

AMENDED COLLECTIVE AGREEMENT

BETWEEN

Maersk Supply Services Canada / A.P. MOLLER – MAERSK A/S

(Hereinafter called "the Company")

AND

CANADIAN MERCHANT SERVICE GUILD

(Masters and Chief Engineers) (Hereinafter called "the Guild")

EFFECTIVE: 1 JANUARY 2018 – December 31, 2022

AMENDED PROVISIONS IDENTIFIED BY ASTERISK (*) AND BOLD FONT

TABLE OF CONTENTS

1.	GENERAL PURPOSE OF THIS AGREEMENT	Page 1
2.	RECOGNITION*	Page
3.	UNION SECURITY	Page 1
4.	MANAGEMENT RIGHTS	Page 3
5.	NO STRIKES AND NO LOCK-OUTS	Page 3
6.	GRIEVANCE AND ARBITRATION*	Page 4
7.	SENIORITY*.....	Page 6
8.	BOARDING PASSES	Page 9
9.	JOINT CONSULTATIVE COMMITTEE	Page 10
10.	MEDICAL FITNESS	Page 11
11.	NORMAL WORK ROUTINE	Page 11
12.	ONE-HOUR STANDBY	Page 12
13.	DUTIES AND RESPONSIBILITIES	Page 12
14.	EMERGENCY DUTIES	Page 13
15.	SAFETY PROCEDURE	Page 13
16.	PROTECTIVE CLOTHING*	Page 13
17.	OTHER CONVENIENCES*	Page 15
18.	HOURS OF WORK	Page 15
19.	LAY DAYS AND ACCUMULATED LAY DAYS	Page 16
20.	TRAVEL /CREW CHANGE DAYS*	Page 16
21.	TRAVELLING EXPENSES*	Page 17
22.	LEAVE OF ABSENCE	Page 18

23. BEREAVEMENT LEAVE Page 18

24. SHORT TERM LAYUP OF VESSEL Page 19

25. MARINE DISASTER Page 19

26. LEGAL DEFENCE INSURANCE Page 19

27. WAGE RATES* Page 20

28. SEVERANCE* Page 20

29. DRUG AND ALCOHOL POLICY Page 20

30. CONFIDENTIALITY Page 20

31. CONTRACT RE-OPENER Page 21

32. DURATION Page 21

APPENDIX "A" MASTERS* Page 23

APPENDIX "A" CHIEF ENGINEERS* Page 26

APPENDIX "B" GROUP INSURANCE, BENEFITS, AND RSP Page 29

APPENDIX "C" DISCIPLINE CODE Page 31

LETTER OF UNDERSTANDING No. 1-EXCESS LEAVE Page 34

LETTER OF UNDERSTANDING No. 2 -TRANSFERS Page 35

THIS AMENDED COLLECTIVE AGREEMENT entered into

BETWEEN
Maersk Supply Services Canada/of A.P.MOLLER-MAERSK A/S)
(hereinafter called "the Company")

AND
CANADIAN MERCHANT SERVICE GUILD
(hereinafter called "the Guild")

1. GENERAL PURPOSE OF THIS AGREEMENT

1:01 The general purpose of this Agreement is to ensure for the Company, the Guild and Captains and Chief Engineers employed by the Company, the full benefits of orderly and legal collective bargaining and to ensure to the utmost extent possible the safety and physical welfare of the said Officers, economy of operations, by this Agreement to be the duty of the Company, the Guild and said Captains and Chief Engineers to cooperate fully, individually and collectively for the advancement of said conditions. This Agreement is intended to cover the operations of vessels in the East Coast of Canada area and limited foreign voyages as required.

2. RECOGNITION

2:01 The Company recognizes the Guild as sole collective bargaining agent for all ships' Masters (Captains) and Chief Engineers (Chiefs) who are employed on offshore supply vessels **operated by the company.**

3. UNION SECURITY

3:01 A Captain or Chief Engineer covered by this Agreement, who is not a member of the Guild, shall as laid out in Article 3:02, make application for membership in the Guild. If the Guild refuses to accept such Officer a written statement of reason must be supplied by the Guild to the Company. The Company recognizes that the Guild is a source of supply of Captains and Chiefs covered by this Agreement and may contact the Guild Office in the event of new hiring.

- 3:02 (a) Any Captain or Chief Engineer employed and not a member of the Guild shall as a condition of employment, make application to the Guild for membership. Such application shall be made within thirty (30) days of employment with the Company. The Guild agrees that membership in the Guild shall not be denied, suspended or terminated for any reason other than in accordance with the Constitution, Rules and Regulations of the Guild.
- 3:02 (b) When a Captain or Chief Engineer joins a vessel the Company shall require completion at once, in duplicate, a dues deduction card authorizing the automatic deduction of the Guild dues and initiation fees only. The card shall be supplied to the Company by the Guild. The Company shall forward to the Guild one copy of the deduction card as completed by the Officer and retain a second copy for their records.
- 3:03 The Company shall deduct on the payroll for the last pay period each month, from the wages due and payable to each Captain or Chief coming within the scope of this Agreement, an amount equal to the uniform monthly membership fee and regular assessments of the Guild, in amounts as advised by the Guild. The Company will record all dues deducted from each Master and Chief Engineer on his or her "T-4" at the end of each year. (Last sentence added effective 1 January 2009)
- 3:04 The Company will deduct initiation fees, dues and assessments, in amounts as advised by the Guild and remit same as indicated in 3:05.
- 3:05 All deductions required under this Article will be forwarded to the Guild, attention of the Secretary-Treasurer, within thirty (30) days, together with a list in duplicate showing the month and names of the Officers to whom the deductions are to be credited.

3:06 The Guild shall indemnify the Company, its vessels, Officers, servants and agents and hold it or any of them harmless against any and all suits, claims, demands and liabilities that arise out of or by reason of any action taken by it, them or any of them for the purpose of complying with the provisions of this Article or that arise out of or by reason of reliance by it, them or any of them on any list or notice furnished to the Company by the Guild pursuant to the provisions of this Article.

4. MANAGEMENT RIGHTS

4:01 The Guild recognizes that the Company has the sole and exclusive right, except as otherwise specifically determined by the express provisions of this Agreement, to determine all matters pertaining to the conduct of its Management of the Company and its affairs, the right to hire, the right to classify, discipline, suspend, discharge for cause, transfer or lay off, and instruct Masters and Chiefs in their shipboard capacity to observe and to require other crew members to observe Company rules and regulations consistent with the provisions of this Agreement.

4:02 The Company will not use its function of management for the purpose of any discrimination against any Captain or Chief Engineer.

5. NO STRIKES AND NO LOCKOUTS

5:01 It is agreed that there shall be no strikes, walkouts, lockouts, secondary boycotts, or other similar interruptions or slowdowns of work during the term of this Agreement or any renewal thereof and disputes and grievances shall be addressed in accordance with the Grievance Procedures set out in this Agreement.

6. GRIEVANCE AND ARBITRATION

- 6:01 A grievance is any dispute or difference concerning the interpretation, application or any alleged violation of the Agreement and shall be resolved as expeditiously as possible in accordance with the procedure set out in this Article.
- 6:02 Any Master or Chief Engineer with a complaint will discuss the complaint with the appropriate Company representative. If a settlement satisfactory to the Captain or Chief is not reached forthwith, then the grievance procedure provided for in this Article shall be followed.
- 6:03 Step I The Guild's delegate **shall** present the grievance in writing to the designated Company representative within five (5) **business** days of having discussed the grievance as outlined in Clause 6:02. The grievance must bear the signature of the Captain or Chief Engineer, date and as a condition of its validity including its arbitrability, must also state the section(s) of the Agreement in question and any relief sought. The designated Company representative shall respond in writing within five (5) **business** days after the grievance is presented. If a satisfactory settlement is not reached, Step 2 may be followed.
- 6:04 Step 2: The Guild's delegate shall submit written appeal from the Step I decision of his grievance to the person designated by the Company to hear grievances at second level within seven (7) **business** days after receipt of the Master or Chief Engineer's written appeal. Within seven (7) **business** days of submission of the written appeal the Company and appropriate Guild representatives and any other person considered appropriate shall meet to consider the grievance. The decision of the Company shall be given to the appropriate Guild representative in writing within seven (7) **business** days of the day on which the meeting was held.
- 6:05 Grievances arising out of the interpretation, application, or any alleged violation of this Agreement may be initiated by either party by notice in writing clearly stating the grievance, the section(s) of the Agreement in question and any relief sought, delivered to the Company

representative or the appropriate Guild Representative, as the case may be. Such grievances shall commence at the Step 2 stage and the time limits referred to in Clause 6:04 shall be strictly adhered to. Within seven (7) **business** days of delivery of written notice a meeting shall be held to discuss the grievance and within seven (7) **business** days of that meeting, the party initiating the grievance shall be advised of the other party's decision.

6:06 Step 3: Any party continuing to feel aggrieved by the decision reached at Step 2 may give notice of appeal within twenty-one (21) **business** days of receipt of the notice of the decision reached at Step 2.

The notice that the party remains aggrieved shall include the naming of that party's nominee as arbitrator. The notice shall also include a statement of the grievance and a statement of the issues to be decided by arbitration. The party receiving such notice shall within five (5) **business** days appoint its nominee as arbitrator.

6:07 If the parties cannot agree on an Arbitrator within five (5) **business** days, the Minister of Labour for Canada shall be asked to appoint.

6:08 The award of the Arbitrator shall be given within fifteen (15) **business** days of the close of its hearing and shall be binding on both parties.

6:09 The Arbitrator shall not have any power to alter or change any of the provisions of this Agreement or to substitute new provisions for existing provisions, nor to give any decision inconsistent with the terms and provisions of this Agreement.

6:10 The fees and costs of the Arbitrator shall be borne by the Party found to be in default by the Arbitrator. If resolution determines that neither Party is wholly in the right, the Arbitrator

shall also establish the proper split of fees and costs as appropriate to each Party.

6:11 In the event a grievance has not been processed in the procedure outlined in this Article and within the time limit set forth, the grievance shall be deemed to be abandoned and all rights of recourse of this Article in respect of that grievance shall be at an end. Provided, however, the time limit between steps may be extended by mutual consent evidenced in writing. Such mutual agreement shall not be unreasonably withheld. Time limits in this Article are mandatory and not directory.

6:12 Nothing in the Grievance Procedure provided shall be deemed to take away the right of any Captain or Chief Engineer to present and discuss a problem of a personal nature directly with the Company.

7. SENIORITY

7:01 A Captain or Chief Engineer shall be considered on probation and shall not be placed on the seniority list until he has been in the employ of the Company for one hundred and eighty (180) days. Upon completion of the probationary period seniority shall commence from date of employment. During the probationary period the Company may terminate employment, if in the opinion of the Company the Master or Chief Engineer would not be suitable for permanent employment.

7:02 Seniority lists shall be posted in January of each year. In addition, the Guild will be notified of new Masters or Chief Engineers added to the seniority list. Protest in regard to seniority standing shall be submitted in writing within sixty (60) calendar days from the date such lists are posted. When proof of error is presented by a Master or Chief Engineer, such error shall be corrected and when so corrected the agreed upon seniority date shall be final. No changes shall be made in existing seniority status unless concurred in by the Guild. Copies of the seniority lists shall be supplied to the Guild.

7:03 A Master or Chief Engineer who is assigned to a position beyond the scope of the bargaining unit from this Agreement shall maintain seniority up to a maximum of six (6)

months while so employed. If such a Master or Chief Engineer is released from exempt employment in six (6) months, he may, within thirty (30) days, exercise his seniority to return to the job classification from which he was assigned. A Master or Chief Engineer who is replacing a Master or Chief Engineer who is ill, or who is replacing a Master or a Chief Engineer who has taken a position ashore, shall maintain seniority and shall be permitted to move back into his previous position. A Master or Chief Engineer who is assigned to a temporary position beyond the scope of the bargaining unit shall maintain seniority up to a maximum of twenty-four (24) months while so assigned, provided that the period of seniority retention may be extended by agreement of the Guild. In the case of a Master or Chief Engineer who is replacing a Master or Chief Engineer who is ill or who has taken a position ashore, or in the case of a Master or Chief Engineer who is assigned to a temporary position beyond the scope of the bargaining unit, and has maintained seniority, the Master or Chief Engineer may, within thirty (30) days of being released from the position or choosing not to stay in the position, exercise his seniority to return to his previous job classification. During the period for which seniority is maintained pursuant to this Clause 7.03, the Employer shall deduct and remit to the Guild membership fees and assessments as advised by the Guild.

7:04 Notwithstanding the provisions of Appendix "C", Disciplinary Code, a Master or Chief Engineer shall lose seniority and employment shall be terminated if he:

- a) Resigns.
- b) Is discharged for cause.
- c) Refuses, without cause satisfactory to the Company, to return to work after expiration of shore leave.
- d) Is absent without leave without notice satisfactory to the Company.
- e) For requesting a separation certificate showing a laid off status or shortage of work when work is available.
- (f) Overstays a leave of absence.
- g) Fails to return from layoff under the recall procedure as set forth in this Article.
- h) Is on layoff for a continuous period equal to his seniority or two (2) years, whichever is

less.

i) Is unable to perform his normal duties due to illness or accident for a period of two (2) consecutive years **this time frame may be extended by mutual consent if the medical evidence supports that a return to work is likely in the future. This provision applies only to protection of union seniority and not an extension of employee benefits such as RRSP and Group Insurance.**

j) Retires.

7.04 (2) If the Company mandated job qualifications change for Masters and/or Chief Engineers aboard vessels currently manned by Captains or Chief Engineers under the CBA, the company shall provide the necessary training to the incumbent Officer to meet the required job qualifications. If an upgrade of company mandated job qualifications requires the Master or Chief Engineer to assume a temporary supernumerary position to facilitate the upgrade, the Master or Chief Engineer shall be subject to signing a Return in Service Agreement by which the Officer shall commit to service with Maersk Supply Service Canada Ltd for an agreed period of time subsequent to obtaining the up-qualifying competencies. The Officers shall under both conditions retain their seniority level and accumulate seniority during this period of up-qualification/training.

7:05 If as a result of circumstance, it becomes necessary to lay off Masters or Chief Engineers, they will be retained in order of seniority provided they have the qualifications to do the work available. When there is an increase in the work force after layoff, Masters or Chief Engineers will be hired in reverse order of the layoff provided they have the necessary qualifications and ability to do the work available. Captains and Chief Engineers shall have the right of a second recall without loss of seniority if performing short term work at the time of the initial recall.

- 7:06 Captains and Chief Engineers will retain and accumulate bargaining unit seniority. In the event of layoffs for those Captains and Chiefs who have been promoted, given the particular provisions of that Collective Agreement, those Officers shall have the right to move back to their former position. Reverting to their former position shall only take place when the vessel has reached a normal operating port.
- 7:07 If laid off, a Captain or Chief Engineer will have recall rights for a period equal to his seniority or two (2) years whichever is less.
- 7:08 Each Captain or Chief is responsible to keep the Company informed at all times in writing of his current address and telephone number, where he may be reached. In all cases requiring the Company to give notification at home for any reason, it may rely on the accuracy of the information in file. Failure of the Captain or Chief to receive notification where required under any of the terms of the Agreement, due to his noncompliance with this section shall relieve the Company of any responsibility for the result.
- 7:09 A Captain or Chief is required to notify the Company within forty-eight (48) hours of receiving written notice by **email** to return to work, as to whether he will or will not so return within five (5) calendar days of the receipt of notification. Nothing in this Article shall be construed to preclude the Company from giving longer notice of return to work or a longer period in which the Captain or Chief is to report for work.

8. BOARDING PASSES

- 8:01 The Company may require boarding passes to be used by Guild Representatives for the purpose of contacting its members aboard vessels of the Company covered by this Agreement. Such representatives of the Guild shall be allowed aboard at any time which, in the opinion of the responsible officials of the Company, will not interfere with the regular operating of the Company's business, nor with the sailing, loading or unloading of the vessel.

- 8:02 Should any Guild Representative fail to observe the above provision; this shall be the

grounds for revocation of boarding passes issued to him. The Guild shall turn in any passes so revoked. If the Guild is not satisfied as to the justification of such revocation, it shall have the right to handle such dispute through the grievance procedure.

8:03 The Guild shall submit to the Company the name and relevant particulars of the bona fide Guild members authorized by the Guild to act as its representatives. The Company upon receiving from any such representative a waiver in form satisfactory to the Company for any claim for damages resulting from accident or injury in, or about Company's vessels, equipment and premises shall issue a pass to the representative enabling him to board the Company vessels covered by this Agreement for the purposes herein provided. In the event that the Guild withdraws its representative's authorization, the Guild will notify the Company to revoke such pass.

8:04 The Company assumes no responsibility for securing passes through property owned or controlled by others.

9. JOINT CONSULTATIVE COMMITTEE

9:01 The parties to this Agreement acknowledge the benefit of joint consultation and are prepared to enter into discussions aimed at communicating Company policy and resolving issues prior to them becoming irritants.

9:02 It is further agreed that consultation on subjects other than the above may take place when either party so requests. Reasonable notice of such meetings shall be given when time permits.

10. MEDICAL FITNESS

10:01 The right of a Master or Chief Engineer to employment with the Company shall be conditional upon being declared as medically fit, in accordance with international convention, to perform his duties on offshore supply vessels. The Company, at any time may cause the Master or Chief Engineer to be medically examined at the Company's expense. All Masters or Chief Engineers shall be required to have a Company paid medical at least once every two years. It is the responsibility of the Masters and Chief Engineers to arrange and pay for such medicals with a Transport Canada approved physician and for such medicals to be in compliance with international convention and the requirements of Transport Canada and submit receipts to the Company for reimbursement.

11. NORMAL WORK ROUTINE

11:01 The Guild recognizes the difference between supply vessel operations and conventional merchant ships, fisheries vessels, etc., and it is understood that regular working duties for all classifications, where applicable, shall be working any hours deemed necessary by the Master to discharge cargoes from vessels onto drilling platforms and drillships, to assist in the towing of icebergs, drilling rigs or vessels as required, to handle anchors, clean bulk and liquid tanks after discharge of cargoes, etc., as required by the owner, and or charterer. It should also be recognized that due to the smaller crews and integrated structure of supply vessels, some duties not traditionally a part of duties in the classifications covered by this Agreement on other types of shipping may have to be performed, i.e., domestic cleaning of own accommodations.

12. ONE-HOUR STANDBY

12:01 It is to be understood by all that vessels are chartered for service in the offshore industry and are on a one-hour standby. Every member of the crew is also on a one- hour standby.

13. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Masters and Chief Engineers are defined to include, but not be limited to, the following:

13:01 The Master has command or charge of the vessel on which he is serving. The Master is the owner's representative on board the vessel, has authority over all aspects of the operation of the vessel and is the final authority on board the vessel. The Master shall ensure that the vessel operates in full compliance with:

- (i) all Class and Regulatory requirements and guidelines;
- (ii) all Company policies, procedures, rules and guidelines;
- (iii) the requirements of each charterer of the vessel.

13:02 The Chief Engineer has authority over all aspects of the engine room, loading and unloading systems, all mechanical equipment of the vessel and charterer's equipment where installed. The Chief Engineer shall, in conjunction with the Master, insofar as the Chief Engineer's duties permit, ensure that the vessel operates in full compliance with:

- (i) all Class and Regulatory requirements and guidelines;
- (ii) all Company policies, procedures, rules and guidelines;
- (iii) the requirements of each charterer of the vessel.

14. EMERGENCY DUTIES

14:01 Any work necessary for the safety of the vessel, passengers, crew or cargo or for saving of or rendering assistance to other vessels, lives, property or cargoes, shall be performed at any time on immediate call by every crewmember and, notwithstanding any provisions of this Agreement which might be construed to the contrary, in no event shall overtime be paid for the work performed in connection with such emergency duties of which the Master will be the sole judge.

14:02 The Master may, whenever he deems it advisable, require any Officer to participate in life boat or other emergency drills. Such drill will take place in accordance with government regulations, and the requirements of the owner and or charterer.

15. SAFETY PROCEDURE

15:01 The Company will make every effort to furnish and maintain safe working gear and equipment for the protection of its Officers and shall continue to make reasonable provisions and rules for their safety.

15:02 The Guild agrees to cooperate with the Company in promoting safe practices and conditions aboard ship.

16. PROTECTIVE CLOTHING

16:01 The Company agrees to provide the following protective clothing and working gear to its Masters and Chief Engineers on the following basis: **These items are to be a standardize issue to be replaced as required at the discretion of the Master or Chief Engineer.**

2 pair fire retardant coveralls

1 pair insulated coveralls

1 pair safety work boots

1 pair safety Dunlop rubber boots (or equivalent quality)

1 set safety rain gear

1 floater work suit

1 hard hat

Work gloves

1 pair safety glasses &/or prescription safety glasses as required.

1 set of hearing protectors &/or moulded form fitted ear plugs

The above items may be replaced as required at the discretion of the Master or Chief Engineer.

The employer shall keep a standard stock of work boots, floater suits, coveralls, and rain gear of various sizes to avoid stop work order due to lack of PPE.

Note if the employer does not provide a standard issue or fails to provide necessary PPE – the Master or Chief is not liable for any stop work orders.

16:02 Anyone who steals, willfully abuses or otherwise does not return ship's equipment shall be subject to the Disciplinary Procedures as set out in this Agreement and shall be liable for the full replacement cost of such and shall have that cost deducted from his final pay.

16:03 Survival suits shall remain the property of the Company.

17. OTHER CONVENIENCES

17:01 The Company agrees to supply the following items to all Masters and Chief Engineers:

a suitable number of clean blankets and bed linens; suitable amount of bath linens and general supplies; an adequate supply of crockery;

access on each vessel to a washing machine and dryer;

internet for personal use

suitable exercise and recreational equipment, including, but not limited to a TV,

VCR, universal type weight machines or similar.

17:02 The Company agrees to maintain all items listed in 17:01 and replace or keep in good repair as required.

18. HOURS OF WORK

18:01 The normal working hours shall be dependent upon the watchkeeping system employed on a vessel and in respective departments in accordance with provisions of the Labour Code. In addition to these normal working hours, Officers are expected to work whatever hours are needed to fulfill the requirements of the Owner and / or the charterer, subject however, to strict adherence to hours of work and rest regulations contained in the Canada Shipping Act or other attendant regulations as amended from time to time.

18:02 Meal periods shall not constitute a part of any work period. At least one-half hour free of work shall be allowed for the purpose of eating a meal.

18:03 Coffee breaks shall be fitted as appropriate into the work day.

19. LAY DAYS AND ACCUMULATED LAY DAYS

19:01 For each day on board the vessel, all Masters or Chief Engineers shall receive one (1) day off with pay plus a leave day premium of .15 days.

20. TRAVEL / CREW CHANGE DAYS

20:01 Masters or Chief Engineers shall be considered as on duty and not on leave during any period of travel. It is understood that any travel will be by the most direct means.

20:02 All Masters or Chief Engineers shall receive full pay from the time they leave home to join their vessel, and will remain on pay until they return home after leaving their vessel.

20:03 All Masters or Chief Engineers are expected to arrive on their vessel as early in the day as possible in order for a proper handover to be **affected**.

20:04 For Masters or Chief Engineers instructed by the Company to join a vessel and the vessel does not arrive, that Master or Chief Engineer shall be considered as on full pay with accumulated leave until the vessel arrives in port. This entitlement (20:05) shall not apply to new hires, first joining as per the employment offer instructions.

20:05 For Masters or Chief Engineers receiving instructions for joining vessels, travel to the vessel by other Company vessels or by helicopter shall be considered as on full pay with leave.

20:06 It is understood that the twenty-eight days on-twenty-eight days off tour of duty will be

maintained, irrespective of time involved in joining a vessel. For Masters or Chief Engineers being relieved who will have spent extra time on board as a result of travelling time by their reliefs, shall maintain the irregular schedule. Extra leave days incurred by both groups shall be accumulated as bank days.

20.07 Accrued bank days shall be paid twice yearly, 31 January for days accrued to 31 December and 31 July for days accrued to 30 June. Employees must retain enough banked days in their account to cover the first crew rotation following the leave day payout. Those employees who accrue extra leave days as a result of training can opt to have those leave days paid out upon written request to the Company. A Captain or Chief Engineer due to be relieved shall receive 1 day of extra leave pay for each 2 days (beyond 30) exceeding the scheduled **onboard** period (after 30 days on board) if the Company did not provide available and qualified relief.

20.08 The Captain or Chief engineer's participation in training and/or meetings facilitates the opportunity to upgrade qualifications and skills- or to extend the opportunity conduct knowledge sharing between Company and vessels. The Master and/or Chief Engineer shall be remunerated with one day's pay per day of attendance, but does not earn or liquidate leave during attendance.

21. TRAVELLING EXPENSES

21.01 The Company will pay all reasonable travelling expenses to and from the Master or Chief Engineer's residence to the place of joining the vessel. Private cars are to be used only in cases where less expensive and regular scheduled transport is not available and with prior approval from the Company.

21:02 Officers shall be reimbursed for these travelling expenses on the basis of recorded mileage involved, at the rate of \$.60 per kilometer or as directed by CRA whichever is the greatest, for two way single travels and where public transportation is not available. One way travel the allowance shall be \$.70 per Kilometer. **Effective January 1, 2021 travelling expenses reduced to .55 cents per kilometer for two-way travel and to .60 cents per kilometer for one-way travel.** Payment shall be made to the Officer by the Company

upon submission of a completed expense form accompanied by the appropriate supporting documentation.

21:03 Exceptional transportation costs shall be subject to review by the Company and allowed, if reasonable, and supported by either voucher, receipts, or written explanation by the Master or Chief Engineer involved.

22. LEAVE OF ABSENCE

22:01 The Company may, upon request and at its sole discretion grant a leave of absence without pay for legitimate personal reasons, provided operational requirements and the availability of a suitable replacement will permit. If the reason for the leave is violated or if the Master or Chief Engineer over-stays his leave, he shall be deemed to have quit without notice.

22:02 The Company agrees to grant paid leaves of absence as course days, for Company required educational purposes, or for those Masters or Chief Engineers requesting leave of absence for educational purposes, if required by Government or other regulatory agency to attend courses for revalidation of certification. The Captain or Chief Engineer must provide at least thirty days notice for educational leave, and the Company must have a suitable replacement before such leave can be granted.

23. BEREAVEMENT LEAVE

23:01 The Company will grant seven (7) calendar days pay with leave to a Master or Chief Engineer in the event of death in the immediate family. For the purpose of this clause immediate family shall be defined as spouse, son, daughter, mother, father, brother, sister, parents-in-law, grandparents, grandchildren. This leave is to be granted for the purpose of attending the funeral and for making other arrangements and under no circumstances will this bereavement leave be granted retroactively or when a Master or Chief Engineer is already on his days off.

23:02 The Company will grant four (4) days with pay in the event of death in the Master or Chief Engineer's family of brother-in-law, sister-in-law, or for any person domiciled in the home of the Master or Chief Engineer or for whom the Master or Chief Engineer is guardian.

24. SHORT TERM LAYUP OF VESSEL

24:01 When vessels are laid up for a period of seven (7) days or less, Masters or Chief Engineers will suffer no loss of pay, benefits or lay day accumulations. No layoffs shall occur during such seven (7) day period.

25. MARINE DISASTER

25:01 Masters or Chief Engineers who suffer loss of personal effects through wreck or marine disaster shall be compensated for such loss up to a value of \$4,000.00 subject to satisfactory proof of Loss.

26. LEGAL DEFENCE INSURANCE

26.1 Legal defence insurance for Masters and Chief Engineers covered by this Agreement shall be provided for all Officers by the Guild. The Company shall pay one dollar and forty cents (\$1.40) per each Master and Chief Engineer position on board per day to the Guild. This amount shall increase in the same percentage as the percentage increase in the CPI annually for the province of Newfoundland and Labrador for the previous year.

The Company will remit the aggregate of the contributions for each month to the Guild, attention of the Secretary-Treasurer, within thirty (30) days of that month.

27. WAGERATES

27:01 Wage rates and classifications shall be as set forth in Appendix "A" to this Collective Agreement.

2018 0%

2019 0%

2020 0%

2021 the greater of 2.5% or CPI for Newfoundland and Labrador

2022 the greater of 2.5% or CPI for Newfoundland and Labrador

27:02 Captains and Chief Engineers shall be paid once per month, by monthly cheque or direct deposit, at the Company's option. A complete monthly statement shall be issued to show a breakdown of earnings for that month.

28. SEVERANCE PAY/RETIREMENT ALLOWANCE

28.01 Severance pay shall be paid to a Captain or Chief Engineer with one (1) or more years of continuous service in circumstances as provided in the *Canada Labour Code*, in the amount of two weeks pay per complete year of continuous service to a maximum of twenty-six weeks pay.

28.02 Retirement allowance shall be paid as follows: in recognition of years of service MSS agrees to pay bargaining unit Captains and Chief Engineers the following amounts as a retirement allowance: if the Captain or Chief Engineer has reached the age of **60** MSS will compensate upon retirement as indicated for years of service:

10-14 years of employment- CAD **10,000** increased by the yearly salary increase as applicable at the time of retirement **as per Article 27;**

15-19 years of employment- CAD **20,000** increased by the yearly salary increase as applicable at the time of retirement;

20 + years of employment- CAD **27,500** increased by the yearly salary increase as applicable at the time of employment

29. DRUG AND ALCOHOL POLICY

29:01 Officers agree to comply with the drug and alcohol policies of the A.P. Moller Group of Companies and or the policies and procedures of its customers. The Guild agrees to maintain this current wording but only expressly with the understanding that the policy would conform to the recent Supreme Court of Canada rulings that allow testing for cause and post incident. MSSC shall of course continue to respect Canadian laws and to this extent agree to amend its procedures should it become evident that the company's policies and procedures governs a standard which is superior to the laws.

30. CONFIDENTIALITY

30:01 The Parties agree that Officers shall not publish or provide any third party any information about, or photographs of, the activities of the Company or Charterer.

31. CONTRACT RE -OPENER

31:01 The parties agree that this contract may be amended by mutual consent.

32. DURATION

32:01 **The term of the Agreement shall be from January 1, 2018, to December 31, 2022. Notice to bargain shall be submitted by either Party within the ninety-day period preceding the expiry date.**

IN WITNESS WHEREOF the parties have duly executed this Amended Collective Agreement at St. John's, Newfoundland and Labrador, on the basis of re-opener in accordance with Article 32, pursuant to a Memorandum of Agreement signed between the Parties dated 30 May 2014 and by agreement of the parties.

SIGNED, SEALED, AND DELIVERED

Maersk Supply Services Canada
Limited / A.P.Moller - MAERSK A/S

CANADIAN MERCHANT SERVICE GUILD

APPENDIX "A"*

"AI"

MASTERS EFFECTIVE 1 JANUARY 2018

Basic Pay: For each year of the five-year term, the annual basic wage increase, commencing **1 January 2018** shall be as provided below:

Basic Salary \$162,356.05

Effective 1 January 2018, the annual basic wage shall be increased by 0% to \$162,356.05.

Effective 1 January 2019, the annual basic wage shall be increased by 0% to \$162,356.05

Effective 1 January 2020, the annual basic wage shall be increased by 0% to \$162,356.05

Effective 1 January 2021, the annual basic wage shall be increased by January 2020 salary X 2.5% to \$166,414.95 or X % CPI for NL whichever is highest.

Effective 1 January 2022, the annual basic wage shall be increased by January 2021 salary X 2.5 % to \$170,575.32 or X % CPI for NL whichever is highest.

Seniority Bonus

For current employees as at 13 June 2005 and employees hired prior to 1 January 2006:

Commencing 1 January 2018\$22,281.73 per annum

Commencing 1 January 2019\$22,281.73 per annum

Commencing 1 January 2020\$22,281.73 per annum

Commencing 1 January 2021\$22,281.73 X 2.5% to \$22838.77 or CPI for NL whichever is highest 2021.

Commencing 1 January 2022 2021 Seniority Bonus X 2.5% to \$23,409.74 or CPI for NL whichever is highest 2022.

For current employees and employees hired prior to 1 January 2006, the seniority bonus shall be paid once per year, in separate cheque, by December 15 of the year in which it is earned.

For employees hired on or after 1 January 2006:

Effective 2018, 2019, 2020

One (1) year continuous service in a full-time position at 31 December	\$6,600.00
Two (2) years continuous service in a full-time position at 31 December	\$7507.50
Three (3) years continuous service in a full-time position at 31 December	\$8538.75
Four (4) years continuous service in a full-time position at 31 December	\$9630.50
Five (5) years continuous service in a full-time position at 31 December	10,763.50

Effective 2021

One (1) year continuous service in a full-time position at 31 December	\$6,600.00	X 2.5%
or CPI for NL whichever is highest 2021		
Two (2) years continuous service in a full-time position at 31 December	\$7507.50	X 2.5%
or CPI for NL whichever is highest 2021		
Three (3) years continuous service in a full-time position at 31 December	\$8538.75	X 2.5%
or CPI for NL whichever is highest 2021		
Four (4) years continuous service in a full-time position at 31 December	\$9630.50	X 2.5%
or CPI for NL whichever is highest 2021		
Five (5) years continuous service in a full-time position at 31 December	\$10,763.50	X 2.5%
or CPI for NL whichever is highest 2021		

Effective 2022

One (1) year continuous service in a full-time position at 31 December	\$6,600.00	X 2.5%
or CPI for NL whichever is highest 2021)		
Two (2) years continuous service in a full-time position at 31 December	\$7507.50	X 2.5%
or CPI for NL whichever is highest 2021)		
Three (3) years continuous service in a full-time position at 31 December	\$8538.75	X 2.5%
or CPI for NL whichever is highest 2021)		
Four (4) years continuous service in a full-time position at 31 December	\$9630.50	X 2.5%
or CPI for NL whichever is highest 2021)		
Five (5) years continuous service in a full-time position at 31 December	10,763.50	X 2.5%
or CPI for NL whichever is highest 2021)		

Qualifications for the seniority bonus shall be based on a 1 January through 31 December year. The seniority bonus shall be paid no later than 15 January of the year following qualification. If a Deck Officer is promoted to Master on or after 1 January 2006, that Officer's bonus will be red-circled at the Officer's bonus level under the Deck and Engineering Officers' Collective Agreement at the time of promotion until the Officer's seniority as a Master entitles the Officer to a greater bonus.

R.S.P

2018.....New Maximum as established by CRA.....
2019.....New Maximum as established by CRA.....
2020.....New Maximum as established by CRA.....
2021.....New Maximum as established by CRA.....
2022.....New Maximum as established by CRA.....

(Amounts for subsequent years to 2015 ??not yet established but it is understood that maximum allowable contributions shall accrue to each member of the Bargaining unit)

Current employees as of the date of signing shall receive compensation increases to the Seniority Bonus and wages retroactive to 1 January 2013 ?? In the event that the amount provided for R.S.P. exceeds the statutory contribution level the balance of the amount shall be paid to the employee. RSP understood to be maintained at maximum if amounts change.

This annual remuneration package is all inclusive, including overtime, statutory holiday pay, vacation pay, and the leave day premium as described in Article 19.

The parties agree that the Company has the right to supplement the remuneration detailed in this Agreement with the payment of charterer originated bonuses or other discretionary payments within a reasonable period after receipt from charterer.

All Officers shall receive a detailed pay statement at the end of each month indicating the following:

Gross pay;

Guild dues deductions;

Statutory deductions (listed separately); Advances paid;

Taxable benefits;

(Layday Accounts to be provided aboard ship).

Proration of seniority bonus in the case of retirement eg. retire June 30th would result in a payment of 50% of the seniority bonus based on working half that calendar year.

APPENDIX "A"*
"A2"
CHIEF ENGINEERS
EFFECTIVE 1 JANUARY 2018

Basic Pay: For each year of the five-year term, the annual basic wage increase, commencing **1 January 2018**, shall be as provided below:

Basic Salary \$157,941.71

Effective 1 January 2018, the annual basic wage shall be increased by 0% to \$157,941.71.

Effective 1 January 2019, the annual basic wage shall be increased by 0% to \$157,941.71.

Effective 1 January 2020, the annual basic wage shall be increased by 0%. To \$157,941.71

Effective 1 January 2021, the annual basic wage shall be increased by January 2020 salary X 2.5% to \$161,890.26 or X % CPI for NL whichever is highest.

Effective 1 January 2022, the annual basic wage shall be increased by January 2021 salary X 2.5% to \$165,937.51 or X % CPI for NL whichever is highest.

Seniority Bonus

For current employees as at 13 June 2005 and employees hired prior to 1 January 2006:

Commencing 1 January 2018\$22,281.73 per annum

Commencing 1 January 2019\$22,281.73 per annum

Commencing 1 January 2020\$22,281.73 per annum

Commencing 1 January 2021\$22,281.73 X 2.5% to \$22838.77 or x % CPI for NL whichever is highest 2021.

Commencing 1 January 2022 2021 Seniority Bonus X 2.5% to \$23,409.74 or X % CPI for NL whichever is highest 2022.

For current employees and employees hired prior to 1 January 2006, the seniority bonus shall be paid once per year, in separate cheque, by December 15 of the year in which it is earned.

For employees hired on or after 1 January 2006:

Effective 2018, 2019, 2020

One (1) year continuous service in a full-time position at 31 December	\$6,600.00
Two (2) years continuous service in a full-time position at 31 December	\$7507.50
Three (3) years continuous service in a full-time position at 31 December	\$8538.75
Four (4) years continuous service in a full-time position at 31 December	\$9630.50
Five (5) years continuous service in a full-time position at 31 December	10,763.50

Effective 2021

One (1) year continuous service in a full-time position at 31 December	\$6,600.00	X 2.5%
or CPI for NL whichever is highest 2021		
Two (2) years continuous service in a full-time position at 31 December	\$7507.50	X 2.5%
or CPI for NL whichever is highest 2021		
Three (3) years continuous service in a full-time position at 31 December	\$8538.75	X 2.5%
or CPI for NL whichever is highest 2021		
Four (4) years continuous service in a full-time position at 31 December	\$9630.50	X 2.5%
or CPI for NL whichever is highest 2021		
Five (5) years continuous service in a full-time position at 31 December	\$10,763.50	X
2.5% or CPI for NL whichever is highest 2021		

Effective 2022

One (1) year continuous service in a full-time position at 31 December	\$6,600.00	X 2.5%
or CPI for NL whichever is highest 2021)		
Two (2) years continuous service in a full-time position at 31 December	\$7507.50	X 2.5%
or CPI for NL whichever is highest 2021)		
Three (3) years continuous service in a full-time position at 31 December	\$8538.75	X 2.5%
or CPI for NL whichever is highest 2021)		
Four (4) years continuous service in a full-time position at 31 December	\$9630.50	X 2.5%
or CPI for NL whichever is highest 2021)		
Five (5) years continuous service in a full-time position at 31 December	10,763.50	X
2.5% or CPI for NL whichever is highest 2021)		

Qualifications for the seniority bonus shall be based on a 1 January through 31 December year. The seniority bonus shall be paid no later than 15 January of the year following qualification. If an Engineering Officer is promoted to Chief Engineer on or after 1 January 2006, that Officer's bonus will be red-circled at the Officer's bonus level under the Deck and Engineering Officers' Collective Agreement at the time of promotion until the Officer's seniority as a Chief Engineer entitles the Officer to a greater bonus.

R.S.P

2018.....	New Maximum as established by CRA.....
2019.....	New Maximum as established by CRA.....
2020.....	New Maximum as established by CRA.....
2021.....	New Maximum as established by CRA.....
2022.....	New Maximum as established by CRA.....

(Amounts for subsequent years to 2015 not yet established but it is understood that maximum allowable contributions shall accrue to each member of the Bargaining unit)

Current employees as of the date of signing shall receive compensation increases to the Seniority Bonus and wages retroactive to 1 January 2013. In the event the amount provided for R.S.P. exceeds the statutory contribution level the balance of the amount shall be paid to the employee. RSP understood to be maintained at maximum if amounts change.

This annual remuneration package is all inclusive, including overtime, statutory holiday pay, vacation pay, and the leave day premium as described in Article 19.

The parties agree that the Company has the right to supplement the remuneration detailed in this Agreement with the payment of charterer originated bonuses or other discretionary payments within a reasonable period after receipt from charterer.

All Officers shall receive a detailed pay statement at the end of each month indicating the following:

Gross pay;

Guild dues deductions;

Statutory deductions (listed separately);

Advances paid;

Taxable benefits;

(Layday Accounts to be provided aboard ship).

Proration of seniority bonus in the case of retirement eg. retire June 30th would result in a payment of 50% of the seniority bonus based on working half that calendar year.

29

APPENDIX "B"

GROUP INSURANCE, BENEFIT PROGRAM, AND RETIREMENT SAVINGS

PLAN GROUP INSURANCE BENEFITS:

The Company shall continue to provide the Group Insurance and Benefit Program. The Program shall include major medical, dental, life insurance, hospitalization, and other benefits as available to Officers at the commencement of this Agreement, and the weekly indemnity program as approved during negotiations. The Company shall pay weekly indemnity and other premiums up to a maximum of two-thirds of the total premium and the employee shall pay the long-term disability premium or one-third of the total premium, whichever is greater.

All benefits referred to in this Appendix are subject to the conditions and limitations set forth in the Insurance Benefit Booklet. It is agreed that no alteration, amendment, or variation of the Benefit Program shall occur without mutual consent. Should usage dictate material changes to premiums, the Parties agree to discuss required action such as alternate insurance provider or realignment of Officer - Company split of costs.

The Company may require a medical certificate from a Company approved physician before benefits are paid.

R.S.P.:

In accordance with Appendix "A", the Company will pay the amount set out in Appendix "A" for each year of the term on each Chief Engineer's behalf into a self-

directed Retirement Savings Plan of the Officer's choosing. The contributions will commence effective the first day of this Agreement and shall be made monthly.

Officers terminating service with the Company shall have pro-rated contributions.

APPENDIX "C"

DISCIPLINARY CODE

The following acts of misconduct, if proved to reasonable satisfaction to have been committed, are those for which dismissal from the ship, either immediately or at the end of the voyage will, according to the circumstances of each case, be considered appropriate, apart from any other legal action that may be called for, or grievance or legal action brought in response:

- (i) assault;
- (ii) willful damage to ship or any property on board;
- (iii) theft or possession of stolen property;
- (iv) possession of offensive weapons;
- (v) persistent or willful failure to perform duty;
- (vi) unlawful possession or distribution of drugs;
- (vii) conduct endangering the ship or persons on board;
- (viii) combination with others at sea to impede the progress of voyage or navigation of ship;

(ix) disobedience of orders relating to the safety of the ship or any persons on board;

(x) sleeping on duty or failing to remain on duty if such conduct would prejudice the safety of the ship or any persons on board;

32

(xi) incapacity through the influence of drink or drugs to carry out duty to the prejudice of the ship or any person on board;

(xii) to smoke, use a naked light or unapproved electric torch in any part of the ship carrying dangerous cargo or stores where smoking or the use of naked lights or unapproved torches is prohibited;

(xiii) intimidation, coercion and interference with the work of other employees;

(xiv) behaviour which seriously detracts from the safe and efficient working of the ship;

(xv) behaviour which seriously detracts from the social well being of any other person on board;

(xvi) causing or permitting unauthorized persons to be on board the ship while at sea;

(xvii) the solicitation or acceptance of any gratuities or favours, whether in cash or in kind, in the course of or related to service with the owners;

(xviii) repeated acts of misconduct of a lesser degree listed in paragraph (3) after warnings have been given in accordance with the procedures in paragraph (2).

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

(A) Informal warnings administered by the Company as appropriate; or

(B) Formal warning recorded in an official capacity as appropriate.

When a formal warning is given, the consequences of further acts of misconduct must also be explained.

- (3) Acts of misconduct, if proved to reasonable satisfaction to have been committed, for which the procedure in section (2) is considered appropriate are:
 - (A) offences of the kind described in section (1) which are not considered to justify dismissal in the particular circumstances of the case;
 - (B) minor acts of negligence, neglect of duty, disobedience, and assault;
 - (C) unsatisfactory work performance;
 - (D) poor time keeping;
 - (E) stopping work before the authorized time;
 - (F) failure to report to work without satisfactory cause;
 - (G) absence from place of duty or ship without leave;
 - (H) offensive or disorderly behaviour.
- (4) In the event of dismissal, the Officer may take up the matter with the Company's designated manager or through the grievance procedure.

**LETTER OF
UNDERSTANDING EXCESS**

LEAVE DAYS

The Parties agree that excess leave days remaining at December 31 of any year covered by this Agreement shall be paid once annually before the end of January of the following year. No Captain or Chief Engineer shall have excess leave days used to alter crew changes or rotations. Any negative leave days accumulated at December 31 of any year that have accrued as a result of Company operational action or inaction related to Company business shall be reduced to zero at the commencement of the following year.

For the Company

For the Guild

LETTER OF UNDERSTANDING

TRANSFERS

The Company and the Guild agree that should a situation arise that necessitates the potential transfer of one of the Masters or Chief Engineers included in this bargaining unit to another Canadian Flag vessel in the Maersk Fleet operating East Coast Canada, then the Company will discuss the transfer opportunity with the preferred candidate(s). The candidate(s) identified shall consent to the transfer or the Company shall effect the transfer for a maximum of two consecutive on-shifts per twelve (12) months. Should the vessel be other than Canadian Flag or a Canadian Flag vessel operating outside East Coast Canada, then mutual consent is required.

Notwithstanding the above, should the charterer exercise the option of requesting a change in the Master or Chief Engineer, then the Master or Chief Engineer involved, in cases where dismissal as per Appendix "C" does not apply, shall have the option to accept a permanent transfer to another vessel as mutually agreed. Transfers will only be considered by the Company:

1. To effect crew training;
2. To facilitate the growth of the Company's activities offshore Canada and other specific geographic areas;
3. To respond to a request of charterer;
4. To comply with the requirements of Regulatory Agencies using existing crew;
5. To effectively crew a vessel(s) with personnel considered by the Company to be appropriate for specific work roles;
6. To comply with a request by any of the Masters or Chief Engineers;
7. To allow for the growth of Canadian crews on Maersk vessels;
8. Where pay and benefits equate to that provided under this Collective Agreement; and
9. Where seniority provisions of this Collective Agreement continue to apply.

For the Company

For the Guild

The employer will pay for the course fee only for the STCW Marine Emergency Duty refresher training as required for Captains and Chief Engineers.