers who are not accepted must be supplied with the reason in writing at the time of rejection, with a copy to the Union.

2. When an Engineer is dispatched on a ship upon the Company's request, and is refused by the Chief Engineer, this Engineer shall be paid reasonable transportation to and from the vessel, plus eight (8) hours' pay at his basic hourly rate.

If a ship is delayed in transit and the Engineer must stay overnight waiting for a vessel, the Company agrees to pay reasonable living expenses (as per article 11 e)) supported by receipts until the arrival of the vessel or until the call is cancelled, and his basic hourly rate will be paid from the date on which he was to report for duty.

3. In the event that the Union does not supply the Company with information set out in Section b) above, then the Company will not be required to pay the requirements of paragraph 2.

4. Should the Company require an Engineer Officer to present himself for an interview at the Company's office, reasonable travel expenses supported by acceptable receipts (credit card receipts included) shall be paid to the candidate.

- d) 1. As a condition of employment an employee covered by this Agreement who is not a member of the Union at the time of hiring, shall within thirty (30) days of employment, become a member of the Union and shall maintain his membership in the Union for the duration of this Agreement. If the Union refuses to accept such an employee as a member, he shall not be removed from the ship until the Union gives satisfactory reasons for its refusal to accept such an employee as a member.

2. Probation period refers to the period where Marine Engineer Officers are employed for the first time in a permanent position with the Company. Such Marine Engineer Officer shall complete a ninety (90) day probation period. The Marine Engineer Officer on probation shall be covered by the existing Labour Agreement with the exception of the grievance and arbitration articles in the case of layoff.

After completing the probation period, the employee becomes a permanent employee and his seniority shall commence as of the date of his hire.

Relief employees and medical relief employees are not considered employees on probation and may be released at any time.

- e) The Company shall not be required to discharge any employee under the provisions of this article, unless and until a replacement satisfactory to the Company is made available.

- f) The Union shall indemnify the Company and hold it harmless against any and all suits, claims, demands and liabilities that may arise out of or by reason of any action taken by the Company for the purpose of complying with the foregoing provisions of this article or in reliance on any notice furnished to the Company under any of such provisions.

- g) Dispatch hall

The Company agrees to pay the Canadian Marine Officers Union the sum of \$2.70 per job per payroll day for the purpose of ensuring the provision by the Union of adequate arrangements for the supply of Engineer Officers to the Company. This sum is to be remitted to the Canadian Marine Officers Union, 9670 Notre Dame Street East, Montreal, Quebec, H1L 3P8 not later than the 15th of the following month.

## 6. DEDUCTION OF FINANCIAL OBLIGATIONS

- a) The Company shall deduct from the monthly wages of each employee covered by this Agreement, the monthly amount of dues. It is further agreed that in addition to the monthly dues, the Company will also deduct any other amount of money when billed by the Union. The Union dues and/or assessments and/or initiation fees will be remitted to the Union Headquarters at Montreal, Quebec, not later than the 15th of the following month.

When requested by the Union auditors, confirmation shall be supplied of the total Union dues deducted and remitted to the Union during the fiscal year under review.

- b) The Union further agrees that it shall indemnify the Company and hold it harmless against any and all suits, claims, demands, and liabilities that may arise out of or by reason of any action that shall be taken by the Company for the purpose of complying with the foregoing provision of this article or in compliance with any notice furnished to the Company under the foregoing provision.
- c) The Company shall remit to the Union a complete list of all its licensed Engineer Officers when such list is requested by the Union.
- d) Penalty Clause

Failure by the Company to remit its contributions and deductions to the Union for dues deductions, dispatch hall, Pension Plan and Life Insurance Plan and such by the 15th of the following month for which deductions are made or contributions due, shall incur a penalty of \$50.00 per day for each day of delay until such time as deductions or contributions are made. The postmark on the envelope shall be the determining factor provided there is no interruption in postal services. Such penalty shall be paid to the C.M.O.U. dispatch hall.

## 7. WORK WEEK AND OVERTIME

- a) 1. During the navigation season, while the Engineers are on the ship's articles, all Engineers, whether watchkeeping Engineers or day-working Engineers shall be paid for seven (7) days a week at the rates set out hereafter. The Company agrees not to lay off Engineers on weekends for the purpose of saving overtime.
2. The regular workweek shall be forty (40) hours, consisting of five (5) days of eight (8) hours per day, Monday through Friday.
3. Except for additional vessels where technology and regulations allow, all watchkeeping Engineers shall work the traditional system of four (4) hours on and eight (8) hours off.
4. All day-working Engineers shall work any eight (8) consecutive hours between 06:00 and 18:00 hours. They shall have one (1) hour off for lunch at the usual time.
- b) All Engineers shall receive wages at the appropriate hourly wage rate for each job classification, as stipulated in Article 8 for eight (8) hours per regular workday (Monday through Friday), whether or not they are called upon on any of the aforesaid days to work the full eight (8) hours.
- c) Considering that the operation of ships is of a continuous nature and that consequently work must be performed in excess of the regular work week, it is agreed that overtime shall be paid for such work in accordance with the following provisions.

- d) 1. The overtime rate for the first eight (8) hours worked on Saturday and Sunday and for all hours worked in excess of eight (8) hours per day, Monday through Friday, is defined as being the time and one half hourly (1 1/2) wage rate for each job classification as stipulated in Article 8.
2. The overtime rate for hours worked in excess of eight (8) hours on Saturday or Sunday is defined as being the double (2) time hourly wage rate for each job classification as stipulated in Article 8.
- e) 1. During the annual repair period, an Engineer Officer who is required to work on a Saturday and/or Sunday shall be paid at the time and one half (1 1/2) rate of pay for the first eight (8) hours and double time (2) after eight (8) hours.
2. All Engineers whether Watchkeeping Engineers or Day-Working Engineers shall in any event, whether or not called upon to work, be paid for seven (7) days a week at the rates set out hereafter. If an Engineer is not called upon to work a Saturday or Sunday he shall be paid his basic hourly rate of pay for each of these days, eight (8) hours for each day.
3. Repair period shall commence when the majority of the unlicensed deck personnel is signed off ship's articles and the repair period shall end when the majority of unlicensed deck personnel is signed on ship's articles.
- f) An Engineer Officer performing overtime work which ceases before the expiration of one (1) hour shall nevertheless be credited with one (1) hour's overtime. After the first hour of overtime each further period of one half (1/2) hour shall entitle the Engineer Officer to one half (1/2) hour at the overtime rate.
- g) When men are called out to work on overtime and then "knocked off" for less than two (2) hours, excepting where a man is recalled for his regular duties, overtime shall be paid straight through.
- h) For the purpose of calculating overtime, a "day" shall refer in all cases to the period from midnight to midnight.
- i) Overtime payment shall not be duplicated for any hour of work, i.e. there shall be no pyramiding of overtime.
- j) 1. At the completion of any overtime work the Engineer Officer and the officer in charge shall both sign duplicate overtime sheets recording the duration of such work. One (1) copy of the sheet shall be given to the Engineer Officer and the other retained by the Captain.
2. In the event a question arises as to whether work performed is payable as overtime, or if claim is rejected, the senior Officer must sign "Disputed" and the reason(s) for non-approval. In case of a dispute, the matter shall immediately enter the Grievance Procedure as provided for in this agreement.
- k) Overtime shall be divided as equally as may be reasonably practicable among the Engineer Officers who normally perform the work.
- l) When an officer has to stand 6/6 for any reason, the watches shall be set as follows:
- 00:00 - 06:30    06:30 - 12:00  
12:00 - 17:30    17:30 - 24:00
- m) Stand-by premium
- Marine Engineer Officers required to remain on board in port after the completion of their watches or the regular day work, shall be paid all hours required to remain on board at the appropriate hourly wage rate. The order to remain on board should be given in writing to the Engineers.

n) Premium Pay

In any calendar year, for every day worked on board a Company vessel while the ship is operating in excess of two hundred and sixty (260) navigational days, a bonus of ten percent (10%) of his basic daily rate shall be paid for all additional days worked at the end of the calendar year.

- o) During transit through the Welland Canal, Beauharnois to St-Lambert or the Montreal Harbour, downbound or upbound, two (2) Engineer Officers may, at the discretion of the Chief Engineer and subject to Coast Guard Regulations and safe manning scale regulations, be granted shore leave at the same time.

a. **RATES OF PAY**

1. The rates of pay in effect as of 1 June 2006 (includes 2.5% increase) are:

	Basic	1.5	2.0	2.5
2 <sup>nd</sup> Eng	\$29.53	\$44.29	\$59.06	\$73.82
3 <sup>rd</sup> Eng	\$26.82	\$40.23	\$53.64	\$67.05
4 <sup>th</sup> Eng	\$26.10	\$39.15	\$52.20	\$65.25

Effective 1 June 2006 the wage rates will be increased as follows:

- 1 June 2006 - 2.5% or COLA, which ever is higher, with cap 3%
- 1 June 2007 - 2.5% or COLA, which ever is higher, with cap 3%
- 1 June 2008 - 2.5% or COLA, which ever is higher, with cap 3.25%
- 1 June 2009 - 2.75% or COLA, which ever is higher, with cap 3.5%
- 1 June 2010 - 2.75% or COLA, which ever is higher, with cap 3.5%

COLA will be the 12 month average January to December, as published by Statistics Canada, to be paid starting 1 June each year.

2. a) Wages and vacation pay shall be paid in full by way of direct deposit into the employee's bank account twice monthly. From the 21<sup>st</sup> of the preceding month until the 5<sup>th</sup> of the current month payable on the 15<sup>th</sup> of the current month, and from the 6<sup>th</sup> of the current month until the 20<sup>th</sup> of the current month payable on the last day of the current month.
- b) The employee must provide the Company with an authorization and all pertinent banking information. It will be the responsibility of the employee to notify the Company expeditiously of any changes of address or banking arrangements on a Company authorization form.
- c) The pay stub shall be sent to the Marine Engineer Officer aboard the vessel in a separate sealed envelope.

3. Vacation Pay

- a) An Engineer Officer having completed less than one (1) full season of service with the Company shall receive vacation pay equal to four percent (4%) of his gross wages earned during the current pay period.
- b) An Engineer Officer having completed between one (1) and less than five (5) full consecutive seasons of service with the Company shall receive vacation pay equal to five percent (5%) of his gross wages earned during the current pay period.



- c) An Engineer Officer having completed between five (5) and less than ten (10) full consecutive seasons of service with the Company shall receive vacation pay equal to seven percent (7%) of his gross wages earned during the current pay period.
- d) An Engineer Officer having completed ten (10) or more full consecutive seasons of service with the Company shall receive vacation pay equal to nine percent (9%) of his gross wages earned during the current pay period.
- e) The right of an Engineer Officer to receive vacation pay pursuant to paragraphs b), c) and d) above shall not be affected in any way where such Engineer Officer is absent from his employment for reasons satisfactory to the Company.
- f) Unlicensed personnel promoted to a permanent position as an Engineer, shall retain their Company seniority for vacation pay purposes only.
- g) A year of service is defined as consecutive year(s) of service from the date of hire to the anniversary date. The percentages shall change one (1) day after the anniversary date.

4. Pay Advance

When an Engineer Officer is paid off a vessel, he shall receive in cash an amount up to two hundred and fifty dollars (\$250.00) if requested when the Company has arranged paid transportation. If no paid transportation has been arranged, the Engineer Officer may request up to five hundred dollars (\$500.00).

**9. STATUTORY HOLIDAYS**

a) In this Agreement, the term "holiday" includes:

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

- b) In the event a holiday falls on a Saturday or a Sunday, the following Monday will be observed as a holiday.
- c) An Engineer employed by the Company who does not work on a statutory holiday shall be paid his basic hourly rate (8 hours) for each of the statutory holidays listed in paragraph (a) above.
- d) An engineer officer employed by the Company who works on a statutory holiday shall be paid for each hour worked during the holiday at the double time and one half (2-1/2) wage rate, (i.e. hours worked at time and one half (1-1/2) plus 8 hours basic hourly rate for the statutory holiday).
- e) If any statutory holiday falls during an Officer's period of leave, he shall receive one day additional basic pay on the first payday following his return to work. This does not apply when the Engineer Officer schedules his period of leave between December 20 and January 5. That Officer will be entitled to only one (1) day's basic pay.

## **10. LIVING CONDITIONS ABOARD SHIP**

1. Where accommodations are available, every Marine Engineer Officer shall have living quarters aboard ship in line with the position he holds.
2.
  - a) On all vessels not equipped with central air conditioning systems, Engineers' cabins shall be fitted with port hole air conditioning units.
  - b) Where there is an Officers' lounge or an Officers' dining room, the Company agrees to make a colour T.V. set and a Video (VHS) available and to bear the cost of normal maintenance. This clause will not take effect if there is a central VHS system aboard the vessel.
  - c) The Company further agrees that on existing vessels where separate washroom facilities are available for Engineer Officers, they shall be clearly marked "For Engineers' Use Only", or alternatively they shall be locked and only the Engineer Officers shall be provided with a key.
  - d) On promoting a healthier lifestyle aboard ship, the Company will endeavour to provide exercise facilities and equipment.
3. Where washing machines and drying facilities are presently available on a vessel, the Company will ensure that these facilities are for the use of all crewmembers by posting bilingual signs to this effect. The Company also agrees to provide a refrigerator in the engine room.
4. From the time of joining the vessel to the end of their employment, all Marine Engineer Officers shall be supplied with clean linen and hand towels weekly. Sufficient soap for personal and laundry use shall be provided.
5. An Engineer Officer who has completed ninety (90) days' service and where accommodations provide for one Engineer Officer per room, the Engineer Officer shall be allowed to have his spouse aboard or common-law spouse aboard for a period of up to twenty-three (23) days per calendar year. It is understood and agreed that the Company may insist on having no more than two (2) Engineer Officer's spouses aboard at one time. Spouses will not interfere with the normal operation of the vessel and will be required to sign a waiver releasing the Company from all liability, and the officer involved will be responsible for the cleaning of his/her quarters while his/her spouse is aboard.
6. All beds in Engineers' cabins shall be at least  $\frac{3}{4}$  the size of a regular double bed.
7. While the vessel is in port, and with the approval of the Master, a Marine Engineer Officer may bring his/her spouse or common-law spouse and family aboard for a visit, with the exception of children under twelve (12) years of age. Prior to their coming on board the Marine Engineer Officer must sign a Company waiver releasing the Company of all liability.

## **11. TRANSPORTATION, MEALS AND ROOM ALLOWANCE**

- a) The Company agrees to pay reasonable transportation costs to an Engineer Officer to and from his home in Canada. These costs are to include first class surface passage plus meals and berth or economy airfare or two-way car allowance. Effective June 1st 2006, the car allowance will be forty cents (\$0.40) per kilometre.

For the purpose of identifying a home, all permanent employees will be required upon ratification of this Agreement and at the commencement of each season to confirm with the Company a home address. Should at any time during the season, a permanent employee relocate to another location, the Company will not be responsible for any increase in travel costs as the result of the relocation.

- b) Twenty-one days after an Engineer Officer has mailed his reasonable receipts for traveling expenses the Company shall reimburse him. In the case of discharge for cause or leaving the ship for personal reasons, all return traveling costs shall be borne by the Engineer Officer.
- c) Subject as herein provided, where employees have been continuously on board a vessel for a period of twelve (12) consecutive hours commencing from the time that a vessel anchors or otherwise becomes stationary away from the dock, upon and after the expiration of such period, the Captain upon the request of not less than three (3) employees, shall provide launch service, if such is available, for such employees to travel to and from the shore, provided that the provision of such launch service shall be not more than twice every twenty-four (24) hours and shall be subject to the Captain's discretion with respect to weather conditions.

When the majority of the unlicensed crewmembers are paid off, the three (3) employees' requirement of this section will not apply.

- d) An Engineer Officer shall be given seventy-two (72) hours notice prior to joining his vessel. If it is necessary for an Engineer Officer to travel the previous day when joining his vessel, he shall be paid eight (8) hours' pay at his basic hourly rate to cover traveling time.
- e) When the Company does not provide room and board, an Engineer Officer, during the course of his employment, shall receive fifteen dollars (\$15.00) per meal exclusive of taxes and ninety dollars (\$90.00) per room, exclusive of taxes. The expenses are to be paid by the Company upon the production by the Engineer Officer of acceptable vouchers (credit card receipts included). Transportation will be arranged by the Chief Engineer.
- f) An Engineer Officer, who is unable to comply with the strict terms of this section by reason only that he is justifiably absent from his employment other than on C.M.O.U. business in accordance with the provisions of this Agreement, shall nevertheless be entitled to receive from the Company, his transportation, meal and room expenses pursuant to the terms of this section.
- g) The Company shall not be liable to reimburse the expenses referred to in this section of an Engineer Officer:
  - 1. who is dismissed for cause, or
  - 2. who leaves a vessel for any reason not satisfactory to the Company, excepting of course justifiable absence from employment in accordance with the provisions of this agreement.

Relief Marine Engineer Officers who do not complete their relief periods because of dismissal for cause or who quit shall reimburse the Company all travel expenses incurred by the Company.

- h) The Company shall reimburse to an Engineer, following a work accident or sickness, all transportation expenses from his place of work to the nearest hospital or clinic. On the doctor's recommendation, the Company shall reimburse transportation expenses from his place of work or from the hospital or clinic to his residence, providing he qualifies for Canadian Marine Officers Medical Plan sick leave benefits or Workers' Compensation.
- i) The parties agree to develop an alternative travel reimbursement option. The Company would have the option to offer and the employees would have the option to accept a fixed amount paid directly to the employee, without receipts, upon arrival on or departure from the vessel, in lieu of reimbursement of their travel expenses. Employees selecting the fixed amount would then be responsible for their own transportation arrangements and costs. The fixed amount would vary according to the location of the ship and the origin or destination of the employee.

## 12. TRANSFER EXPENSES

In the event that an Engineer Officer is transferred by the Company from one vessel to another vessel of the Company, the Company shall continue to pay the Engineer Officer his regular pay and reasonable expenses (in accordance with Article 11) during the time period necessary to enable him to make his transfer. However, Engineers shall have the right to refuse any transfer except for his annual appointment to a vessel.

## 13. SENIORITY AND PROMOTIONS

- a) A seniority list showing the Engineers seniority in his classification will be compiled by the Company with revisions at the closing of each season and copies shall be mailed to each Engineer and the Union. Such list will show names, classifications and the date of last entry into service in positions covered by this Agreement, from which date seniority will accumulate.

Engineers will receive notice of their annual appointment to a vessel of the Company by February 15th, but no later than March 15th of each year.

- b) After completing his probation period, the name of the newly employed marine Engineer Officer shall be placed on the seniority list immediately.
- c) In the case of promotion, demotion, transfer, lay-off and recall after lay-off, the most senior employee with sufficient qualifications shall be entitled to preference where ability and physical fitness are relatively equal.
- d) It is agreed that all promotions will be given with a ninety (90) running day trial period. This ninety (90) day trial period is to allow the Company enough time to evaluate the promoted Engineer's ability in his new position. If the Engineer Officer remains in the promoted position over a ninety (90) running day trial period, he shall be confirmed in that position and his name will be registered as such on a seniority roster as of the first day he took that promotion. However, should the engineer promoted not be confirmed in his promotion, he shall revert to his old position. All Engineers called to replace a newly promoted Engineer shall be called on the basis of a relief job until confirmation of the promotion. In the case of temporary promotions due to sickness or injury to another Engineer, the above conditions will not apply.
- e) 1. Marine Engineer Officers shall be protected by their notices of intent for the following navigation season. Should any natural vacancy occur during a navigation season, any unemployed Company Marine Engineer Officer covered by this Agreement shall have the right to exercise his seniority to fill such natural vacancy, provided he possesses the required qualifications and ability.
2. In addition, where a vacancy occurs on a ship covered by this Agreement the Company shall first offer the job to any unemployed Company Engineer Officer by order of seniority as per Article 13 a), provided the relief period is a minimum of 21 days.
- f) When any ship is sold or transferred among CLCA owners, the Engineer transfers his seniority accrued with the old Company to the new owner or operator for the purpose of vacation pay calculations.
- g) An Engineer's seniority with the Company will not be broken for the following reasons:
1. Article 14, Scheduled Time Off Without Pay;
  2. Sickness;
  3. Accident at work;
  4. While laid-off by the Company if the Engineer has been given Notice of Intent; or

5. For any leave of absence authorized by the Company.

- h) In the event a Chief Engineer is laid off and providing that the Chief Engineer has maintained his membership in the CMOU for at least twenty-four (24) consecutive months and there is no Chief Engineer's position available to him, he shall have the right to be transferred to and to occupy the position of the Second Engineer of the Company and be reinstated with his original seniority date prior to his promotion as Chief Engineer. If the Officer was hired by the Company as Chief Engineer, his seniority date as Second Engineer shall be the date he was hired by the Company provided the 24 consecutive months as above apply.

#### **14. SCHEDULED TIME-OFF WITHOUT PAY**

- a) Subject to the conditions and exceptions stated in this section, each Engineer Officer shall be entitled to take time off without pay from the vessel on which he works. The time off to be calculated is equivalent to one (1) day off for each two (2) full days worked.
- b) Accumulated time off without pay will not be granted for periods of less than twenty-one (21) days without mutual consent.
- c) When an Engineer Officer has accumulated twenty-one (21) days or more of time off without pay, and provided he has made his request in writing fifteen (15) days in advance, he shall be granted a minimum of twenty-one (21) days time off without pay.
- d) If an Engineer Officer does not apply for scheduled time off without pay and the Engineer Officer has worked continuously for 135 calendar days, the Company can compel the Engineer Officer to take time off without pay, providing it does not prevent any other Engineer Officer of their previously approved time off without pay.
- e) Only one (1) Marine Engineer Officer per vessel will be permitted to take time off at one time. Time off will be granted on the basis of seniority for the vessel on which the Marine Engineer Officer is employed unless mutually agreed amongst the Marine Engineer Officers involved.

Subject to prior approval of the Company, which shall not be unreasonably withheld, also provided a 2<sup>nd</sup> Engineer Officer remaining onboard with sufficient experience on similar vessels, and availability of suitable relief a maximum of two (2) Engineer Officers may be permitted to take overlapping leave for a period of no more than fifteen (15) days. The leave schedule will be mutually agreed upon amongst the Engineer Officers involved.

This will come into effect on 1<sup>st</sup> June 2007 until 31<sup>st</sup> May 2009.

Commencing the 1<sup>st</sup> June 2009 no overlapping will be necessary provided the conditions below are met.

Subject to prior approval of the Company, which shall not be unreasonably withheld, also provided 2<sup>nd</sup> Engineer Officer remaining onboard with sufficient experience on similar vessels, and availability of suitable relief a maximum of two (2) Engineer Officers may be permitted to take leave at one time. The leave schedule will be mutually agreed upon amongst the Engineer Officers involved.

- f) An Engineer Officer who has at least one year of seniority with the Company, shall be paid an allowance to defray reasonable travel expenses between the port of disembarkation and his home in Canada twice per season, two ways when taking scheduled time-off without pay. These costs shall be in accordance with Article 11. All claims for scheduled time off transportation allowance shall be supported by original receipts for the actual funds expended.
- g) A Marine Engineer Officer, prior to proceeding on time off, will notify the Chief Engineer, in writing, of his intended date of return to the vessel. If he is recalled to work prior to the expiration of such time off, and he returns voluntarily, he shall be paid at the regular hourly rate of pay. However, if he is compelled to

return by the Company he shall be paid at the overtime rate of pay performed between time of recall and the time his time off would normally have expired as per notification.

## 15. CHARACTER OF WORK

- a) The work of all Marine Engineer Officers shall be under the direction of the Chief Engineer officer.
- b)
  - 1. Except in an emergency, Marine Engineer Officers will be required to do only the work and perform only the duties normally expected of their rank, and shall not be required to perform any duties usually assigned to unlicensed crew members.
  - 2. It is agreed that Marine Engineer Officers will not be required to do non operational clerical or computer related duties during any portion of their normal watch when there is no other Engineer Officer in the engine room, except when the vessel is at anchor or not underway and circumstances affecting the safety of the ship will allow.

Operational clerical and computer duties are those which are required by the Company as normal engineering functions. They include, but are not limited to: Planned Maintenance Management, Inventory Management, Equipment Status Record Keeping and Work Hour Record Keeping.

- c) Marine Engineer Officers will not be requested or ordered to carry out painting, chipping, scraping, soogeeing or any other form of cleaning.

It is recognized that some Engineers may have special competency and skills beyond their normal qualifications, in particular relating to welding, burning, or operation of a lathe, and, when a man is called upon to do work of this nature, he will be paid at the rate of one time ~~(1)~~ the basic hourly rate in addition to the appropriate hourly rate at the time the work is performed. It is agreed, however, that use of a welding torch or lathe for simple operations not requiring special skill shall not be subject to this special payment. For greater clarity, the use of a welding torch for heating or the use of a lathe for operations not involving machining, cutting or boring shall not be considered to be work entitling employees to this special payment. To qualify for premium payment, the work in question must have prior approval of the Chief Engineer.

- d) When a Marine Engineer Officer on regular watch is requested to perform work outside the engine room, he shall, while performing the work outside, be relieved by a Marine Engineer Officer off duty, except when a ship is in Port. In this case the Marine Engineer Officer on watch can work outside of the engine room without a second Marine Engineer Officer being called out with the approval of the Chief Engineer.
- e) When Marine Engineer Officers are recalled after being laid off from any particular vessel, except during periods of winter work or dry-docking, all Marine Engineer Officers employed on that vessel shall be recalled within a reasonable time of each other but in no event more than ten (10) days after the first Marine Engineer Officer reports for work.
- f) The Chief Engineer and the Electrician will not usually perform any of the work normally performed by the Engineers. However, the Chief Engineer may supervise such work.

## 16. CLOTHING ALLOWANCE

- a)
  - 1. Three (3) pairs of coveralls, one (1) of which may be insulated, will be supplied by the Company to each Engineer Officer at the start of each season (fit-out) and are to be replaced, when necessary, upon verification as to the condition of such coveralls. Relief Engineer Officers employed for periods of two (2) or more months shall be supplied with one (1) pair of coveralls.

2. Welding gloves, welding goggles, welding aprons and masks will be made available for the use of engineers, when necessary.

- b) When Marine Engineer Officers are required by the Company to wear uniforms, the cost of such uniforms shall be borne by the Company.
- c) The Company agrees to make available an oil-skin suit and boots to Marine Engineer Officers required to work in tanks, boilers, bilges or areas requiring the aforementioned protective equipment.
- d) All permanent Engineers will be given a one hundred and fifty dollars (\$150.00) allowance towards the purchase of safety boots. This allowance shall be paid to each permanent Engineer Officer at the end of November of each year on a separate cheque. Only CSA approved boots are acceptable.

## **17. GRIEVANCE PROCEDURE**

- a) Where a marine Engineer Officer has a grievance while employed on board a vessel, he shall reduce same to writing and present it to the Chief Engineer within ten (10) days of his obtaining knowledge of the occurrence giving rise to the grievance and shall thereafter send a copy thereof to his Union Headquarters.
- b) In the case of a Marine Engineer Officer who is refused employment, discharged, suspended, laid off or transferred from his employment, as well as in all other cases where the person is no longer on board a vessel, the grievance shall be reduced to writing and mailed or delivered to the designated office of the Company with a copy to his Union Headquarters within ten (10) days of his obtaining knowledge of the occurrence giving rise to the grievance.
- c) The Union shall have the right to submit a grievance to the Company on behalf of all the employees in the bargaining unit or a group thereof. In such case the grievance shall be reduced to writing and mailed or delivered to the designated office of the Company within ten (10) days of obtaining knowledge by the Union of an occurrence giving rise to the grievance.
- d) The Union shall also have the right to submit a grievance in writing to the Company on behalf of a Marine Engineer Officer who is unable to file same within the delay of ten (10) days provided for in either paragraphs a) and b) above. In such cases, the grievance shall be mailed or delivered to the designated office of the Company within ten (10) days of obtaining knowledge by the Union of the occurrence giving rise to the grievance.
- e) Within thirty (30) days following receipt of a grievance from a marine Engineer Officer or the Union, the Union and the Company representatives shall meet to discuss the grievance and attempt to reach a settlement.
- f) Should the parties fail to meet or should the grievance not be settled within the thirty (30) days referred to in sub-section e) above, the matter may, thereafter, be referred to arbitration within a delay of fifteen (15) days.
- g) The parties may, by mutual agreement expressed in writing, agree to extend any of the delays hereinabove provided for, where the circumstances so warrant.
- h) When any incident occurs during the Christmas holidays (between December 23rd and January 2nd) which may give rise to a grievance, the time delays provided for in Article 17 will commence on the first working day following January 2nd.

## 18. ARBITRATION

Any grievance involving the interpretation or alleged violation of any 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.

- a) The parties agree that any grievance not settled in accordance with Article 17 may be submitted to arbitration. The parties agree that the following persons shall act as sole arbitrator on an availability basis during the life of this Agreement:

When the arbitration hearing is held in the Province of Quebec:

CLEMENT, Jean Guy

SYLVESTRE, Andre

When the arbitration hearing is held in the Province of Ontario:

BRENT, Gail

KELLER, Brian

Within fifteen (15) days after the request for arbitration has been made by either party to this Agreement, the party requesting the arbitration will write to the arbitrator and a copy of the letter will be mailed to the other party.

- b) In the event that all of the above named persons are unable or unwilling to act as arbitrator within six (6) months from the submission to arbitration, for any reason whatsoever, the matter may be referred by either party to the Minister of Labour for Canada, who shall then select and designate the arbitrator.
- c) The decision of the arbitrator shall be limited to the dispute or question contained in the statement or statements submitted to him. The decision of the arbitrator shall not change, add to, vary or disregard any conditions of this Agreement. The decisions of the arbitrator which are made under the authority of this Arbitration article shall be final and binding upon the Company, the Union and all persons concerned.
- d) The expenses, fees and costs of the arbitrator shall be paid by the party to this Agreement found to be in default upon the arbitrator's resolution of the grievance or, if the arbitrator resolves the grievance in such a way that neither side shall be found wholly in the right, then the arbitrator shall also establish the proper split of the expenses, fees and costs between the two parties in the proportion appropriate to the share of the responsibility that each side had in the production of the grievance.

## 19. NOTICE OF INTENT

At the time an Engineer is laid off, the Company shall provide each Marine Engineer Officer, who has given satisfactory performance during the season, with the following letter of intent:

COMPANY LETTERHEAD

NOTICE OF INTENT

Engineer Officer's name

Chief Engineer's name

Home Address

Home Address

Name of Ship

Telephone Number

Telephone Number



This will certify that the above named Marine Engineer Officer has indicated his intention to resume his employment with this Company for the \_\_\_\_\_ navigation season. I have accepted his notice of intent, and accordingly endorse same.

Signed: \_\_\_\_\_  
Chief Engineer  
Company Authority

Note: See reverse side.

## NOTICE TO EMPLOYEE

According to the terms of the Collective Agreement between the Union and the Company, you are entitled to employment with the Company in the same classification as occupied during the previous season providing a suitable vacancy is available in the Company's fleet. Engineers will receive a notice of seventy-two hours prior to joining the ship.

The notice for recall for duty shall be by letter or telegram. You MUST acknowledge receipt of the said letter or telegram within forty-eight hours of its delivery to you. Failure to acknowledge shall constitute unavailability for service.

## 20. PENSION PLAN

a) The company agrees to a contribution of seven and one half percent (7 1/2%) of the basic hourly rate on the basis of eight (8) hours for each day worked for each Marine Engineer Officer covered by this Agreement and to deduct from the Marine Engineers Officer's earnings an amount equivalent to seven and one half percent (7 1/2%) of his basic rate on the basis of eight (8) hours for each day worked as his participation in the CMOU pension plan. Company contributions and deductions from Marine Engineers Officers' pay will not be made for Marine Engineers Officers already covered by the company pension plan.

Starting 1<sup>st</sup> June 2007 the Company agrees to a contribution of seven and three quarters percent (7.75%) of the basic hourly rate on the basis of eight (8) hours for each day worked for each Engineer Officer covered by this Agreement and to deduct from the Engineers officer's earnings an amount equivalent to seven and three quarters percent (7.75%) of his basic rate on the basis of eight (8) hours for each day worked as his participation in the CMOU pension plan. Company contributions and deductions from Engineers Officers' pay will not be made for Engineers Officers already covered by a Company pension plan.

b) It is further understood and agreed that the Company shall maintain the payment of its contribution in effect as of this date to the Canada and the Quebec Pension Plans for each employee (Marine Engineer Officer) who so adheres to the Pension Plan.

c) The payment of the foregoing is over and above the amount of contribution provided for as participation to the C.M.O.U. Pension Plan.

d) Where an Engineer is temporarily promoted to the position of Chief, the Company agrees to continue pension plan contributions to the C.M.O.U. Pension Plan until such time that the Union is notified that the promoted Engineer is confirmed in the position of Chief.

e) When an Engineer Officer is confirmed in the promoted position of Chief and said Engineer Officer is a participant to the Pension Plan, the Company will continue to make contributions and deductions for said promoted Chief Engineer if he so desires. Where it is a condition of the employment as a Chief Engineer

to join the Company pension plan, the Chief Engineer will not have the choice of continuing in the C.M.O.U. Pension Plan, and in no event shall the Company be required to contribute to more than one pension plan.

## 21. SCHOOL PLAN

An Engineer Officer

- a) who has completed at least one (1) navigation season of continuous employment with the Company and who qualifies for certification as an Engineer Officer with a higher certificate or part of a certificate or endorsement; and
- b) who at the commencement of the navigation season immediately after he has obtained a higher certificate, part of a certificate or endorsement, is re-employed by the Company;
- c) who after his re-employment remains with the Company for a period of sixty (60) days, shall be entitled to receive from the Company in respect of (a) and (b) above:

1st class A or B	\$3,500.00 each
2nd class A or B	\$3,500.00 each
3rd class Certificate	\$3,500.00

Should an Engineer Officer be required by the Company to attain either a 1st or 2nd class A or B endorsement, he shall be entitled to receive \$1500 from the Company, (above as defined in the Regulations relating to the Examination of Marine Engineers).

If the Engineer Officer who has received an allowance resigns or is fired for just cause during the navigation season, reimbursement will have to be made to the Company.

If an Officer is required by the Company to attend a course during any part of the year then the Company shall pay reasonable costs, supported by receipts, related to the training course. The employee will be entitled to receive his basic hourly pay and benefits while attending the course as provided by this Agreement.

- d) In the event that Transport Canada changes the title of the certificate, this clause shall be amended to reflect these changes but in no event will the premiums be reduced.
- e) Upon mutual consent with the Engineer Officer, any courses taken to improve the Engineer Officer's qualifications, performance and/or ability, he shall be entitled to receive all costs related to these courses. (Welding, Machining, Computing, Millwrights, Leadership courses etc.)

## 22. SAFETY RULES

- a) Any vessel tied up at any wharf, dock or landing place where crew members may go ashore or come aboard, unless cannalling, shall provide a suitable gangway properly secured to the ship for the safe and convenient transit of crew members and such gangway shall be properly lighted. This gangway shall be of solid construction and with fitted handrails, and a boarding platform supplied to step from gangway to deck.

A safety net shall always be placed under the gangway when the gangway is in position for boarding or going ashore.

- b) Ear plugs and/or earmuffs on all motor vessels will be made available for the use of all engineers.

- c) Hygienic facilities to be installed in all engine rooms, irrespective of the number of unlicensed crewmen aboard.

Facilities to be provided to allow engine room employees to take their coffee breaks in the engine room.

In the case of an Engineer who has to work alone, a system will be installed whereby he may awake his replacement without leaving the engine room.

All new Engineers will be properly instructed regarding safety matters by the Chief Engineer or his deputy.

## **23. MARINE DISASTERS**

- a) All Engineer Officers who suffer loss of personal effects because of a marine disaster shall be compensated by the Company for such loss up to a maximum of three thousand five hundred dollars (\$3,500.00).
- b) A Marine Engineer Officer or his estate making a claim under this section shall submit reasonable proof to the Company of the actual value of the loss suffered. Such proof shall be a signed affidavit, listing the individual items and value claimed.

## **24. BENEFITS, FACILITIES AND AMENITIES**

- 1. Effective the 1<sup>st</sup> June 2006 the Company shall pay to the Union fifteen dollars and fifty-six cents (\$15.56) per job per payroll day; such payments will provide Marine Engineer Officers with benefits, facilities and amenities to be determined by the Union. Without in any way restricting the generality of the foregoing, these shall include a medical plan and group life insurance.

Effective the 1 June each year for the term of this Agreement the contribution will be increased in accordance with the rate increase in Clause 8.1.

The Company, as well as the membership, each has the right to appoint a trustee to the Plan.

- 2. When an Engineer Officer is temporarily promoted to the position of Chief Engineer, the Company agrees to continue Welfare Plan contributions until such time that the Union is notified that the promoted Engineer Officer is promoted to the position of Chief Engineer.
- 3. **Benefits Plan**  
The Company agrees to continue Benefits Plan contributions during any period the Engineer Officer is off work as a result of compensable disability or illness up to a period of 17 consecutive weeks for the same compensable disability or illness.
- 4. **Medical Examination**  
All medical examinations required by the Company shall be paid by the Company.

## **25. MEALS, COFFEE TIME AND LUNCHES**

- a) Night lunches shall be available for Engineer Officers going on watch and those called out to work overtime.
- b) As near as practicable, fifteen (15) minute coffee breaks shall be allowed at 10:00 A.M. and 3:00 P.M. daily for all Marine Engineer Officers on day work for coffee, equipment necessary to make coffee shall be supplied in the engine rooms.
- c) When Marine Engineer Officers are on day work, they shall be allowed one hour for lunch and one hour for supper.
- d) When an Engineer Officer is required to remain on board to do the supper relief, that Engineer shall be paid one (1) hour overtime for such relief.
- e) Where overtime is worked, coffee breaks must be allowed every two (2) hours. The coffee breaks shall be given in such a way that the operations shall not be unnecessarily interrupted.

## **26. NECESSARY LEAVE**

While the vessel is in port or tied up while canalizing, and with the approval of the Chief Engineer, an Engineer may make private arrangements with another engineer to exchange watches and thereby permit him to go ashore. If approval is refused the reason for refusal shall be given in writing by the Chief Engineer, if requested by the Engineer Officer concerned.

## **27. COMPASSIONATE LEAVE**

- a) After completion of sixty (60) days continuous employment with the Company, an Engineer Officer will be granted compassionate leave when death occurs to a member of his/her immediate family, that is, his/her father, mother, brother, sister, parents-in-law, grandparents and grandchildren. The Engineer Officer granted leave to attend the funeral, will be paid at his/her basic hourly rate for time lost up to a maximum of seven (7) days.

In the case of a spouse or children, the above mentioned period will be fourteen (14) days.

- b) Claims for compassionate leave pay must be submitted by the Engineer Officer in writing to the Company head office along with proof of bereavement in the Engineer Officer's immediate family.
- c) If any Engineer Officers is required to take time off while on duty to seek medical assistance, such time off shall be granted without loss of wages, while seeking medical attention, provided a medical certificate is forwarded by the engineer to the Company. Engineers requesting time off to seek medical assistance may choose the doctor or clinic, but the Company reserves the right to a second opinion by the doctor or clinic of its own choosing.

The Company will assist the Marine Engineer Officer with travel arrangements.

- d) **Parental Leave**  
An Engineer Officer may request parental/maternity leave in compliance with existing Federal Legislation.
- e) **Sick Leave and Compassionate Leave**  
An Engineer shall be entitled to receive from the Company a reasonable leave of absence from his employment without pay in the event of either serious illness or injury to himself or a member of his/her

immediate family, that is, his/her spouse, brother, sister, children, parents, parents-in-law and grandparents, supported by proper documentation. The Company will pay reasonable transportation from the ship to his/her home not more than once per year.

## **28. SUCCESSOR RIGHTS AND OBLIGATIONS**

The Company agrees not to lease or charter any vessel which it has sold and which was previously manned by employees subject to the present collective agreement, unless:

1. prior to the sale, the purchaser agreed in writing to recognize the Union as the exclusive bargaining agent for the Marine Engineer Officers aboard the said vessel and to apply the terms of the present Collective Agreement; or
2. the vessel is leased or chartered without Marine Engineer Officers, or
3. the parties agree otherwise.

## **29. SHORT PERIOD LAY-UP**

Should an Officer on a bulk carrier be laid off for a period of less than six (6) consecutive days, he shall not suffer any loss in basic hourly pay because of such lay-off. Period of employment for which the Engineer Officer is so recalled shall not be less than ten (10) days.

## **30. LEGAL SERVICES FUND**

- a) The Company agrees to make contributions to the C.M.O.U. Legal Services Fund, at the rate of one dollar and thirty cents (\$1.30) per day per position.
- b) The resources of the Legal Services Fund shall be used to provide Marine Engineers with such benefits, facilities and legal services as may be determined by the Union but in any event shall not be used for arbitrations or legal actions against the Company.
- c) The Company agrees to send the aggregate of the contributions for each month to the Union on or before the 15th of the following month. The contribution shall be accompanied by a list in duplicate showing each officer's name, the number of days for which contributions are being made and the number of positions on each vessel, whether such positions are filled or vacant.

## **31. OFFICERS FILES**

- a) The Company agrees not to introduce as evidence in a hearing relating to disciplinary action any document from the file of an Officer, the existence of which the officer was not aware at the time of filing or within a reasonable period thereafter.
- b) Upon written request of an officer, notice of disciplinary action which may have been placed on the personal file of the officer shall be destroyed after two (2) years have elapsed since the disciplinary action was taken provided that no further disciplinary action has been recorded during this period.
- c) Upon written request of an Officer, the personal file of that officer shall be made available once per year for examination in the presence of an authorized representative of the employer.

This paragraph (c) also applies when an Engineer Officer is off ship on leaves of absence due to the following:

1. Article 14, Scheduled Time Off Without Pay;
2. Sickness;
3. Accident at work;
4. While laid off by the Company if the Engineer has been given Notice of Intent; or
5. For any leave of absence authorized by the Company.

## **32. MISCELLANEOUS**

a) No pets are to be carried on board ship by any of the personnel.

b) 1. The Company agrees to place at the gangway a notice when the ship is cleared by Customs and Immigration. A sailing board shall be posted adjacent to the gangway immediately upon the arrival of the vessel in port. The time and date of sailing, together with destination if known, shall be placed upon the board. Where the sailing time is tentative it shall be so stated, and the expected sailing time shall be posted as soon as possible.

2. If a crewmember misses a vessel due to the fact it sails before the posted sailing time, he shall notify the Captain, or Officer in charge, within two **(2)** hours of the original posted sailing time. If such crewmember rejoins the vessel at the first point where it can be boarded, he shall be reinstated, provided he notifies the Captain or the Officer in charge of the vessel as soon as possible of his intention to rejoin the vessel, and shall be reimbursed his transportation cost. This occurrence shall not constitute a break in service.

3. If a crewmember misses a vessel due to circumstances beyond his control, he shall be reinstated provided he promptly notifies the Captain of the vessel or the Company office of his 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.

c) Chipping on the accommodation bulkheads can be done between the hours of 13:00 and 17:00 while the vessel is in operation.

d) Dismissal

1. No Engineer Officer shall be dismissed from his employment with the Company except for just cause.

2. The Company dismissing an Engineer Officer shall give that Engineer Officer notice in writing of his dismissal as per the disciplinary code.

3. A dismissal of an Engineer Officer shall be subject to the grievance and arbitration procedures set forth in this Agreement, and in the event the issue does proceed to arbitration, the Arbitrator may make an order:

a) To uphold the dismissal;

b) To reinstate the Engineer Officer with compensation from the Company;

or

- c) To deal with the issue in any other manner that the Arbitrator may deem just and equitable.
- e) The Company will supply a billboard in the engine room on each vessel for the exclusive use of the Union and the Marine Engineer Officers.
- f) Discipline shall be governed by the principles and procedures laid out in the Disciplinary Code as agreed to by the Company and the Union. The parties agree to meet during the term of the agreement in order to review the Discipline Code.

### **33. DURATION OF AGREEMENT**

This Agreement shall become effective June 1st, 2006, and shall remain in effect until May 31st, 2011 and shall without further act of the parties be renewed from year to year thereafter unless written notice of desire to amend, modify or cancel any term hereof is given by either party to the other within ninety (90) days prior to May 31st, 2011. In the event neither party gives notice to reopen within ninety (90) days prior to May 31st, 2011, allowing the Agreement to continue on a year to year basis, either party may give written notice of desire to amend, modify or cancel any term hereof within ninety (90) days prior to the anniversary date of May 31st, in any given year, in which case this Agreement shall terminate on the anniversary date in that year.

### **34. NOTICES**

Any notice or request to be given or made to the Union hereunder may be validly given by mailing same prepaid ordinary post to the Union at 9670 Notre Dame Street East, Montreal, Quebec, H1L 3P8; and any such notice or request to be given to the Company may be validly given by mailing same prepaid ordinary post to the Company at its Head Office, 759 Victoria Square, 6th Floor, Montreal Que, H2Y 2K3

### **35. RETROACTIVITY**

Retroactivity will be paid on basic wages, overtime, pension contributions, benefits, facilities and amenities and vacation pay.

### **36. SEVERANCE PAY**

A Marine Engineer Officer shall receive severance benefits calculated on the basic daily rate of pay where the Marine Engineer Officer has been laid off because of lack of work and not recalled to a permanent position during the eighteen (18) month period following his layoff. For each full year of service, he shall receive five (5) days pay at his basic daily rate, Should the Marine Engineer Officer be offered work within the eighteen (18) month period prescribed and refuse the assignment, that employee will be considered to have resigned and no severance pay shall be forthcoming.

## **LETTER OF UNDERSTANDING ■**

### **LETTER OF INTENT**

Re: Repair Period

During the repair period, when meals are not supplied on board ship and the laid-up vessel is at a distance where more than one (1) hour is required to have lunch, the Chief engineer, with the support of the Company Head Office, will grant additional time (up to thirty (30) minutes) for the lunch period.

Should abuses occur involving the above-mentioned policies, the cases must be brought to the attention of the Company in order that remedial action, if necessary, may be initiated.

## **LETTER OF UNDERSTANDING 2**

### **Jobs & CSL Fleet Expansion Program**

Responding to the ever-growing threat on Canadian Flag ships and their Canadian crews, CSL is embarking on a pilot project providing a bold solution to re-establish our right to a secure future in our inland waters.

The purpose of this LOU is to provide a clear understanding of the company's intention and commitments towards the Marine Engineers while adding new high technology vessels to the fleet.

The company will add UMS vessels that will require, one engineer (2/E) along with a Chief Engineer, in order to operate. The engine room will be unattended, at periods where allowed under Transport Canada Regulations.

The Engine room will be attended by the Engineer (2/E) at periods where required by Transport Canada Regulations.

Where the safety of operation may become an issue, such as during longer transits in the river, the Chief Engineer may be called upon to attend the engine room (supplement the work of the Engineer by attending the Engine room himself).

The union and the company will meet when required to evaluate during the lifecycle of the ship the need for an additional Marine Engineer either on permanent or temporary basis, based on economy of operation or safety of operation principles, or both.

The above applies to additional vessels only; it is NOT the intention of the company to reduce the number of Marine Engineers on any other vessels currently covered by this agreement.

## **LETTER OF UNDERSTANDING 3**

The Company and the Union agree to discuss the feasibility of a voluntary two (2) month on, one (1) month off leave system.



## ANNEX "A" – REQUEST FOR TIME OFF

NOM DE LA COMPAGNIE  
COMPANY'S NAME

OFFICIERS ET MEMBRES D'ÉQUIPAGE  
DEMANDE D'AUTORISATION DE S'ABSENTER DU NAVIRE

OFFICERS & CREW MEMBERS  
REQUEST FOR TIME OFF FROM VESSEL

NOM DE L'EMPLOYÉ  
EMPLOYEE'S NAME

CLASSIFICATION  
RATING

NAVIRE  
VESSEL

ABSENCE DU  
LEAVE FROM

AU  
TO

RAISON DE L'ABSENCE  
REASON FOR LEAVING

Il est convenu que si je ne me rapporte pas à la date indiquée ci-dessus ou si je fais défaut d'aviser le capitaine ou le chef mécanicien, selon le cas, à la date indiquée afin de justifier mon retard, la Compagnie pourra faire appel à un remplaçant permanent.

It is agreed that if I do not report back on the date indicated above or if I fail to contact the Captain or the Chief engineer, as the case may be, on said date to satisfactorily explain my delay, a permanent replacement may be called by the Company.

APPROBATION  
APPROVAL

SIGNATURE  
SIGNED

Capitaine/Chef Mécanicien  
Captain/Chief Engineer

Officier/Membre d'équipage  
Officer/Crew Member

## ANNEX "B" - OCCUPATIONAL HEALTH AND SAFETY COMMITTEE

Terms of Reference

### ARTICLE I

A Company Occupational Health and Safety Committee is established to promote safe and healthy working conditions for persons employed in the Great Lakes shipping industry. It will not deal with matters such as operational safety or public safety. The committee will consist of the following:

- a) One (1) representative of the CMOU
- b) One (1) representative of V. Ships/Canada Steamship Lines

### ARTICLE II

The Committee shall meet yearly and when required on an urgent basis as a result of an emergency or special circumstances.

### ARTICLE III

The notice of meetings as set forth previously shall be sent by the appointed Secretary of the Committee.

### ARTICLE IV

The Committee shall keep accurate records of all matters that come before it and shall keep minutes of its meetings and shall make such minutes and records available to all members of the Committee.

## **ANNEX "C" - DRUG AND ALCOHOL POLICY**

The Union and the Marine Engineer Officers recognize that the Company must have a "zero tolerance" drug and alcohol policy in place in order to ensure the safety and security of the vessel and the crew.

The details of the policy and its implementation may change from time to time on advance notice to the Union and the Marine Engineer Officers 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) Marine Engineer Officers returning to the vessel from any shore leave must be in a sober condition and free from the influence of drugs and alcohol.
- (c) Failure to comply with the policy will result in the application of the discipline code which could result in dismissal.

## **AMNESTY CLAUSE**

### Undertaking by Company

The Company, and its officers, directors, employees and representatives, undertake not to impose sanctions or penalties of any nature or to take reprisals of any nature against any C.M.O.U. officer or member for having participated in the strike against the Company which began on December 2, 2001. This undertaking includes, without restricting the generality of the foregoing, harassment, intimidation and discrimination of whatever nature at the work place, in hiring, transfers, promotions and in the exercise of any right, privilege or benefit pursuant to the Collective Agreement.

This undertaking does not include, however, any disciplinary action, including dismissal, which has been imposed or may be imposed against any employee who was involved in any act, before, during or after the strike, of violence, destruction of property (company or personal), or sabotage.

### Undertaking by Canadian Marine Officers Union

The C.M.O.U., and its officers, members and representatives undertake not to impose sanctions or penalties of any nature or to take reprisals of any nature against any C.M.O.U. member or members of other unions who continued to work during the strike. This undertaking includes, without restricting the generality of the foregoing, harassment, intimidation and discrimination or whatever nature at the work place, in hiring, transfers, promotions, and in the exercise of any right, privilege or benefit pursuant to the Collective Agreement or the C.M.O.U.'s constitution.

IN WITNESS WHEREOF the parties hereto have signed this Agreement this 11th day of May 2007.

CANADA STEAMSHIP LINES  
A DIVISION OF THE CSL GROUP INC.

CANADIAN MARINE OFFICERS UNION

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V. SHIPS CANADA INC.

A handwritten signature in black ink, appearing to be the initials 'V.S.' with a flourish underneath.

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