

COLLECTIVE AGREEMENT

BETWEEN:

Canadian Merchant Service Guild

(hereinafter referred to as the "Guild")

Representing:

- **Masters,**
- **Mates, and**
- **Engineers**

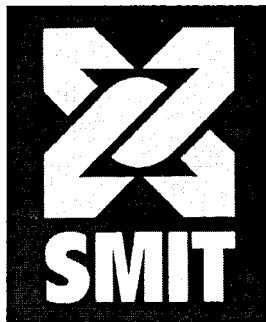


AND:

SMIT Harbour Towage Vancouver Inc.

Formerly... Tiger Tugz Inc.

(hereinafter referred to as the "Company")



Effective Date

April 1, 2007 — March 31, 2011

13463 '92)

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COLLECTIVE AGREEMENT

BETWEEN: **CANADIAN MERCHANT SERVICE GUILD**
(hereinafter referred to as "The Guild")
Representing:
All Marine Employees

AND: **SMIT HARBOUR TOWAGE VANCOUVER INC.**
Formerly... TIGER TUGZ INC.
(hereinafter referred to as the "Company")

PREAMBLE

The intent of this Agreement is to ensure for the Company, the Guild and the Marine Personnel employed by the Company, the full benefits of orderly and legal collective bargaining, and to promote harmonious employment relationships between the Parties.

It is also the intent of this Agreement to ensure to the utmost extent possible, the safety and physical welfare of the Employees, efficiency and economy of operation, standard of service and protection of property.

It is recognized that the Company exercises rights and responsibilities as Management which may be subject to the terms of this Collective Agreement. Management of the operation is vested solely in Management.

Wherever the masculine has been used in this Agreement, it shall be constituted as if the feminine has also been used.

As signatories to this Agreement, it shall be the duty of the Company and the Guild to abide by the terms set out hereinafter.

ARTICLE 1

RECOGNITION

- 1.1** The Company recognizes the Guild as the sole bargaining agent for all Masters and other Marine Personnel employed on vessels owned, operated or directly or indirectly controlled by the Company, provided that such vessels are operated within the coastal and inland waters of British Columbia. The Company agrees that only tugs covered by a Guild Agreement will be employed to perform work except in the instance other unions have historically manned such tugs. It is understood that the only exception would be in the instance that Guild tugs are not available. The Company agrees to inform the Guild monthly of any exceptions.

- 1.2** Where a vessel covered and listed in this Agreement is chartered or leased, the terms of such charter or lease shall provide that this Agreement shall apply unless a vessel is chartered or leased to a Company which has an Agreement with another Union to man and operate vessels, and such Agreement contains the provision that the other Union has jurisdiction over the work to be performed. Should the charterer or lessee fail or neglect to abide by the terms of this Agreement, the Company or lessor shall be liable to the Guild members concerned for wages or other monetary benefits which are not paid by the charterer or lessee.
- 1.3** Article 1.2 provides, in part, that should a charterer fail or neglect to abide by the terms of our Collective Agreement, the Company will be liable to the crew members concerned for unpaid wages and other monetary benefits. It is agreed that a six (6) month limitation shall apply to any claims that might arise out of such third (3rd) party arrangements. In other words, in the event that the Company chartered a vessel to a third (3rd) party who failed to meet these obligations under the terms of the Agreement, a crew member concerned with a valid claim would be obliged to register his claim with the Company not later than six (6) months from the date the claim first arose. It is understood that a claim instituted beyond this point in time will not be recognized.
- 1.4** The Company recognizes the Guild as a source of supply for all Employees covered by this Agreement and may request same from the Office of the Guild as required. The Company will only employ members of the Guild in good standing. All new Employees are required to sign a letter regarding Guild membership status as set out in Appendix "A—1" of the Agreement.
- 1.5** Effective the last pay period of each month, the Company shall deduct monthly from the wages due and payable to each Employee, an amount equal to the uniform monthly membership fees. The amount so deducted shall only be changed during the term of this Agreement to conform with changes in the amount of the regular fees of the Guild in accordance with its Constitution and By-Laws.
- 1.6** The Company will deduct initiation fees and remit same to the Guild upon receipt of proper authorization from the Employee concerned.
- 1.7** All deductions made pursuant to this Article will be forwarded to the Guild Western Branch, Coquitlam, BC, Attention of the Secretary Treasurer within thirty (30) days, together with a list showing the names of the Employees to whom deductions are to be credited and the month for which the deductions are made.

ARTICLE 2

TERMINATION of EMPLOYMENT

- 2.1** An Employee shall be given fourteen (14) days notice of termination of employment except in cases of discharge for just cause. Failure to give such notice will result in fourteen (14) days pay. An Employee hired for relief or temporary work which does not exceed three (3) months shall only be entitled to the provisions below.
- 2.2** An Employee shall be given forty-eight (48) hours notice of layoff. Failure to give forty-eight (48) hours notice shall result in payment of two (2) days wages.
- 2.3** An Employee shall give the Company forty-eight (48) hours notice of termination of employment.

ARTICLE 3

DISCRIMINATION and INTIMIDATION

- 3.1** The Company agrees not to discriminate against or intimidate any member of the Guild for his lawful activities on behalf of/or for membership in the Guild.

ARTICLE 4

LEGAL DEFENSE FUND

- 4.1** Legal defense coverage for Employees covered by this Agreement shall be provided in the following manner:

1. The Guild shall provide legal defense coverage which shall be paid for by the Company at the rates of:

October 1, 2007	twenty-eight dollars (\$28.00)
October 1, 2008	twenty-nine dollars and fifty cents (\$29.50)
October 1, 2009	thirty-one dollars (\$31.00)

2. The Company and Officers shall be advised as to the terms, conditions and extent of coverage underwritten.
3. "Officer" means — Officers who are Members in good standing with the Guild.

ARTICLE 5

CANADIAN MERCHANT SERVICE GUILD, WESTERN BRANCH PENSION PLAN (TOWBOAT)

- 5.1** 1. The Employer will contribute monthly to the Pension Plan a total of eight and one-half per cent (8½%) of each Employee's monthly basic rate of pay actually paid to the Employee each month. Employees for whom the eight and one-half per cent (8½%) contribution is made will contribute concurrently by payroll deduction seven and one-half (7½%) per cent on their own behalf. The Employer contribution shall be allocated as seven and one-half per cent (7½%) to the Pension Plan account of the individual employee and a further contribution of one per cent (1%) to the money purchase provision of the Pension Plan on an unallocated basis. This supplementary account will be used for the sole purpose of providing to the extent of funds available Employer-Employee Pension Plan contributions of seven and one-half per cent (7½%) and seven and one-half per cent (7½%) respectively, for Employees on Long Term Disability under the Guild Health Benefit Plan or after fifty-two (52) weeks on WCB Benefits.
2. A Board of Trustees will continue to jointly administer the Pension Plan in accordance with the Trust Agreement. The Trustees shall be six (6) in number, comprised of three (3) Company and three (3) Guild Trustees.
- 5.2** The seven and one-half per cent (7½%) referred to above is exclusive of any contributions required for the Canada Pension Plan.
- The Company shall forward, to the Pension Plan Administrator, monthly statements showing all contributions made on behalf of all Employees on payroll that month.
- 5.3** Where a Company is remiss in forwarding pension contributions, it shall be responsible for its contributions for the period involved, and any lost interest for any period beyond thirty (30) days.

- 5.4** Pension Plan contributions shall be payable as of the first (1st) day of employment. An Employee who is laid off or terminated will have pension contributions and deductions made on all basic earnings paid which includes regular paid leave.

ARTICLE 6

BOARDING PASS

- 6.1** Guild Representatives shall be given access to Company property and aboard Company vessels either by checking with the Company Office or by possession of a Boarding Pass issued by the Company. It is agreed that these visits will not interfere with the sailing or maintenance of the vessel.
- 6.2** At times when the Company Offices are 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 Employee Representative while he is on Company property.

ARTICLE 7

WARRANTY OF CONTINUOUS OPERATION

- 7.1** There shall be no strikes, lockouts, tie-ups, slowdowns or stoppage of work for any cause whatsoever during the life of this Agreement. It is the intent of the Company and the Guild that all controversies, regardless of their nature, shall be settled amicably and harmoniously under the terms of this Agreement.
- 7.2** There shall be no slowdown or stoppage of work during the period when a Grievance is being resolved.
- 7.3** Refusal to pass through a picket line which has not been held to be illegal shall not be construed as a violation of this Agreement.
- 7.4** The Company will not discipline any member of the Guild for refusal to continue with a tow if such tow has been brought through a legal picket line.

ARTICLE 8

BENEFIT PLAN

- 8.1** The Employer shall pay to the Guild's Plan Administrator a monthly contribution of eight hundred twenty-six dollars (\$826.00) for each eligible Employee in its employ in lieu of providing a Health Benefit Plan including but not limited to Life Insurance, Accidental Death and Dismemberment, Weekly Indemnity, Extended Health Care, Long Term Disability and Dental coverage. Premium increases required to maintain the current levels of the benefit plan will be provided by the Company. Increases will be based on expense experience of providing the current levels of benefits and will be calculated by the Administrator of the plan and provided to the Company. The Company will provide a monthly contribution of one per cent (1%) of each Officer's basic monthly rate of pay to subsidize post-retirement benefits. This benefit will be subject to the Officer holding membership in the Plan for two (2) consecutive years directly preceding retirement.
- 8.2** The Guild shall provide a Health Benefit Plan for all eligible Employees utilizing all of the contributions received under Article 8.1. above.
- 8.3** An Employee must be actively at work in order to be eligible for contributions to be made on his behalf, except as provided otherwise in this Article.

- 8.4** Contributions will be pro rated for those Employees who are eligible and who are employed for a part month. Laydays shall be credited as employed days.
- 8.5** All eligible Employees (except those who are part-time) will have contributions made for them on completion of ninety (90) days continuous employment with any one Employer.
- 8.6** Employees absent due to disability, temporary layoff or leave of absence on the date they would normally become eligible shall be eligible for contributions from their date of return to active full-time employment.
- 8.7** Contributions will commence immediately for any eligible Employee who returns to active full-time employment with a participating Employer within six (6) months of the date of his leaving employment. If an Employee does not return to active full-time employment within the six (6) month period, he will be considered a new Employee and will be subject to the completion of ninety (90) days continuous employment with any one participating Employer.
Where an Employee retains recall rights under Article 12.6., he shall not be subject to the waiting period on return-to-work.
- 8.8** Employees shall be paid laydays (including red days) during waiting periods for weekly indemnity payments up to a maximum of seven (7) red days.
- 8.9** An Employee on weekly indemnity shall be entitled to top off his weekly indemnity income up to full basic wages with laydays. Such laydays shall include red days (unearned leave) as follows:
1. Seven (7) days red day credit for each year of service with the Company up to a maximum of forty-five (45) red days, inclusive of any red days the Employee might have had when going off on weekly indemnity.
 2. Employees who would otherwise have been laid off will not be entitled to be supplemented with red days. Where an Employee is not expected to return-to-work (Doctor's advice) before going on LTD, red days will not be available for top-off.
 3. Employees who qualify for, and elect red day top up under this clause, will be required to sign the debt repayment Letter of Agreement (Appendix "A— 5") with the Company prior to any red day being paid.
- 8.10** When an Employee is on Weekly Indemnity or WCB Benefits for up to fifty-two (52) weeks, the Employer will pay the full contribution under Article 8.1. above and the BC Medical Plan Premium. An Employee will not be laid off during this period.
- 8.11** Any rebate of E.I. Premiums shall continue to be retained by the Employers to offset contributions.
- 8.12** The Employer will continue to pay one hundred per cent (100%) of the premium of the BC Medical Services Plan.

ARTICLE 9

MARINE DISASTER and MISHAP

- 9.1** Any Employee who suffers loss of personal effects, clothing, navigational equipment and tools related to the operation of the vessel through wreck or marine disaster, or while in transit provided or paid for by the Company to or from home port, shall be compensated by a payment up to one thousand six hundred dollars (\$1,600.00) for shift vessels, subject to satisfactory proof of loss, and in the event of loss of life, this amount be paid to the beneficiary.

ARTICLE 10

MEDICAL

- 10.1** It is agreed that the Company has the right to have all Employees medically examined for fitness, and any Employee found medically unfit for service at sea shall not be employed. Medical examination shall be at the Company's expense. Where an Officer is required to travel away from home for an examination, the Company will reimburse for all travel expenses. The Employee shall be compensated with one (1) calendar day's pay for each such examination except for pre-employment medical. In the instance where the Employee is removed from his vessel (or not dispatched) to facilitate such an examination and it is found that the Employee was fit for sea duties, then the Company will reimburse such Officer for any loss of earnings and any associated travel costs.
- 10.2** Where the Company refuses to employ an Employee or discharges an Employee for medical reasons, arising from Clause 10.1 above, the Employee will be examined by an independent third party doctor acceptable to all parties for final medical fitness determination to perform his duties.
- 10.3** The Company will pay up to one hundred twenty-five dollars (\$125.00) of the Doctor's charge for an MOT required medical exam for Continued Proficiency Certification. This amount will continue until October 1, 2008 and then increase the amount to one hundred fifty dollars (\$150.00) thereafter. Employees must supply the Company with proof of payment to be eligible for reimbursement.

ARTICLE 11

GRIEVANCE PROCEDURE

- 11.1** Any difference concerning the interpretation, application or operation of this Agreement or any alleged violation thereof, including any question as to whether any matter is arbitrable shall be dealt with without stoppage of work in the following manner:
1. A regular Employee shall not be disciplined or discharged without just cause.
 2. Should an Employee be required to meet with his Employer regarding a disciplinary action, he shall be entitled to have a Guild Representative in attendance.
 3. Letters of discipline to an Employee covered by this Agreement shall be copied to the Guild.
- By the Guild**
- 11.2** Any grievance lodged by an Employee or the Guild shall be presented to a person designated for that purpose by the Company.
- 11.3** The maximum time for instituting a Grievance concerning demotion, suspension, dismissal and all other disciplinary matters shall be thirty (30) days from the date of demotion, suspension, dismissal or disciplinary matter. A Double Registered Letter shall be sent or delivered by hand to the Employee concerned, if he requests it. The maximum time for instituting a grievance concerning issues other than the above shall be ninety (90) days.
- 11.4** Grievances arising shall be dealt with and processed to settlement in the following manner:

STEP 1:

The Employee or Employees involved shall first present the matter to the designated Employer official.

STEP 2:

If the matter is not satisfactorily resolved at Step 1 within forty-eight (48) hours of the date the grievance is presented, the Employee shall, within thirty (30) days of that date, refer the matter to the appropriate Guild Representative who shall then within seven (7) days submit the grievance, in writing, to the Employer.

STEP 3:

If a satisfactory settlement is not reached within forty-eight (48) hours of the date the grievance is submitted to the Employer, the grievance may, within thirty (30) days of that date, be referred to the Arbitrator.

By the Company

- 11.5** Any grievance lodged by the Company shall be presented in writing to a person designated for that purpose by the Guild. If a satisfactory settlement is not reached within seven (7) days of the date the grievance is presented in writing, the grievance may, within thirty (30) days of that date be referred to Arbitration.

Time Limits

- 11.6** The time limits set out in the foregoing may be extended by mutual agreement of the Parties. Failing mutual agreement to extend the time limits, a grievance which has not been processed within the time limits shall be deemed to be abandoned, and all rights of recourse to the Grievance Procedure under this Agreement in respect of this grievance shall be at an end. Any grievance may be advanced directly to Arbitration by mutual agreement of the Parties.

Arbitration

- 11.7** In the case of a dispute arising under this Agreement which cannot be settled in the manner provided above, the matter shall be determined by Arbitration in the following manner:

Arbitrator

- a) The Parties, by mutual agreement, appoint a Single Named Industry Arbitrator and an Alternate.

Cost Apportionment

- b) The Parties shall bear in equal proportions the fees and expenses of the Arbitrator or the Alternate Arbitrator, including the rental of any premises used for the hearing. This shall apply in all cases except where as provided in Section 11.7.(h), the Arbitrator is called upon to reconsider his decision. In such latter instances the fees and expenses connected with his reconsideration of the decision, including the rental of any premises used, shall be borne in full by the Party which requested such reconsideration.

Powers

- c) The Arbitrator shall have no authority to alter, modify, subtract from or supplement the provisions of this Agreement in any way.
d) If the Arbitrator finds that an Employee has been unjustly demoted, suspended or discharged, the Arbitrator has the power to substitute for the discharge or discipline, such other penalty, as the Arbitrator deems just and reasonable in the circumstances.

Arbitration Procedure

- e) The Party advancing the grievance shall notify the other Party and the Arbitrator in writing of the issue to be arbitrated.
f) The Arbitrator shall then invite the Parties to meet and present evidence, and shall render a decision within fifteen (15) days of concluding his hearing, said decision to be final and binding upon the Parties to this Agreement, subject to the provisions of Section 11.7.(h).
g) If, upon application by either Party, it appears to the Arbitrator that the circumstances surrounding the grievance are of such urgency or seriousness as to justify disposition in a summary manner, then:

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- i) The Arbitrator may order that the matter proceed to Arbitration without compliance with the grievance provisions above.
- ii) The Arbitrator may proceed to hear the matter in such manner and in such time as he deems advisable.
- iii) The Arbitrator may issue a summary decision, direction or order which shall be binding on the Parties.
- iv) The Arbitrator shall, within seven (7) days of his summary decision, render his decision in writing, and at that time he may, on his own initiative, vary the summary decision made by him.

The procedure outlined herein shall be subject to the provision of Section 11.7.(h).

- h) Either Party may, within five (5) days of receipt of the Arbitrator's decision, notify the Arbitrator and the other Party of its desire to have the Arbitrator reconsider his decision, such notice to be in writing and to be supported by reasons. The Arbitrator may proceed to reconsider the matter, and in the event that he does he shall render a decision within seven (7) days of receiving notice, provided that if he has to conduct a hearing into the matter he shall render a decision within fifteen (15) days of concluding the hearing.

Interpretation Ruling

- i) Either Party may, within fifteen (15) days notice to the other, request the Arbitrator to make an interpretation ruling on any question involving an interpretation of any terms of this Collective Agreement. It is agreed that such an interpretation ruling will only be initiated as a result of one of the Parties disagreeing with the actions or stated intended actions of the other Party. In such instances, the Arbitrator shall invite the parties to make submissions in support of their respective interpretations at a hearing to be held for the purpose, and shall render a ruling within thirty (30) days of the conclusion of the hearing. Such a ruling shall be final and binding upon the Parties and shall not be subject to reconsideration.

- 11.8** Where the Company enacts discipline upon an Employee, such record of discipline may only be referred to by the Company for a three (3) year period subsequent to the date the discipline is enacted, providing there has not been any further discipline enacted upon the Employee within this three (3) year period. Excepted from this are suspensions.

ARTICLE 12

SENIORITY

- 12.1** For the purpose of this Article, there shall be two (2) kinds of seniority:
1. **Service Seniority:** being length of service with the Company.
 2. **Category Seniority:** being length of service with the Company in a specified category.
- 12.2** An Employee shall acquire seniority as of his date of employment with the Company as an Employee provided he has completed a probationary period of six (6) months continuous employment. Any documented time served as a Master will be recognized and credited to the Employee upon permanent promotion.
- 12.3** The Company will provide the Guild with separate lists setting out both kinds of seniority. These lists shall include length of service in the above named categories and total service as an Employee. A seniority list to be posted on vessels by March 31st of each year. A new seniority list shall be final if not disputed within four (4) months of it being posted.
- 12.4** To maintain an Employee's seniority he must be a Member in good standing with the Guild.

- 12.5**
1. In cases of layoff or recall, service seniority shall be the determining factor subject to qualifications, experience and ability, being sufficient to do the job. Layday positions will not affect the layoff sequence.
 2. Realignment of positions due to layoffs or vessels permanently taken out of service shall be in accordance with the sequence set out below, provided that an Employee's qualifications, experience and ability are sufficient to do the job.
 3. Where an Employee who has positive laydays is subject to layoff pursuant to Article 12.4.(a) above, he shall be entitled at his election to continue on the Company's payroll as follows:
 - a) His leave will be run out.
 - b) He shall have the option of banking his annual vacation or cashing it out.
 - c) Overtime converted leave to be banked or cashed out at the Employees discretion.
 - d) Benefit Plan premiums shall be maintained (Article 8. — 8.1.).
 - e) Pension Plan contributions shall be maintained (Article 5. — 5.1.(1.)).
 - f) Monthly employed dues deductions/remittances shall be maintained (Article 1. — 1.5.).

Realignment Sequence

1. Number of Masters retained in accordance with Masters category seniority.
 2. Displaced Masters transferred to Other Marine Employee category and any realignment of positions to be based on Service Seniority.
- 12.6** Appointments to regular job vacancies shall be made on the following basis and the decision will rest with the Company. However such selections will be made in consultation with the Guild.
1. All appointments to regular job vacancies shall be made by category seniority subject to qualifications, experience and demonstrated ability.
 2. Employees wishing training for relief positions to gain experience for future appointments are to advise the Company of their interest. When the Company is planning such training, Employees shall receive consideration on the basis of seniority subject to qualifications and ability sufficient to do the job. Employees successfully completing training would then be given future relief opportunities as they arise.
- 12.7** An Employee who has been laid off will retain his seniority and the right to be recalled for a period up to eighteen (18) months from date of layoff, provided he reports to the Company when recalled, and further provided, that should payment of severance pay under Article 26 be made after the expiration of the twelfth (12) month of layoff, all rights including seniority and recall shall be at end. If an Employee elects to take severance pay, his or her rights of recall and seniority are terminated. An Employee who is given reasonable notice and fails to report for work upon recall is subject to discharge from service. Reasonable notice shall not be less than twenty-one (21) days by Double Registered Mail. An Employee on layoff, who has been employed for less than two months in a period of a year (12 months) shall have the option of collecting severance pay.
- 12.8** When an Employee on leave takes employment with another Company within the Marine Industry, he shall be deemed to have terminated employment with the Company from which he took leave.

12.9 The provisions of this Article shall not in any way interfere with the Company's right to discharge for cause, nor shall they preclude the adoption by the Company of a compulsory retirement age for all Company personnel. Where the Company does not universally apply a mandatory age sixty-five (65) retirement policy, no employee over the age of sixty-five (65) who is entitled to take pension benefits shall be allowed to work when other Employee's under the age of sixty-five (65) are on layoff.

12.10 Where a merger or a purchase occurs between companies and the purchase or merger agreement involves the transferring of Employees from one company to another, the resulting Company agrees to meet and consult with the Guild on matters of seniority. The meeting shall take place within thirty (30) days following the date of the event or later if mutually agreed. The Company, after consulting with the Guild, shall effect a revised seniority list. The Guild shall have the right to dispute the revised seniority list under Section 35 of the BC Labour Code provided it does so within sixty (60) days of receiving the list.

12.11 1. An Employee may request to work up to half (½) time subject to approval by the Company. Entitlement to this provision shall be dependent on the following age and service formula:

Service	Age
15 years	60
20 years	55
25 years	50

The minimum period shall be one (1) year. The work/leave of absence arrangement shall be as mutually agreed between the Employee and the Company. The Employee will retain his posting and regular rotation. The intent of this Clause is for retirement phase in, not alternate employment.

2. Such Employee shall only accrue further seniority and service for actual days worked and corresponding leave.
3. Pension contributions shall be maintained as per Article 5. — 5.1.(1.).
4. The Benefit Plan premiums shall be paid by the Company and the Employee on a fifty-fifty (50-50) basis each month and will continue to be paid until this half (½) time arrangement is ended.
5. Weekly Indemnity and Long Term Disability Benefits will be paid at the rate of fifty per cent (50%) of the benefit entitlement and the other benefits at the full entitlement.
6. Weekly Indemnity top-up with red days as under Article 8.9. shall be pro rated both in time and money. Top-up will not be available during the leave of absence period.
7. The Employee will only be entitled to Statutory Holiday compensation which coincides with his being on the Company payroll, ie: on a sea day, workby or layday.
8. Annual vacation day accrual shall be fifty per cent (50%) of the employees normal vacation day entitlement from commencement of this half (½) time arrangement.
9. At the time the employee commences his leave of absence period, all accrued monies including leave may be paid out at the employee's discretion.
10. This Sub-section 12.10. may be reviewed and amended by mutual agreement between the Parties.

ARTICLE 13

ANNUAL VACATIONS

- 13.1** An Employee shall receive fourteen (14) consecutive days annual vacation upon completion of one (1) year of service with the Company, and for each succeeding year. He shall be paid for such vacation on the basis of four (4%) per cent of gross wages earned in each year.
- 13.2** An Employee shall receive twenty-one (21) consecutive days annual vacation upon completion of two (2) years of service with the Company. He shall be paid for such vacation on the basis of six per cent (6%) of gross wages earned during his second (2nd) and succeeding years of service.
- 13.3** An Employee shall receive twenty-eight (28) consecutive days annual vacation upon completion of seven (7) years of service with the Company. He shall be paid for such vacation on the basis of eight per cent (8%) of gross wages earned during his seventh (7th) and succeeding years of service.
- 13.4** An Employee shall receive thirty-five (35) consecutive days annual vacation upon completion of fifteen (15) years service with the Company. He shall be paid for such vacation on the basis of ten per cent (10%) of gross wages earned during his fifteenth (15th) and succeeding years of service.
- 13.5** In all cases under Articles 13.1., 13.2., 13.3. and 13.4. above, if the Employee has worked less than a normal year and he is not entitled to the full annual vacation days allowed, they shall be pro rated in accordance with vacation pay earned.
- The Company shall provide vacation pay information including amount of income tax deducted, period covered and gross earnings for the period, at the same time the Employee receives his vacation pay. Excepted from this is when an Employee is off on WCB benefits for up to one year. In this instance he shall be entitled at his election to take the vacation time he would have otherwise earned without pay subject to the fact that any vacation pay entitlement would be that which had been accumulated before the commencement of WCB benefits and subsequent to such benefit coming to an end in the vacation year.
- 13.6** An Employee shall be entitled to select the periods desirable to him for his vacation periods on the basis of his seniority with the Company, and his vacation periods may, at his discretion, be combined with time off, subject to the Company having the right to approve the overall vacation schedule. The Employee's request will not be unreasonably denied.
- 13.7** For the purpose of this clause, the term "gross pay" shall include all monies credited as a result of wages, overtime, subsistence, engine servicing pay and previous vacation pay.
- 13.8** An Employee terminating his employment shall be paid all vacation pay due him up to the date of leaving, calculated in accordance with Sections 13.1., 13.2., 13.3. and 13.4.
- When a statutory holiday occurs in a vacation period, the provisions of Article 15.2.(c) shall apply.
- 13.9** An Employee who has been laid-off and is re-employed by the same Company within eighteen (18) months of the date of layoff shall be granted the same vacation entitlement as he possessed immediately prior to the layoff, provided he has not received severance pay.
- Where an Employee is scheduled or elects to retire within any given year, such an Employee shall be entitled to utilize all vacation allowances accrued during the year of retirement including the immediate preceding year should he so choose.
- 13.10** As a general rule, vacation pay is not to be used to offset red days while an Employee is employed, except by mutual agreement with the Employee who shall be obliged to advise the Guild.

ARTICLE 14

ANNUAL VACATION PAY on TERMINATION

14.1 An Employee terminated or laid-off for lack of work shall be entitled to request payment of any vacation pay due him, less any red days at the time of layoff, in accordance with Article 13.

ARTICLE 15

STATUTORY HOLIDAYS

15.1 All Employees will be given the following paid statutory holidays:

New Year's Day	Labour Day	BC Day
Good Friday	Thanksgiving Day	Christmas Day
Easter Monday	Remembrance Day	Boxing Day
Canada Day	Victoria Day	

15.2

Examples of Earnings and Credits for a full shift are as follows:

TWELVE (12) HOUR SHIFT

	Earnings	Day	Leave	Cash
Holiday Credit	2.24 Days	1		1.24
Time Worked Credit	3.36 Days	1	1.24	1.12
Total	5.60 Days	2	1.24	2.36

EIGHT (8) HOUR SHIFT

	Earnings	Day	Leave	Cash
Holiday Credit	1.493 Days	1		0.493
Time Worked Credit	2.24 Days	1	0.493	0.747
Total	3.733 Days	2	0.493	1.24

For each statutory holiday or alternate day off in lieu of a statutory holiday, the employee shall be credited with eight (8) hours of work.

- 15.3** Employees will be granted the three (3) day period, consisting of December 24th, 25th and 26th as leave in the home port. Where, due to cases of distress, extreme emergency or shipdocking requirements, all or any part of this three (3) day period is not granted, then the three (3) day period of December 31st and January 1st and 2nd will be granted.

Employees who do not receive either three (3) day period referred to above shall receive a three (3) consecutive day period of leave as soon as practicable thereafter. All three (3) days in such case will be paid for at the statutory holiday rate.

- 15.4** Where the Company is unable to obtain the services of its Employees during the three (3) day period consisting of December 24th, 25th and 26th, management personnel may be used.

Employees scheduled to work New Years need not be requested to work these days.

- 15.5** In recognition of the Company's requirement to sustain operations during the Christmas period, the following premiums will be paid to Employees working during the period:

- a) Any Employee working the following dates will receive:
- | | |
|---------------------------------------------------|------|
| December 24 th — arriving before noon: | 2.24 |
| December 24 th — arriving after noon: | 4.48 |
| December 25 th : | 6.72 |
| December 26 th : | 6.72 |
- b) Any Employee posted or regularly assigned to a tug that is scheduled to work will have the first right of refusal to work the dates outlined above.
- c) Work will then be assigned to volunteers based on seniority.
- d) Provisions pertaining to premium payment and time off under Article 15.3. and 15.4. will not apply where the Employee voluntarily agrees to work the 24th, 25th, and/or the 26th, and coincidentally works the period of the 31st, 1st, and 2nd, with the exception of premium payments for the January 1st statutory holiday.
- e) All other provisions of Article 15. will apply.

ARTICLE 16

LEAVE (LAYDAYS)

- 16.1** Pay in lieu of leave shall not be tendered or accepted except as mutually agreed between the Guild and the Company.

The Company and the Guild must mutually agree in writing before paying such leave and it will not be unreasonably denied.

- 16.2** No Employee shall accumulate more than forty-five (45) days leave without mutual agreement between the Guild and the Company. A list of all accumulated leave shall be forwarded by the Company to the Guild monthly. This list will indicate if the Employee was at sea or on leave at the end of the indicated pay period.

- 16.3** When a vessel is laid up for overhaul, an Employee with any accumulated leave due shall take such leave while his vessel is laid up unless requested by the Company to work by his vessel or to sail on another Company vessel.

- 16.4** Any Employee away on leave who fails to report for duty at the expiry of his leave, without reasonable excuse, shall be considered to have terminated his employment with the Company.
An Employee who is on a regular period of leave and who has a positive leave position shall not be required to return-to-work prior to the expiration of his regular leave period.
Employees who are due or are on scheduled leave (laydays) shall be entitled to take additional accumulated leave provided they give the Company seven (7) days notice (except under extenuating circumstances) prior to commencing the additional leave, and this leave shall not be unreasonably denied. This arrangement shall not give rise to red day payments.
- 16.5** At the expiration of accumulated time off and, when an Employee is unable to rejoin his vessel, he shall continue to receive his rate of pay until such time as he resumes duty but such time shall be deducted from his next accumulated leave period.
- 16.6** The method of calculating leave shall be .493 days for each eight (8) hour day worked and 1.24 days for each twelve (12) hour day worked.

ARTICLE 17

LEAVE of ABSENCE

- 17.1** Where any Employee is granted leave of absence under this Article for a period of longer than thirty (30) calendar days, the Company agrees to notify the Guild as to the circumstances for granting of such period of leave.
Prior to the granting of such leave, the Company and the Guild must mutually agree in writing of the granting of same. The leave of absence as required under Articles 17.2., 17.3. and 17.4. does not require the mutual written agreement of the Company and the Guild.
- 17.2** The Company will grant leave of absence to Employees suffering injury or illness subject to a medical certificate if required by the Company
Where an employee on a Workers' Compensation Board claim is medically determined by the WCB to be unable to return to the employ of the Company and re-training for alternated employment under the WCB Vocational Rehabilitation Phase has commenced, the employment relationship between the employee and the Company is ended. The foregoing shall apply providing the medical determination is not in dispute or where in dispute until settled.
- 17.3** The Company will grant leave of absence to Employees who are appointed or elected to a Guild office (or who go ashore to work for the Company) for a period of up to and including three (3) years. The Employee shall accumulate seniority for up to three (3) years and then his seniority shall remain dormant until his return. Further leave of absence will be granted if requested. Any Employee who obtains such leave of absence shall return to the Company within thirty (30) calendar days after completion of his term of employment with the Guild or Company.
In the event an Employee returns to sea and subsequently returns ashore, he will not be entitled to accumulated seniority for more than the period of his return to sea unless it is for more than one (1) year. Employees going ashore on a temporary basis, less than one (1) year at a time, shall continue to accumulate seniority. The original date the Leave of Absence was granted will be reported on the seniority list annually. In addition, any changes in seniority caused by the Clause will be applied and reported annually.

17.4 The Company will grant leave of absence to Employees who are elected as Representatives to attend Guild meetings, Guild Conventions, Conventions of Labour Organizations to which the Guild is affiliated or any Convention to which the Guild nominates the Employee as a delegate on its behalf or act as members of any Guild Negotiating Committee. An Employee shall be allowed to continue to receive his rate of pay from his layday account including red days up to a maximum of fourteen (14) days for the purposes of attending such conventions and/or meetings. When an Employee sits on a Guild Negotiating or Trustee Committee dealing with the Company the above fourteen (14) day limit shall not apply. This section shall not interfere with the provisions of Article 2.

17.5 It is agreed that before the Employee receives the leave of absence as set forth in Sections 17.3. and 17.4. above, the Company will be given due notice in writing by the Guild in order to replace the Employee during his absence with a competent substitute. An Employee, when returning from leave of absence, shall be reinstated in no less than the same pay classification the Employee held when granted the leave of absence. Should the Company not have a vessel of his former pay class, he shall receive the rate of pay of the next lower vessel group in which the Company operates a vessel. An Employee shall be entitled to compassionate leave of up to three (3) days to attend to urgent domestic affairs. Leave of more than three (3) days may be taken subject to Company approval, if the circumstances warrant.

17.6 1. Employers are entitled to a maximum of four (4) days paid bereavement leave including any layday accumulation for those days immediately following the death of an immediate family member which are defined as:

- a) The Employee's spouse or common-law partner;
- b) The Employee's father and mother and the spouse or common-law partner of the father or the mother;
- c) The Employee's children and the children of the Employee's spouse or common-law partner;
- d) The Employee's grandchildren;
- e) The Employee's brothers and sisters;
- f) The Employee's grandfather and grandmother;
- g) The father and the mother of the spouse or common-law partner, and
- h) Any relative of the Employee who resides permanently with the Employee or with whom the Employee permanently resides.

Bereavement leave will only apply to qualifying days as per the provisions of Clause 1 above, which occur during the Employee's regular tour of duty.

2. The Employee will advise the Company as soon as possible regarding his request for bereavement leave so that arrangements for relief, where required, may be arranged.

17.7 Any Employee who is required to be available for Jury Duty, Coroner's Jury Duty, Coroner's Witness, Crown Witness, or where the Employee represents his Company in a court action, will be paid while on such duty, provided such court action is not occasioned by the Employee's private affairs. The pay will be such so as to maintain the Employee's monthly basic rate. Leave banks will be frozen during this time.

An Employee in receipt of his regular earnings while giving service at court shall remit to the Company all monies paid to him by the court, except traveling and meal allowance.

ARTICLE 18

EDUCATION and UPGRADING

- 18.1** The Parties agree that the initial Marine Emergency Duty (MED) Courses, I, II, and III are covered by the provisions of this clause.
- The following concepts shall govern the payment of courses:
1. On Company required education and training programs, the Company will bear all costs of tuition, including wages.
 2. On voluntary upgrading courses with controlled attendance including marine correspondence, upgrading courses, the Employer will bear the costs of tuition, books and fees and the Employee will contribute his time in accordance with Section C. The Employee will contribute his time in accordance with Article 18.3. An Employee who fails to successfully complete a course shall reimburse the Company for tuition, books and fees.
 3. On required upgrading arising out of Government regulations, the Company will assist the Employee along the lines outlined in (b) above.
 4. The Company will pay to each Employee who attends a required upgrading course necessary for maintaining his Continued Proficiency Certificate and STCW'95 Certificate as follows:
 - a) An expense allowance of one hundred fifteen dollars (\$1 15.00) for each day in attendance at such course up to a maximum of fifteen (15) calendar days every five (5) years not including medicals. The allowance will increase five per cent (5%) on each anniversary date of this Collective Agreement. Leave banks may be frozen at the discretion of the individual Employee while attending such upgrading courses.
- 18.2** The Company shall have the right to limit the election and the number of Employees permitted to take an upgrading course at any one time.
- 18.3**
1. If an Employee runs out of leave time during attendance at an approved course, the Company shall loan him funds to the extent of continuing the Employee's normal take-home pay and shall continue benefits including statutory holidays under this Agreement for the period of the course plus a consecutive period of up to fourteen (14) days for the taking of exams.
 2. If Government assistance is available, the Employee shall apply, and if granted, the amount advanced by the Company during the course shall be reduced by the sum of such Government assistance.
- 18.4** At the completion of the course, an Employee shall return-to-work for the Company until such loan is repaid. If the Employee fails to do so, the Guild will render cooperation toward recovery of the loan.
- 18.5** The Company will provide wage assistance to eligible Employee who take courses leading to Certificates for which the Company deems he has use and which are three (3) or more months in length. Wage assistance shall be fifty per cent (50%) of the employee's basic rate commencing with the sixth (6th) week of the course through its completion including up to an additional two (2) weeks for the taking of exams. To be eligible, an Employee shall have a minimum of three (3) years with the Company.
- 18.6** MED II and re-validation are covered by Article 18.1.2.

ARTICLE 19

DUTIES

- 19.1** The Master is in command of the vessel. The duties of all crew members, regardless of position, come under his direct control.
- 19.2** If the Master or Other Marine Employee (second [2nd] man aboard tug) services the engines, he shall be paid one-half (½) hour at his straight time hourly rate per shift worked over and above the rates of salaries and wages contained in this Agreement. The Master must be satisfied that the person designated to service the engines is competent to perform the duties. Servicing of engines shall be carried out every shift.

Servicing Duties

Operational Checks

1. Drain water from fuel system,
2. Drain water from air receivers,
3. Drain water from air control system,
4. Check batteries, hydrometer reading and add water,
5. Check voltage regulator and adjust rheostat when necessary,
6. Check and maintain oil level in base of main engine, auxiliary engine, reduction gear and air compressor,
7. Check and maintain cooling water level in main engines and auxiliary engines,
8. Check stuffing boxes and report,
9. Check alarm system,
10. Record and report repairs,
11. Check and pump bilges,
12. Check steering hydraulic hoses and rams for leaks,
13. Check and maintain fuel levels.

Servicing of Main and Auxiliary Engines

An Employee shall not be required to:

1. Change lube oil or lube oil filters,
2. Change fuel filters,
3. Change oil and filters in reduction gears.

Provided that, if under unusual circumstances, including isolation from servicing facilities, it becomes necessary for an Employee to perform this work, he shall be paid his regular overtime rate for each hour so worked in addition to his basic wages.

ARTICLE 20

CLOTHING

- 20.1** The Company will provide any protective clothing or equipment required and approved by applicable Federal or Provincial Regulatory requirements for the handling of specific cargo requiring same.
- 20.2** The Company will provide quality ear protectors without cost to Employees. The Employee may elect either headsets or earplugs provided the appliance chosen afford the necessary protection against noise levels to which the Employee expects to be exposed. Employees working in operating engine rooms shall wear hearing protectors. Temporary or relief Employees will be provided headsets in the event they do not have their own.

The Employer will reimburse each Employee for the purchase price of one (1) set of personally fitted (filtered/unfiltered) earplugs. Entitlement to replacement earplugs will be once every four (4) years.

20.3 Any Employee who suffers clothing damage as a result of handling dangerous cargo, ie: battery acid, shall be reimbursed for reasonable cost incurred in replacing the damaged clothing.

20.4 Upon request by Employees, the Company shall supply the following:

1. Proper work gloves, free of charge, suitable to the work to be performed.
2. Two (2) pairs of good quality coveralls free of charge, as may be required for the protection of the Employees while performing their duties.
3. The Employer shall provide each Employee either a safety shoe and/or caulk boot and/or rain jacket and pants allowance of one hundred forty-five dollars (\$145.00) against proof of purchase. Eligibility to the allowance shall be renewed every twelve (12) months after it was last paid. Where the Employee leaves the employ of the Company before acquiring six (6) months service, the allowance will be deducted from final pay. An Employee may elect to carry over the full allowance noted above for two (2) consecutive years. In the second (2nd) year, the Company will grant the Employee an allowance equal to two (2) times the annual allowance.
4. The Company shall provide each Employee, on request, a DOT approved floater coat. The Company shall issue the coats and will replace them when necessary. An Employee who requests in lieu either the U-Vic style jacket or anti-exposure coveralls shall have the first one hundred forty-five dollars (\$145.00) paid by the Company and shall reimburse the Company the difference. Where the Employee leaves the Company before acquiring six (6) months service, the cost of the floater coat or the monies advanced **will** be deducted from his final pay. New Employees are not covered on their first tour of duty.
An employee may elect to carry over the full allowance noted above for two (2) consecutive years. In the second (2nd) year, the Company will grant the employee an allowance equal to two (2) times the annual allowance.

ARTICLE 21

RATES of PAY

21.1 Rates of Pay for all bargaining unit positions shall be as contained in Appendix "A".

Employees shall be paid at regular intervals, and provided with a payroll statement on specific pay dates as established in advance. In the event that a pay date falls on a week-end, Employees shall be paid on the Friday immediately preceding.

Employees paid on specific dates shall be entitled to a mid pay period draw up to fifty per cent (50%) of their basic rate.

Increase rates as follows:

October 1, 2006: 3% across the board increase (or COLA, whichever is greater)

October 1, 2007: 3% across the board increase (or COLA, whichever is greater)

October 1, 2008: 3% across the board increase (or COLA, whichever is greater)

October 1, 2009: 3% across the board increase (or COLA, whichever is greater)

COLA to be on annual Vancouver CPI as published in the month of April preceding the October 1st increase.

ARTICLE 22

OVERTIME

- 22.1** Time worked in excess of regular hours to be paid at the rate of double the straight time hourly rate. The overtime rate will correspond to the Employee's pay rate.
- 22.2** Overtime shall be calculated at a minimum of one (1) hour and in one-half (½) hour increments thereafter.
- 22.3** Any Employee covered by this Agreement shall have the option of converting all overtime premium rates and statutory holiday pay into time off in lieu, subject to:
1. Employees making an election any month to convert all or any part of said overtime, and
 2. Employees who are due or are on scheduled leave (laydays), shall be entitled to take such converted leave provided they give the Company fourteen (14) days notice prior to commencing the additional leave, and this leave shall not be unreasonably denied. This arrangement shall not give rise to red day payments.
 3. An Employee shall be entitled to be paid out his converted leave or part thereof subject to a two (2) week advance written request. Any Employee may elect, in writing, to retain his converted overtime leave and be paid into the red, as provided elsewhere under this Agreement provided that such converted leave will be used before red days for make up to full pay when he is on medical leave and educational leave.
- 22.4** The payment of overtime will not apply in the event of an emergency at sea involving the safety of the vessel and crew.
- 22.5**
1. The overtime shall be prepared in duplicate by the Employee and presented to the Master upon completion of each shift for signature indicating both receipt of the claim and information that the work was ordered and performed. The duplicate copy of the claim shall be given to the Employee for the record. The Master shall turn in the overtime claim with the Ship's Log.
 2. If the overtime claim is disputed, a copy of the claim is to be returned by the Company to the Employee concerned before the next pay period together with reasons for rejecting the claim.
 3. The Company shall establish specific cut-off date(s) for the purposes of paying overtime and shall process and pay overtime in the pay period immediately following the date so specified.

ARTICLE 23

MANNING

- 23.1** The following rules shall be applied to determine the crew of a tug in order to maintain a safe and efficient operation at all times.
1. The crew of a commercially operated tug shall be a minimum of two (2) men.
 2. The manning of a tug shall allow for two (2) men being available to the wheelhouse at all times the vessel is underway.
 3. Whenever a crew member is required to work aboard a tow out of sight from the tug control station, he shall be supplied with a suitable communication device which will allow for immediate communication at all times and will not restrict his movements.

ARTICLE 24

JOINT SAFETY COMMITTEE

24.1 The Company and the Guild subscribe to safe working practices aboard the vessels. To this end, both will cooperate to ensure safe working conditions aboard the vessels.

A Joint Union Management Safety Committee shall be comprised of equal representation from the Company and the Employees concerned. Its terms of reference shall be as follows:

1. To review all safety issues tabled during agreement negotiations and recommend action to the Parties as appropriate.
2. To meet at regular intervals to consider such safety matters as may be placed on the agenda by individual committee members.
3. To deal with such other matters as the Parties may assign from time to time.
4. The Marine Occupational Safety and Health regulations.

ARTICLE 25

LIABILITY INSURANCE

25.1 The Company shall cover all Employees to the full extent of its liability insurance. The intent is to prevent separate actions against Employees by allowing the policy to represent a single and unified defense against Third Party Claims.

ARTICLE 26

SEVERANCE PAY

26.1 Employees with more than one (1) year's service who are displaced and for whom no job is available due to automation, mechanization or permanent reduction in the number of vessels or number of Employees will be entitled to severance pay. Severance pay will be paid in the following manner: One (1) week's pay for each year of service (to last day worked) with the Company as an employee. The calculation of one (1) week's pay is monthly basic x $\frac{7}{30.42}$.

ARTICLE 27

HOURS on DUTY

27.1 The term "shift tugs" shall mean vessels where Employees work on daily shifts of eight (8) consecutive hours, or twelve (12) consecutive hours, provided that an Employee shall be free of the vessel during off shift hours.

Employees to be given equal opportunity to work day, afternoon and night shifts.

Eight (8) Hour Shift

27.2 The regular working day shall be eight (8) hours per day, forty (40) hours per week. All work in excess of eight (8) hours per day and/or forty (40) hours per week shall be paid for at the overtime rate. Five (5) consecutive days work followed by two (2) consecutive days leave shall constitute a week.

27.3 For each regular eight (8) hour day worked, an Employee shall be credited with .493 days leave.

27.4 An eight (8) hour shift tug shall not normally be dispatched to work in excess of eight (8) hours. Should adverse conditions arise shortly before the end of a shift which necessitate working longer than eight (8) hours, overtime shall be paid for according to the provisions of Article 22. On eight (8) hour shift tugs, Employees will be employed on a monthly pay basis except when a shortage of work necessitates a layoff of personnel.

Twelve (12) Hour Shift

27.5 For each regular twelve (12) hour day worked, an Employee shall be credited with 1.24 days leave.

27.6 On twelve (12) hour shift tugs, Employees shall be employed on a monthly pay and leave basis except when a shortage of work necessitates a layoff of personnel.

27.7 No twelve (12) hour shift tugs shall be dispatched to work in excess of twelve (12) hours. Should adverse conditions arise shortly before the end of a shift which necessitate working longer than twelve (12) hours, overtime shall be paid for according to the provisions of Article 22.

Shift Tugs

27.8 An Employee, when employed on a shift tug, shall report to a designated place known as the "home dock" at shift starting time. If the Employee does not return to the "home dock" at the end of his shift, the overtime rate shall be paid for all travel time which occurs after the time the Employee's shift would normally have ended. Any change in the "home dock" location shall require seven (7) days notice except for bridge damage and where structural damage to the dock prevents its safe use. In the latter case, the closest possible dock to the home dock shall be utilized.

27.9 The shift starting times shall be constant on all tugs and any change in shift starting times shall require seven (7) calendar days notice provided that where tidal problems are experienced in a river operation shift, starting times may be altered by agreement between the Parties in accord with the Memorandum of Understanding. Employees working in accordance with the progressive tide work day concept shall receive an additional one (1) hour's straight time pay for each shift so worked.

27.10 There shall be seven (7) calendar days notice of intent to change from an eight (8) hour shift to a twelve (12) hour shift, or vice versa.

27.11 There shall be no crew change between 24:00 hours and 06:00 hours except for emergencies such as injuries or illness.

Notwithstanding the above, the Guild and the Company may mutually agree to variance of up to one (1) hour before 0600 hours.

27.12 In the event that it is necessary to cancel a regular shift, at least eight (8) hours notice of cancellation shall be given for the day shift and six (6) hours notice for the afternoon and night shifts unless unforeseen circumstances clearly beyond the control of the Company prevent such notice. If notice is not given, the Employees involved shall receive four (4) hours pay at straight time.

An Employee whose shift is cancelled has the right to decline a call-out under Article 27.13. of this Article during the period of his cancelled shift.

27.13 An Employee who is called back to work after completing his shift and leaving the vessel, or who is called out on his regular days off, or when he would not normally expect to work shall receive a minimum of four (4) hours pay at the regular overtime rate. However, if the call-out is within two (2) hours of his regular shift starting time and he continues working into his regular shift, his pay for the call-out shall be two (2) hours at the regular overtime rate. For call-outs, Employees will be informed of the specific job(s) to be performed when called by the Company.

- 27.14** An Employee required to work two (2) hours or more beyond his regular shift shall be paid a meal allowance of twelve dollars fifty cents (\$12.50). Where an Employee is required to commence his shift two (2) or more hours before his regular starting time, he shall receive the meal allowance. Further, where an Employee works ten (10) hours or more on an eight (8) hours shift or fourteen (14) hours or more on a twelve (12) hour shift, he shall receive the meal allowance.
- 27.15** When an Employee on a shift tug is required to work from a regular shift into overtime, a minimum rest period of not less than nine (9) consecutive hours free of the vessel shall be allowed before he returns to work. If, by taking a rest period, he commences work later than the normal starting time of the shift following, he shall receive a normal day's pay for that shift.
- 27.16** If an Employee is required to be available for a call to work on his regular day off, he shall be paid four (4) hours at time and one-half (½) for each regular shift he is on standby duty and does not work.
- 27.17** The company will post Employee work forecasts at least every ninety (90) days.
- 27.18** Except under extenuating circumstances an Employee shall be given seven (7) days notice when requesting additional leave.
(Provided the Employee has accumulated leave) and such leave shall not be unreasonably denied provided the overall efficiency of the operation is not affected.

ARTICLE 28

SUBSISTENCE

28.1

Per Day Worked	Oct 1, 2006	Oct 1, 2007	Oct 1, 2008	Oct 1, 2009
12 Hour	\$20.24	\$20.85	\$21.48	\$22.12
8 Hour	\$13.49	\$13.89	\$14.31	\$14.74
Monthly Flat Rate	\$274.87	\$283.15	\$291.71	\$300.40

ARTICLE 29

TERM of AGREEMENT

- 29.1** This Agreement shall be effective from **April 1, 2007** and shall remain in effect until **March 31, 2011** and thereafter from year to year subject to either party giving four (4) month's notice in writing of desire to revise, amend or terminate same. Such notice may be given anytime after November 30, 2010. After such notice has been given, specific proposals (if any) must be submitted and negotiations commenced within ten (10) days of the date of notice.

ARTICLE 30

UNION DISPATCH FEE

- 30.1** The Company agrees to pay to the Guild monthly the agreed Hiring Hall Fee of one dollar thirty cents (\$1.30) for each payroll day for each Employee covered by this Collective Agreement.

October 1, 2007: one dollar thirty-four cents (\$1.34)

October 1, 2008: one dollar thirty-eight cents (\$1.38)

October 1, 2009: one dollar forty-two cents (\$1.42)

Calculation example:

one dollar forty-two cents (\$1.42) (per day) x 30.42 (average month) = \$43.20

Times the number of Employees = monthly contribution

ARTICLE 31

NOISE LEVEL READINGS

- 31.1** The Company agrees that it shall have Noise Level Readings taken on all of their vessels. The Noise Level Readings shall be taken in galleys and wheelhouses of shift tugs. Such readings shall be taken in accordance with the British Columbia Industrial Health and Safety Regulations.

- 31.2** All Noise Level Readings are to be made available to the Guild for inspection upon request. Any subsequent Noise Level readings, the Guild will be supplied with copies of findings. Should the Company fail to comply, the Guild may require that the vessel(s) in question be tied up until such time as the readings are taken and shown to the Guild.

- 31.3** Noise level readings shall be taken as follows:

1. The Company may take its own Noise Level readings and in this event the Guild may have an employee in attendance while the vessel(s) are being tested, or
2. Should the Guild dispute any Noise Level readings tendered, the Guild may then require further Noise Level Readings with a Guild Representative in attendance. The Guild shall have the right to examine any vessel in respect of which a noise problem is suspected of existing.

- 31.4** **Audiometric Testing**


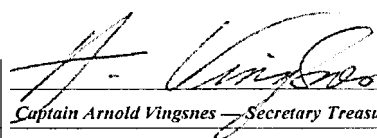
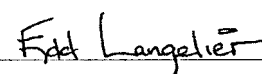
All sea-going personnel are to be given audiometric testing on an annual basis. Testing shall be done by Certified Audiometric Technicians, as acknowledged by the WCB, and the Employee tested to be given his results, where available.

31.5 Hearing Protection

On vessels where there exists steady state and impact noise considered excessive, Employees shall be provided with adequate hearing protective devices. The noise exposure levels shall be in accordance with that referenced at Article 31.1. above, and standards of protective equipment shall be as provided for in the WCB Industrial Health and Safety Regulations of BC.

**EXECUTED on BEHALF of
SMIT HARBOUR TOWAGE
VANCOUVER INC.**

**EXECUTED on BEHALF of
the
CANADIANMERCHANT SERVICE GUILD**

 <i>Ted White — Manager, Labour Relations</i>	 <i>Captain Arnold Vingsnes — Secretary Treasurer</i>
	 <i>Edd Langelier — Business Agent</i>

Dated at Vancouver, BC	this 25th day of	July	, 2008
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APPENDIX " A
CMSG WAGE RATES
 Effective October 1, 2006

TWELVE (12) HOUR SHIFT

Position	Monthly Basic	Calendar Day	Pay for Leave	Earned Per Day Worked	Hourly Rate	Time & One-Half	Double Time
Group 5	6,411.61	210.77	261.35	472.12	39.34	59.01	78.68
Group 6	6,621.49	217.67	269.91	487.58	40.63	60.95	81.26
Group 7	6,831.34	224.57	278.47	503.04	41.92	62.88	83.84
**Other Marine Employees	4,543.87	149.37	185.22	334.59	27.88	41.82	55.76

Position	Monthly Basic	Calendar Day	Pay for Leave	Earned Per Day Worked	Hourly Rate	Time & One-Half	Double Time
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MASTERS

Group 5	6,411.61	210.77	103.92	314.72	39.34	59.01	78.68
Group 6	6,621.49	217.67	107.31	324.98	40.63	60.95	81.26
Group 7	6,831.34	224.57	110.71	335.28	41.92	62.88	83.84
** Other Marine Employees	4,543.87	149.37	73.64	223.01	27.88	41.82	55.76

** Second (2nd) Man Aboard Tug

APPENDIX "A"

CMMSG WAGE RATES

Effective October ■ 2007

TWELVE (12) HOUR SHIFT

Position	Monthly Basic	Calendar Day	Pay for Leave	Earned Per Day Worked	Hourly Rate	Time & One-Half	Double Time
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MASTERS

Group 5	6,603.96	217.09	269.19	486.28	40.52	60.78	81.04
Group 6	6,820.13	224.20	278.01	502.21	41.85	62.78	83.70
Group 7	7,036.28	231.30	286.81	518.11	43.18	64.77	86.36
**Other Marine Employees	4,680.19	153.85	190.78	344.63	28.72	43.08	57.43

** Second (2nd) Man Aboard Tug

EIGHT (8) HOUR SHIFT

Position	Monthly Basic	Calendar Day	Pay for Leave	Earned Per Day Worked	Hourly Rate	Time & One-Half	Double Time
----------	------------------	-----------------	------------------	--------------------------	----------------	--------------------	----------------

MASTERS

Group 5	6,603.96	217.09	269.19	486.28	40.52	60.78	81.04
Group 6	6,820.13	224.20	278.01	502.21	41.85	62.78	83.70
Group 7	7,036.28	231.30	286.83	518.13	43.18	64.77	86.36
** Other Marine Employees	4,680.19	153.85	75.85	229.70	28.72	43.08	57.43

** Second (2nd) Man Aboard Tug

APPENDIX "A"
CMSG WAGE RATES
Effective October 1, 2008

TWELVE (12) HOUR SHIFT

Position	Monthly Basic	Calendar Day	Pay for Leave	Earned Per Day Worked	Hourly Rate	Time & One-Half	Double Time
MASTERS							
Group 5	6,802.08	223.61	277.28	501.89	41.74	62.61	83.48
Group 6	7,024.73	230.92	286.34	517.26	43.11	64.67	86.22
Group 7	7,247.37	238.24	295.42	533.66	44.47	66.71	88.94
*Other Marine Employees	4,820.60	158.47	196.50	354.87	29.58	44.37	59.16

EIGHT (8) HOUR SHIFT

Position	Monthly Basic	Calendar Day	Pay for Leave	Earned Per Day Worked	Hourly Rate	Time & One-Half	Double Time
MASTERS							
Group 5	6,802.08	223.61	277.27	500.88	41.74	62.61	83.48
Group 6	7,024.73	230.92	286.35	517.27	43.11	64.67	86.22
Group 7	7,247.37	238.24	295.43	533.67	44.47	66.71	88.94
** Other Marine Employees	4,820.60	158.47	78.13	236.60	29.58	44.37	59.16

APPENDIX "A"
CMSG WAGE RATES
 Effective October 1, 2009

TWELVE (12) HOUR SHIFT

Position	Monthly Basic	Calendar Day	Pay for Leave	Earned Per Day Worked	Hourly Rate	Time & One-Half	Double Time
Group 5	7,006.14	230.31	285.58	515.89	42.99	64.49	85.98
Group 6	7,235.47	237.85	294.93	532.78	44.4	66.6	88.8
Group 7	7,464.79	245.39	304.28	549.67	45.81	68.72	91.62
*Other Marine Employees	4,965.22	163.22	202.40	365.62	30.47	45.70	60.94

Position	Monthly Basic	Calendar Day	Pay for Leave	Earned Per Day Worked	Hourly Rate	Time & One-Half	Double Time
MASTERS							
Group 5	7,006.14	230.31	285.59	515.90	42.99	64.49	85.98
Group 6	7,235.47	237.85	294.94	532.79	44.4	66.6	88.8
Group 7	7,464.79	245.39	304.29	549.69	45.81	68.72	91.62
** Other Marine Employees	4,965.22	163.22	80.47	243.69	30.47	45.70	60.94

APPENDIX "A — 1"
LETTER of UNDERSTANDING

RE: New Hire Employee Declaration of Guild Membership Status

July 24, 1997

Canadian Merchant Service Guild
310-218 Blue Mountain Street
Coquitlam, BC
V3K4H2

Attention: Leo M. Gray
Secretary-Treasurer

Dear Sir:

Re: New Hire Employee Declaration of Guild Membership Status

It was agreed during Collective Bargaining that Employees to be hired will sign a letter attesting that they are members in good standing with the Guild.

Yours truly,

SUGGESTED LETTER FORMAT

DATE:

TO: (Company Name)

FROM: (New Employee)

Dear Sirs:

This letter confirms that the under signed is a member in good standing with the Canadian Merchant Service Guild.

Yours truly,
(Signature)

APPENDIX "A — 2"
LETTER of UNDERSTANDING

July 24, 1997

This letter is to confirm that further to Article 1.4., and Appendix "A—I ", the Company may hire their own Other Marine Employees (second man aboard tug). However, prior to going to work, the Other Marine Employee (second man aboard tug) must apply for and be accepted into membership with the Canadian Merchant Service Guild.

SIGNED ON BEHALF OF
TIGER TUGZ INC.

CANADIAN MERCHANT SERVICE GUILD

Ted White

Leo Gray

APPENDIX "A — 3"
LETTER of UNDERSTANDING

July 24, 1997

Canadian Merchant Service Guild
310 - 218 Blue Mountain Street
Coquitlam, BC
V3K4H2

Attention: Mr. Leo M. Gray
 Secretary-Treasurer

Dear Sir:

This letter is to confirm that during the Term of this Agreement, it was agreed that Wages, Benefits, Pension, Legal Defense Insurance, Union Dispatch Fee and Subsistence will be kept on a par with those negotiated in the CMC/CMSG Master Agreement.

SIGNED ON BEHALF OF

TIGER TUGZ INC.

per:

Ted White

APPENDIX "A — 4"
LETTER of UNDERSTANDING

RE: Article 28

The Parties agree that it is their mutual intention that this Agreement remain in effect for six (6) months after the expiry date of the renewed CMC/CMSG Master Agreement presently being negotiated. If the expiry date of the renewed CMC/CMSG Master Agreement, is other than September 30, 2006, the Parties agree that Article 29. of this Agreement shall be amended so that the expiry date of this Agreement is six (6) months after the expiry date of the renewed CMC/CMSG Master Agreement.

Dated July 24, 1997.

SIGNED ON BEHALF OF

TIGER TUGZ INC.

CANADIAN MERCHANT SERVICE GUILD

per:

Ted White

Leo Gray

APPENDIX "A — 5"
LETTER of UNDERSTANDING

RE: Credit Agreement to Repay Wage Advances

(Name of Company)

Dear Sir:

The purpose of this letter is to set out the credit arrangement between us with respect to all monies advanced to me by your firm. I hereby acknowledge these monies as my debt to you which I shall repay at first opportunity from future earnings from your firm. Should I not return-to-work within twelve (12) months of my initial absence, I agree to repay the outstanding debt on demand and until demand, at the rate of three hundred fifty dollars (\$350.00) per month payable on the first day of each month commencing the 14th month of my initial absence from your employ. All amounts owing to me from your firm at any time shall be applied against the debt.

In the event of my death, the full amount shall be immediately due and owing from my estate. In the event of any default by me under this letter agreement, the full amount shall also be immediately due and owing.

I agree that this letter agreement shall serve as an irrevocable direction to any other Employer of mine or my estate to directly pay to you the stipulated monthly amount or, on demand, death or default, the full outstanding amount, until the debt is repaid in full.

This letter agreement is irrevocable. I acknowledge receipt of a copy of this letter.

Yours truly,

(Employee)

APPENDIX "A — 6"
LETTER of UNDERSTANDING

RE: Standard Hours of Work and Leave Accrual

In regard to the standard twelve (12) and/or eight (8) hour shift cycles noted within this Collective Agreement it is hereby agreed that in any seven (7) day period the hours of overtime shall not exceed eighteen (18) hours in the case of an employee employed on a twelve (12) hour shift cycle and not more than twelve (12) hours in the case of an employee employed on an eight (8) hour shift cycle.

In regard to leave accrual the same shall not exceed forty-five (45) leave (laydays) except by mutual agreement between the Parties.

DATED July 24,1997

SIGNED ON BEHALF OF
TIGER TUGZ INC.

CANADIAN MERCHANT SERVICE GUILD

per:

Ted White

Leo Gray

APPENDIX "A — 7"
LETTER of UNDERSTANDING

RE: Posting of Vessels

The Parties hereby agree to meet and discuss the issue of postings twelve (12) months subsequent to the ratification of this Collective Agreement between the Parties. The intent being to review the necessity of and thereafter implement postings as required. In any event, subsequent to the aforementioned meeting the Company will crew vessels operated by the Company on the basis of the most senior employee(s) being assigned to the vessels in the highest pay rate and crewing to be based on this principle, i.e., the next senior employee(s) to be crewed on the next highest pay rate vessel, etc.

DATED July 24, 1997

SIGNED ON BEHALF OF

TIGER TUGZ INC.

CANADIAN MERCHANT SERVICE GUILD

per:

Ted White

Leo Gray

APPENDIX "A — 8"
LETTER of UNDERSTANDING

RE: Shift I u g Operations Versus Continuous Operating Tug

The Parties hereby agree that should the Company enter into a continuous operating mode at any time subsequent to the signing of this letter that the relevant provisions of the Council of Marine Carriers Collective Agreement with the Guild dealing with continuous operating tugs will be adopted and adhered to by Tiger Tugz Inc.

DATED July 24, 1997

SIGNED ON BEHALF OF

TIGER TUGZ INC.

CANADIAN MERCHANT SERVICE GUILD

per:

Ted White

Leo Gray

APPENDIX “A — 9”
LETTER of UNDERSTANDING

RE: Payroll Procedures

Regarding the method of paying Employees, the following procedures are agreed:

1. **Pay**
The Company will continue to pay its' Employees in the current manner, for the duration of the Agreement.
2. **Layday Positions**
When wage increments, provided for in the wage schedule are effected, the employee's lay day position will be determined by the amount of dollars (plus or minus) in his lay day account divided by his new daily pay rate.
3. **Transfers — Eight (8) Hour / Twelve (12) Hour**
Where a transfer occurs between eight (8) hour and twelve (12) hour tugs, pay shall be pro-rated on the basis of days actually worked on each, allowance being made for leave time earned:
Twelve (12) Hour Tugs
Section 17.6. and rates per calendar day must be referred to.
Eight (8) Hour Tugs
Sections 27.1. and 27.8. and rates per calendar day must be referred to.
4. **Pay Statements**
All Employees shall be supplied with a payroll statement at the end of each pay period. Such pay statement shall clearly indicate:
 - a) Days worked and rate paid.
 - b) The number of leave days earned during the period.
 - c) The number of days carried over from the previous period.
 - d) The balance of days at the end of the pay period.
 - e) The amount of annual holiday credits earned during the period and the total accrual to date.
 - f) Statuary holiday pay.
 - g) Earnings pertaining to “Duties Other Than As An Employee”.
 - h) Earnings pertaining to “Employees Working By the Vessel” Article.
 - i) Overtime.
 - j) Subsistence, engine servicing.
 - k) Other.
 - l) Gross Earnings.
 - m) Deductions.
 - n) Net Earnings.
5. Upon request by an Employee his “converted overtime to leave” will be shown on his pay statement where a company's payroll system can accommodate.

6. Any proposed change in payroll procedures will be by mutual agreement between the Parties.
7. An Employee may convert to leave his Employee's excessive hours payments where a company's payroll system can accommodate.

DATED July 24, 1997

SIGNED ON BEHALF OF
TIGER TUGZ INC.

CANADIAN MERCHANT SERVICE GUILD

Ted White

Leo Gray

APPENDIX "A — 10"

LETTER of UNDERSTANDING

RE: Towboat Accommodations

New Shift Tugs

- a) Every tug shall be provided a wash basin, which shall be separate from the sink used to wash cups and dishes. All wash basins shall be supplied with piped hot and cold fresh water.
- b) Every tug shall have a properly installed and properly functioning head.
- c) Every tug shall be provided with a galley stove, or permanently installed hot plate fitted with rails and fiddles.
- d) Every tug shall be provided with a supply of potable water from tanks of adequate capacity.
- e) All accommodation shall be properly and adequately insulated against heat and cold, and have provision for heating when weather conditions require it.
- f) All accommodation shall be properly and adequately insulated against engine noise and other noise based on the result of the "Noise Reduction Program".
- g) All accommodation shall be properly and adequately ventilated.
- h) Sufficient clean tea towels, hand and shower towels shall be supplied and kept clean.

Existing Shift Tugs

- a) Where hot and cold water supply exists and space is available, wash basins, separate to sinks, shall be provided.
- b) Existing shower facilities shall be maintained in good working order.
- c) Every tug shall be provided with a galley stove, or permanently installed hot plate fitted with rails and fiddles.
- d) Every tug shall be provided with a supply of potable water from tanks of adequate capacity.
- e) All accommodation shall be properly and adequately insulated against heat and cold, and have provision for heating when weather conditions require it.
- f) All accommodation shall be properly and adequately insulated against engine noise and other noise based on the result of the "Noise Reduction Program".
- g) All accommodation shall be properly and adequately ventilated.
- h) Sufficient clean tea towels, hand and shower towels shall be supplied and kept clean.

APPENDIX "A — 11"
LETTER of UNDERSTANDING

RE: Return-to-Work Program

Should the Company implement a modified return-to-work program (MRTW) for employees returning from a WCB claim, it shall inform the Guild of the particulars of the program.

The employees attending Physician(s) must approve the MRTW before an employee commences his program.

APPENDIX "B"
LIST of VESSELS

TIGER SUN

TIGER SPIRIT

TIGER SHARK 2

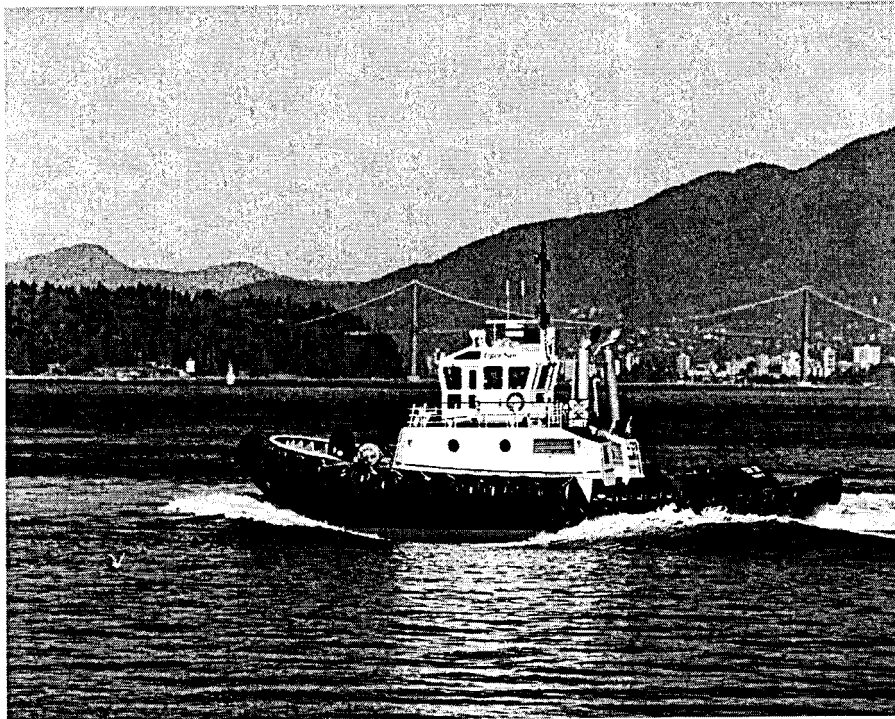
TIGER WOLF

PACIFIC TYEE

COLLECTIVE AGREEMENT

SMIT Harbour Towage Vancouver Inc.

Formerly ... Tiger Tugz Inc.



Canadian Merchant Service Guild

Western Branch
#310 - 218 Blue Mountain Street
Coquitlam, BC
V3K 4H2

Tel: 604 . 939 . 8990

Email: cmsgwb@cmsg.org
Website: www.cmsg-gmmc.ca

Fax: 604 939 . 8950

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