

SOURCE	Union		
EFF.	2003	01	01
TERM.	2007	12	31
No. OF EMPLOYEES	100		
NOMBRE D'EMPLOYÉS	96		

COLLECTIVE AGREEMENT – ADDENDUM No. 1

BETWEEN

SEABASE LIMITED

(Hereinafter the “Company”, acting for
and on behalf of owners “A.P. Moller - Maersk A/S”)

AND

SEAFARERS’ INTERNATIONAL UNION OF CANADA

Hereinafter the “Union” acting for and on behalf of the General Purpose

1 January 2003 to 31 December 2007 /

RECEIVED
JUN 07 2004

ENTERED
13266(01) *[Signature]*

The Collective Agreement between the Company and the Union signed on 10 March 1998 is hereby amended as follows:

1. Appendix "A", Wages, is deleted and the following substituted in accordance with Article 22, with effect from 1 January 2003:

APPENDIX "A"

WAGES

From 1 January 2003 to 31 December 2003:

1. General Purpose Crew and Cook \$55,827.00 per person per annum

This annual salary is inclusive of working ninety (90) hours per week while on the vessel, statutory holiday pay, vacation pay, and the leave day premium of .15 days as per clause 17.2.


Commencing 1 January 2004, and effective every twelve (12) months thereafter, to 31 December 2007, the annual salary shall be increased by the greater of 2% or the increase in the C.P.I. for Newfoundland and Labrador for the previous twelve-month period.

The calculation of C.P.I. for Newfoundland and Labrador shall be based upon the annualized C.P.I. for November of each year; however, the increase effective 1 January 2003 shall be the reported increase for December 2002, amounting to 4.9%, which amount is included in the above salary figure of \$55,827.00.

Payment of retroactive amounts due shall take place within thirty (30) days of ratification of the Memorandum of Agreement.

2. Overtime shall consist of any time worked in excess of ninety (90) hours per week as per the provisions of this Agreement. Time worked in excess of twelve (12) hours during any particular day rounded to the nearest one-half ($\frac{1}{2}$) hour shall firstly be applied to the paid ninety (90) hours per week. Hours in excess of ninety (90) hours per week shall be paid at the agreed upon time and one-half (1%) rate of \$38.25 for every overtime hour worked.
3. The Company shall pay a seniority bonus based on continuous service in a full-time position with the Company commencing on 1 January 2003, being the first year of the qualification, as follows:



- 
1. One (1) year continuous service in a full-time position
at 31 December\$1,500
 2. Two (2) years continuous service in a full-time position
at 31 December\$2,000
 3. Three (3) years continuous service in a full-time position
at 31 December\$2,500
 4. Four (4) years continuous service in a full-time position
at 31 December\$3,000
 5. Five (5) years continuous service in a full-time position
at 31 December\$3,500

Qualification for the seniority bonus shall be based upon a 1 January through 31 December year. The seniority bonus shall be paid no later than 15 January of the year following qualification.

For the purpose of this clause, continuous service in a full-time position is defined as uninterrupted employment with the Company. Employment on a temporary or irregular basis shall not be considered qualifying time for eligibility. Employment shall not be considered interrupted for periods of leave agreed by the Company or periods off work due to illness or injury unless payment of the seniority bonus would reduce the amount paid under insurance plans or Workers' Compensation provisions.

4. The parties hereto agree that the Employer has the option to supplement the remuneration detailed in this Agreement with the payment of bonuses or other discretionary payments as determined solely by the Employer.
5. All employees shall receive a detailed pay statement at the end of each month indicating the following:

- Gross monies earned
- Excess Hours Overtime
- Union dues deductions
- Statutory Deductions Listed Separately
- Advances Paid
- Taxable Benefits
- Layday Accounts to be provided aboard ship





6. All new hires shall be employed at a rate of pay equivalent to 80% of the basic rate of pay. Probationary crew shall not be entitled to the seniority bonus, group insurance benefits, including short and long-term disability, or Registered Retirement Savings Plan contributions.
7. Probationary crew qualify for the full remuneration package under the contract immediately following and commencing upon completion of the six-month probationary period and eligibility for addition to the seniority list.
8. Temporary crew utilized during 2003 and remaining on the eligible temporary crew listing as at 1 September 2003 shall continue to be remunerated as full-time employees; however, they will not qualify for the seniority bonus.

2. Appendix "B", Fringes, is deleted and the following substituted in accordance with Article 22, with effect from 1 January 2003:

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 (1/3) of the cost of such coverage.

The employee portion of the premiums shall be firstly applied to cover the cost of long term disability.

SHORT TERM DISABILITY PLAN

The Company agrees to set up a compulsory Short Term Disability Plan, where available. All Costs for such plan to be the responsibility of each crew. Such costs to be deducted monthly from the wages for each crew.

PENSION PLAN

1. Each employee who has completed his / her probationary period shall have an annual contribution made to his / her R.R.S.P. account equivalent to 8.25% of basic pay. Such contributions shall be made monthly.
2. Employees terminating service shall have pro-rated contributions.



- 3. Contributions to increase with cost of living increases annually as detailed in Appendix "A".
- 4. The percentage applied to the Basic Rate of Pay for Registered Retirement Savings Plan contributions shall be the same percentage applied for the mates and first engineers under the agreement with the Canadian Merchant Service Guild.

HIRING HALL

Contributions to the S.I.U. Hiring Hall Fund shall be calculated at a rate of \$1.50 per position per day, \$273.75 per person per year.

For the purpose of making monthly remittances, the dates for which a contribution is made will be indicated on the Company's monthly report.

- 3. The attached Memorandum of Agreement dated 16 January 2003 for service outside Canadian territorial waters forms an integral part of the Collective Agreement.

Signed:
SEABASE LIMITED

Signed:
SEAFARERS' INTERNATIONAL UNION
OF CANADA

Paul D. ... Pres, CEO

May 26, 2004
DATE

May 25th 2004
DATE

Memorandum of Agreement

Between

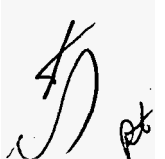
**Seabase Limited, acting for
and on behalf of Rederiet A.P. Moller, Employer**

and

**Seafarers' International Union of Canada
acting for and on behalf of the General Purpose Crews of
Canadian-Flagged Vessels *Maersk Nascopie*,
Maersk Norseman, *Maersk Placentia*, *Maersk Chignecto*,
Maersk Bonavista, *Maersk Gabarus*, *Maersk Chancellor*,
and *Maersk Challenger***

16 January 2003

1. The parties agree that, effective on 1 January 2002, the Collective Agreement for unlicensed employees dated 18 June 1997 between Seabase Limited (acting for and on behalf of owners "Rederiet A.P. Moller") and Seafarers' International Union of Canada, covering employees engaged in foreign voyages as defined by the *Canada Shipping Act*, as amended, will not be renewed and that the said Collective Agreement will cease to have effect on 1 January 2002.
2. The parties agree that this Memorandum of Agreement shall be appended to the Collective Agreement for unlicensed employees for the Canadian-Flagged Vessels *Maersk Placentia*, *Maersk Nascopie*, and *Maersk Norseman* engaged in operations offshore Canada ("the Canadian Domestic Agreement").
3. All terms and conditions of the Canadian Domestic Agreement, as it may be adjusted from time to time for wages, benefits, and hours of work in accordance with Article 22, shall apply to all unlicensed employees aboard the Canadian-Flagged Vessels *Maersk Nascopie*, *Maersk Norseman*, *Maersk Placentia*, *Maersk Chignecto*, *Maersk Bonavista*, *Maersk Gabarus*, *Maersk Chancellor*, and *Maersk Challenger* when the vessels are operating in Canadian Waters.
4. All terms and conditions of the Canadian Domestic Agreement, as it may be adjusted from time to time for wages, benefits, and hours of work in accordance with Article 22, shall apply to all unlicensed employees aboard the Canadian-Flagged Vessels *Maersk Nascopie*, *Maersk Norseman*, *Maersk Placentia*, *Maersk Bonavista*, *Maersk Gabarus*,



Maersk Chignecto, Maersk Challenger, and Maersk Chancellor while the vessels are working outside Canada, subject to the following exceptions and clarifications:

1. Article 1 – General Purpose of this Agreement – The Parties agree that this Article shall apply to the unlicensed employees on the *Maersk Nascopie*, *Maersk Norseman*, *Maersk Placentia*, *Maersk Bonavista*, *Maersk Gabarus*, *Maersk Chignecto*, *Maersk Challenger*, and *Maersk Chancellor*, without geographical limitation.
2. Wages and Benefits - Basic Pay will be calculated to maintain the same net pay as the Canadian Domestic Agreement, including the Canadian Overseas Employment Tax Credit, as part of the net pay calculation.

Note: The Canadian Overseas Employment Tax Credit applies to unlicensed employees who are employed on a vessel operating more than 183 days outside Canadian waters. The Companies have acknowledged that unlicensed employees who are employed less than 183 days outside Canadian waters will have their pay adjusted to the same as unlicensed employees employed in Canada.

3. RSP – Unlicensed Employees will receive the same dollar amount RSP as the Canadian Domestic Agreement.
4. Leave and Wage Commencement – Article 17 – .1: It is understood that a rotation period will be established that does not exceed 45 days on and 45 days off. Depending on the area of operation of the vessel, the work role of the vessel, and the Charterer's Agreement, Owners will implement a 35 days on 35 days off rotation effective 1 January 2003, which may subsequently be altered in accordance with this clause at Owner's discretion. Unlicensed Employees being relieved who have spent extra time on board as a result of travelling time by their relief shall maintain their regular schedule. The remainder of their leave time shall apply. Extra leave days incurred joining or leaving the vessel shall be accumulated as bank days. Negative leave days incurred or accumulated in the leave day bank will not be deemed incurred as a result of Company operational action or inaction.




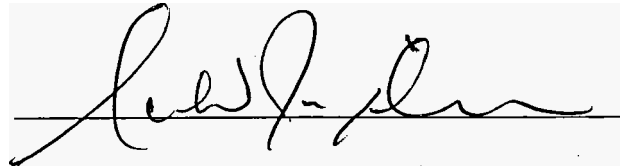


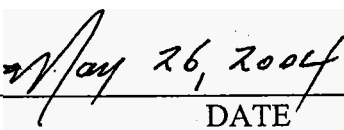
5. Effective date of this Memorandum of Agreement to be 1 January 2002, and to continue in accordance with Clause 22 of the Canadian Domestic Agreement.

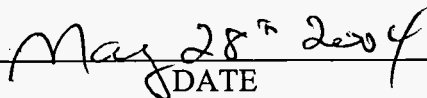
Signed:
SEABASE LIMITED

Signed:
SEAFARERS' INTERNATIONAL UNION
OF CANADA

 Paul Stock, Pres; C.F.O.



 May 26, 2004
DATE

 May 28th 2004
DATE



Letter of Understanding
between

SEAFARERS INTERNATIONAL UNION
OF CANADA

and

SEABASE LTD.

It is agreed between the parties that employees currently working aboard the Maersk Chignecto and Maersk 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 Maersk Placentia, Maersk Norseman and Maersk Nascopie as of today's date shall be deemed protect against bumping by employees from the foreign agreement who may have more seniority.

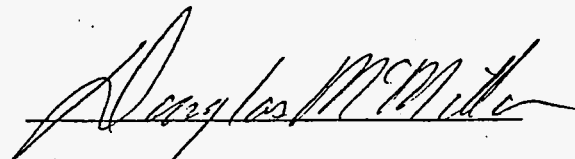
- | | | |
|-------------------|--------------------|-------------------|
| - Dion Crawley | - Reginald Kelland | - Andrew Dawe |
| - Wade DeGruchy | - Howard Kean | - Stephen Brinson |
| - Keith Thorne | - Wallace Gosse | - John Sceviour |
| - James Philpott | - Randy Dawe | - Colin Hanham |
| - Frank King | - Conrad Lambert | - Judson Parsons |
| - Willaim Synyard | - Todd Ball | - Tony Kean |
| - Matthew Breen | - Fred Royle | - Thomas Kane |
| - John Williams | - Winston Fowlow | - John Prior |
| - Scott Gilbert | - Mervin Day | - Chris Thistle |
| - Lloyd Downey | - Geoffrey Tulk | - 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.



SEABASE LTD.



SEAFARERS' INTERNATIONAL
UNION OF CANADA