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COLLECTIVE AGREEMENT

BETWEEN: THE CANADIAN MERCHANT SERVICE GUILD

(hereinafter referred to as the "Guild")

AND: SEASPAN FERRIES CORPORATION

(hereinafter referred to as the "Company")

This Agreement Witnesseth that the Parties hereto hereby mutually covenant and agree to and with each other as follows:

PREAMBLE

The general purpose of this Agreement is to ensure for the Company, which runs a ro/ro ferry service, and the Officers represented by the Guild and 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 said Officers, economy of operation, standard of service and protection of property. It is recognized by this Agreement to be the duty of the Company, the Guild and the Officers to cooperate fully, individually and collectively, for the advancement of said conditions. As signatories to this Agreement, it shall be the duty of the Company and the Guild to abide by the terms set out hereinafter.

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

ARTICLE 1 Recognition

- 1.1** The Company recognizes the Guild as the sole collective bargaining agent for all Masters, Deck Officers, and Engineer Officers employed on vessels owned and/or operated by the Company.
- 1.2** The Company recognizes the Guild as a source of supply for all Officers covered by the Agreement, and may request such personnel from the office of the Guild as required.
- 1.3** The Company agrees to employ only Members of the Guild in good standing. The term "Member in good standing" means a Member of the Guild who is not in arrears in the payment of three (3) months cumulative dues.
- 1.4** The Company agrees not to discriminate against any Member of the Guild for his activities on behalf of the Guild or Membership in the Guild.
- 1.5** Guild Representatives shall be allowed on board the vessel to confer with their Members at times which, in the opinion of the Company management, will not interfere with the operation of the vessel. It is agreed that the Company will not be liable for any damage or injury to Guild property or Representatives while on Company property. All such visits shall be in strict accordance with Company policies.

- 1.6** 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.

ARTICLE 2 Strikes and Lockouts

- 2.1** There shall be no strikes, lockouts, tie-ups, slowdowns, or stoppages of work pertaining to the terms 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.

ARTICLE 3 Grievance Procedure

3.1 Definitions

- "Company" means "Seaspan Ferries Corporation".
"Guild" means "Canadian Merchant Service Guild".
"Party" means "the Guild or Company".
"Officer" means "a Member of the Guild".
"Employer" means "the Officer's Employer".

3.2 Grievance

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 Officer shall not be disciplined or discharged without just cause.
2. Should an Officer be required to meet with his Employer regarding a disciplinary action, he shall be entitled to have a Guild Representative in attendance.
3. Letter of discipline to an Officer covered by this Agreement shall be copied to the Guild.
4. Where the Company enacts discipline upon an Officer such record of discipline may only be referred to by the Company for a four (4) year period subsequent to the date the discipline is enacted, providing there has not been any further discipline enacted upon the Officer within this four (4) year period. Excepted from this are suspensions.

3.3 Initiation of Grievance

By the Guild

1. Any grievance lodged by an Officer or the Guild shall be presented to a person designated for that purpose by the Employer.
2. 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 Officer concerned if he requests it. The maximum time for instituting a grievance concerning issues other than the above shall be ninety (90) days.

3. Grievances arising shall be dealt with and processed to settlement in the following manner:

Step 1

The Officer or Officer's 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 Officer 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 in the manner provided in Clause 3.4.

By the Company

1. Any grievance lodged by the Employer or 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 the Arbitrator in the manner provided in Clause 3.4.

Time Limits

1. a) The time limits set out in the foregoing may be extended by mutual agreement of the Parties.
 - i) Failing mutual agreement to extend time limits under Clause 3.3(e) (i), 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.
- b) Any grievance may be advanced directly to arbitration by mutual agreement of the Parties.

3.4 Arbitration

In the case of a dispute arising under this Agreement which cannot be settled in the manner provided for in Clause 3.3, the matter shall be determined by arbitration in the following manner:

a) **Arbitrator**

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

b) **Cost Apportionment**

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 Clause 3.4(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 fully by the Party which requested such reconsideration.

c) **Powers**

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 Officer has been unjustly demoted, suspended or discharged, the Arbitrator shall order the re-instatement of the Officer by the Employer without loss of pay and with all his rights and privileges preserved under the terms of this Agreement, provided however, that if it is shown to the Arbitrator that the Officer has been in receipt of wages or related remuneration during the period between suspension or discharge and reinstatement, the amount so received shall be deducted from wages payable by the Employer pursuant to this Clause.

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 Clause 3.4(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:

i) The Arbitrator may order that the matter proceed to Arbitration without compliance with the grievance provisions of Clause 3.3.

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 provisions of Clause 3.4(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.

3.5 Interpretation Ruling

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.

ARTICLE 4 Voluntary Deduction of Uniform Monthly Union Dues and Initiation Fees

- 4.1 Effective the last pay period of each month, the Company shall deduct from the wages due and payable each Officer coming within the scope of this Agreement, an amount equal to the uniform monthly Membership dues and any assessments required by the Guild. 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 Bylaws.
- 4.2 Deductions shall commence on the payroll for the pay period which contains the 20th day of the calendar month following the date of entry into the service in a position subject to the Agreement.
- 4.3 Only payroll deductions now or hereafter required by law, deductions of monies owing the Company, pension deductions and deductions for provident funds shall be made from wages prior to the deduction of dues.
- 4.4 The amounts of dues so deducted from wages, accompanied by a statement of deductions for individuals, shall be remitted by the Company to the Western Branch of the Guild, attention of the Secretary Treasurer, not later than thirty (30) calendar days following the pay period in which the deductions are made.
- 4.5 In any instance in which an error occurs in the amount of any deduction of dues from an Officer's wages, the Company shall adjust it directly with the Officer. In the event of any mistake by the Company in the amount of its remittance to the Guild, the Company shall adjust the amount in a subsequent remittance. The Company's liability for any and all amounts deducted pursuant to the provisions of this Article shall terminate at the time it remits the amount payable to the designated Officer(s) of the Guild.

4.6 Union Dispatch Hall Fee

The Company agrees to pay to the Guild the agreed Hiring Hall Fee for each day for each Officer in its employ as follows:

Effective October 1, 2013 to September 30, 2019	one dollar thirty-eight cents (\$1.38)
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Calculation Example:

One dollar thirty-eight cents (\$1.38) per day x \$30.42 (average month) - \$41.98 times the number of Officers - monthly contribution.

ARTICLE 5 Hours of Work and Weekly Leave

- 5.1 The principle of the thirty-seven and one-half (37.5) hour week is recognized by this group. In the marine industry, as it is impracticable to work the thirty-seven and one-half (37.5) hour week, equitable compensation will be made by providing leave as follows:
 - a) Non-Watchkeeping Master(s) at one decimal nine eight six six seven (1.98667) calendar days per day worked.

- b) Officers and Watchkeeping Master(s) working a twelve hour day (either six-and-six watch or a straight twelve (12) hour shift) at one decimal two four (1.24) calendar days per day worked.
- c) Where an eight (8) hour or other workday applies, leave will be calculated on a basis consistent with Clause 5.1(a) of this Article recognizing the principle of the thirty-seven and one-half (37.5) hour week.
- d) There shall be no crew changes between the hours of 00:00 and 06:00.

5.2 If not convenient to grant leave currently, it may be accumulated up to forty-five (45) days in total; however, if the Guild is unable to supply relief Officer's or if there is mutual consent between the Company and the Guild, it may be accumulated for a longer period. It is recognized that accumulation of laydays beyond forty-five (45) may require the consent of Labour Canada or such other person(s) as required by statute or regulation thereto.

5.3 Leave to be granted in Home Port of Vancouver.

- 5.4**
- a) It is recognized by the Parties to the Agreement that the Home Port of an Officer and the Home Port of the vessel aboard which he is regularly employed shall be one and the same, provided that at the date of entering this Agreement, his Home Port shall be the port which has normally been regarded as the Home Port of the Officer.
 - b) The Company shall designate a Home Port for any new or additional vessels bought into service that are owned and/or operated by the Company.
 - c) The Company has the right to change the Home Port of a vessel and will provide a minimum of sixty (60) days' written notice to the Guild prior to changing a vessel's Home Port.
 - d) Where an Officer is notified of a change in Home Port, he or she will be responsible for his or her own transportation; wages will be paid in accordance with normal shift start and stop times.
 - e) If the Company changes the Home Port of a vessel, an Officer who has been regularly employed on the vessel may elect to remain with the vessel in vessel's new Home Port. In the event that the Officer chooses not to remain with the vessel in the vessel's new Home Port, the Officer may exercise his/her seniority rights under the Collective Agreement.

5.5 Any change in shift schedules shall require seven (7) calendar days' notice other than when an Act of God or mechanical failure occurs. In such cases the Company shall consult the Guild and the Master as soon as is practicable. Also, as far as is practicable, the Company will make best efforts to inform all personnel on leave who would be affected by the schedule change.

- 5.6**
- a) Overtime shall be calculated at a minimum of one (1) hour and in one-half (0.5) hour increments thereafter.
 - b) A minimum of two (2) hours overtime shall apply on any call-out which is not contiguous with an Officer's regular hours of work.

- 5.7** Officers shall not be granted pay in lieu of weekly or annual vacation leave.
- 5.8** The Company shall furnish the Guild with a list of all accumulated leave as soon as practicable after the end of every pay period. The list will indicate if the Officer was at sea or on leave at the end of the indicated pay period. Such list will be posted on board ship.

ARTICLE 6 Overtime

- 6.1** Overtime worked will be paid on the basis of double the straight time rate of pay.
- 6.2** When it is necessary for an Officer to be on duty during his off-watch hours, he shall be credited for such time worked at the overtime rate in accordance with Clause 5.6.
- 6.3** At the option of the Officer, overtime can be converted to leave by providing thirty (30) days written notice to the Company prior to January 1st and July 1st of the year. The formula for converting overtime to leave shall be 2.67 hours at double time equals one (1) layday.

ARTICLE 7 Premium Pay

- 7.1** A premium of point five (0.5) hours per hour worked shall be paid to Officers in addition to their regular pay for performing duties under this Article.
- a) When cleaning the crankcase or air boxes of main engines;
 - b) When immediate emergency repairs of main engines or generator engines are required within two (2) hours of the engines shutdown. (When two [2] hours has elapsed since shutdown, then premium rates for such hot work will cease to be paid). Such engines must have been in full operation for a period of not less than one (1) hour prior to shut down;
 - c) When cleaning the fire side and tubes of boilers;
 - d) When cleaning or working on the exhaust systems of main engines or generators;
 - e) When working on sanitary systems, cleaning choked water closets and urinal bowls and/or choked water closet and urinal waste lines;
 - f) When required to enter and work in the machinery spaces below floorplates, the Officer must be standing, sitting or lying down in machinery space below the floorplates in order to qualify for premium pay. Cleaning sea-strainers, and working on the propulsion shafts or on the stern glands will be considered as working below the floorplates;
 - g) When required to work in confined spaces as defined in the Canada Labour Code or regulations issued pursuant to;
 - h) When required to work in spaces that cause the employee to come in direct and other than incidental contact with protective coatings that are transferable to the employee's clothing or person upon contact (e.g.: grease);
 - i) When required to clean or replace lube or fuel oil filters including purifiers;
 - j) When required to change lube oil on main engines, auxiliary generators, reduction gearboxes or hydraulic oil in hydraulic oil systems;
 - k) When required to spray generators or motors with solvents;
 - l) When required to open and work inside the oily water separator;
 - m) When required to work on main engine clutches;
 - n) When required to work on the shaft brakes;
 - o) When required to work on the gear box;

- p) When required to work on the bow thrusters engine or gear box;
- q) When required to work on the steering gear reservoirs;
- r) When required to do an overhaul on the air compressors;
- s) When required to change a main engine turbo charger;
- t) When required to do power-pack change outs;
- u) When required to do main engine bearing work.

7.2 When a vessel is under way, Engineers on watch shall not be required to perform other than normal and necessary duties required to maintain an efficient watch.

7.3 Engineer Officers involved in an overhaul of the main engines may encounter noise and heat conditions in excess of those usual to a watchkeeping assignment, accordingly, it is agreed that such Engineer Officers will be compensated with premium pay for such work performed.

7.4 With the intention that the in-house Engineering Officers will carry out the work that they have traditionally performed, the Senior Chief Engineer on each vessel will be consulted on all contemplated project work in order to assess whether the appropriate experience, knowledge, and capability is available in-house. The Company, in concert with the Senior Chief Engineer, will then plan and carry out said projects with the aforementioned available Officers.

7.5 While working by the vessel, the Engineer Officers will maintain their traditional twelve (12) hour work day plus any overtime that may be required.

7.6 All things being equal, every effort will be made to share the work performed by the Engineer Officers equally.

ARTICLE 8 Shifting Ship

- 8.1**
- a) It is the duty of a Master to shift their vessel while on duty.
 - b) When a vessel is scheduled to be shifted during the on-board Master's rest period, then, based on category seniority, within reasonable availability, a regular/relief Master will be offered the job as "Shifting Master" and paid eight (8) hours at the Master's straight time rate of pay.
 - c) If no regular/relief Master is available, an Officer aboard the vessel, cleared as Master of that vessel may perform the shift and will be paid two (2) hours at the Master's overtime rate, in addition to all other eligible pay. For clarity, cleared Mates will be offered the work in order of their Master's clearance date.

ARTICLE 9 Vessels out of Commission

9.1 When a Deck or Engineer Officer is required to remain on board ship on duty all night for security reasons after having worked eight (8) hours during the day, he shall be credited with leave for any time in excess of eight (8) hours at the regular overtime rate.

ARTICLE 10 Crew Complement

- 10.1** It is agreed that all vessels (except those identified in Appendix "C") shall sail with a full complement of crew Members as documented by that vessel's Transport Canada Minimum Safe Manning Document.
- 10.2** It is agreed that no vessel shall sail without a full complement of crew Members unless an exemption has been provided by Transport Canada and confirmed by the Company. Where practicable, this confirmation will be provided in writing to the Master.
- 10.3** In the event a vessel sails without a full complement of Watchkeeping officers and, as a result, an Officer is required to work in excess of his regularly scheduled hours, such overtime work will be converted to leave at the applicable conversion factor outlined in Article 6.3.

ARTICLE 11 Annual Vacations

- 11.1** An Officer 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 per cent (4%) of gross wages earned in each year.
- 11.2** An Officer 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.
- 11.3** An Officer shall receive twenty-eight (28) consecutive day's 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.
- 11.4** An Officer shall receive thirty-five (35) consecutive day's 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.
- 11.5** An Officer shall receive forty-two (42) consecutive days annual vacation upon completion of twenty-two (22) years of service with the Company. He shall be paid for such vacation on the basis of twelve per cent (12%) of gross wages earned during his twenty-second (22nd) and succeeding years of service.
- 11.6** An Officer with thirty (30) years of service with the Company shall receive an additional two per cent (2%) of gross wages earned during his thirtieth (30th) and succeeding years of service.

- 11.7** In all cases under Clauses 11.1, 11.2, 11.3, 11.4, 11.5 and 11.6 above, if the Officer has worked less than a normal year and is not entitled to the full annual vacation days allowed, they shall be pro-rated in accordance with the vacation pay earned.
Excepted from this is when an Officer is off on WCB benefits for up to one (1) 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 benefits coming to an end in the vacation year.
- 11.8** Vacation pay shall be accumulated throughout the year.
- 11.9** The Company shall provide vacation pay information, including amount, income tax deducted, period covered and gross earnings for the period, at the same time an Officer receives his vacation pay.
- 11.10** a) For vacation requests submitted prior to March 1st of that year, an Officer shall be entitled to select the period(s) desirable to him/her for their vacation on the basis of service seniority.
b) A minimum of two (2) weeks of annual vacation must be submitted to the Company for approval prior to March 1st of that year. For any Officers who do not submit their two (2) week vacation request by March 1st, the Company has the right to schedule two (2) weeks of vacation for those Officers.
c) After March 1st of that year, vacation requests will be processed on a first come, first served basis. All unscheduled vacation periods may be scheduled by the Company in consultation with the Officer.
d) An Officer's vacation periods may, at his/her discretion, be combined with time off, subject to the Company having the right to approve the overall vacation schedule.
e) The Officer's request will not be unreasonably denied.
f) Annual vacations shall take precedence over leave requests.
g) All annual vacation days must be taken on or before December 20th of that year. To ensure this occurs, the Company has the right, on or after September 1st of that year, to schedule all unrequested/unallocated vacation leave.
- 11.11** For the purposes of this Article, the term "gross wages" shall include all monies credited including wages, overtime, excessive hours, subsistence allowance, previous vacation pay and engine servicing pay.
- 11.12** An Officer terminating his employment shall be paid all vacation pay due him up to the date of leaving, calculated in accordance with Clauses 11.1, 11.2, 11.3, 11.4, 11.5, 11.6 and 11.7.
- 11.13** When a statutory holiday occurs in a vacation period the provisions of Article 12.3 shall apply.
- 11.14** An Officer who has been laid off and is re-employed by the same Employer within eighteen (18) months of the date of layoff, shall be granted the same vacation entitlement as he possessed immediately prior to the layoff.

11.15 Where an Officer is scheduled or elects to retire within any given year, such an Officer shall be entitled to utilize all vacation allowances accrued during the year of retirement including the immediate preceding year should he so choose.

ARTICLE 12 Recognized Holidays

12.1 Officers shall be allowed the following recognized holidays on all ships:

New Year's Day	Family Day	Good Friday
Easter Monday	Victoria Day	Canada Day
Civic Holiday (First Monday in August)	Labour Day	Thanksgiving Day
Remembrance Day	Christmas Day	Boxing Day

12.2 If any Officer is required to work on any of the holidays referenced in Clause 12.1, he shall be compensated as follows:

- a) One and one-half (1.5) times the regular pay, and leave earned for the shift worked. If an Officer works on a statutory holiday, he/she shall be entitled to overtime rates for the portion of the holiday that he/she worked, plus
- b) In lieu of working the holiday, an alternate calendar day plus the leave time normally earned for that day to be taken off with pay at a time convenient to both the Employer and the Officer.

12.3 If an Officer does not work on the holiday, he shall be granted a calendar days pay plus the applicable leave earned for working a regular shift. The leave factor applicable shall be determined by the regular shift last worked by the Officer immediately preceding the holiday.

Example:	Employee Working a Twelve (12) Hour Shift
For time worked on holiday:	3.36 calendar days
In lieu of working:	<u>2.24</u> calendar days
Total Compensation:	<u>5.60</u> calendar days

ARTICLE 13 Officer's Accommodation

13.1 Each Officer to be provided with a single berth cabin and also be provided with first class linen, towels and facecloths. Officers shall be entitled to the services of the Ship's Steward throughout the Steward's workweek including the supply of fresh linen and towels as required.

13.2 Officers' quarters, bathrooms, alleyways and mess rooms to be painted every two (2) years, provided it is necessary to do so, on the judgement of the appropriate Company Officer.

ARTICLE 14 Subsistence and Lodging

14.1 When the vessel is in continuous operation and for any reason meals are not supplied, the Officers working aboard will be compensated at the rate of twelve dollars (\$12.00) per meal missed, excepting dinner, which will be compensated at the rate of twenty dollars (\$20.00). This compensation shall be limited to a maximum amount of forty-four (\$44.00) per day.

- 14.2** When the vessel is laid up and Officers are working aboard, the following shall apply:
- a) For Officers working an eight (8) hour shift, they shall be deemed to have missed lunch and be compensated at the applicable rate set out in Clause 14.1. Should the Officer, for any reason, be required to work more than two (2) hours beyond the eight (8) hour shift, he shall be deemed to have missed dinner and be compensated at the applicable rate set out in Clause 14.1.
 - b) For Officers working a twelve (12) hour shift, they shall be deemed to have missed breakfast, lunch and dinner, and be compensated at the maximum rate set out in Clause 14.1
 - c) When lodging is necessary and is not provided on the Officer's own ship, arrangement will be made to provide him a room of the same standard as when the ship is in service.
 - d) In the event that no cook is aboard the vessel and the Officers are working aboard, the applicable subsistence rate will be paid for all missed meals. When the vessel is in a reduced crew status, the Company agrees to pay for three (3) missed meals.
- This Clause (14.2), will not apply where the Company provides meals to the Officer.

- 14.3**
- a) The meal hours for Officer's shall be as follows:
Officers on six (6) hours on / six (6) hours off / Watches
Breakfast: 05:00 to 07:00
Lunch: 11:00 to 13:00
Dinner: 17:00 to 19:00
 - b) These hours may be varied, but such variations shall not exceed one (1) hour either way, provided that one (1) unbroken hour shall be allowed at all times. The period between meal hours shall not normally be less than three (3) hours or more than five (5) hours, except for Officer's on six (6) hours on / six (6) hours off watches.
 - c) In all cases, where a minimum of one-half (0.5) hour is not provided for the meal period, the Officer involved shall receive one-half (0.5) hour at the overtime rate in lieu thereof. This one-half (0.5) hour will be in addition to actual overtime worked either immediately before or immediately after this paid meal period.
 - d) Off-watch Officer's relieving for the dinner meal period will receive one (1) hour at overtime rate.

ARTICLE 15 Traveling Expenses

15.1 It is recognized by the Parties to the Agreement that the Home Port of an Officer and the Home Port of the vessel aboard which he is regularly employed shall be one and the same, provided that at the date of entering this Agreement, his Home Port shall be the port which has normally been regarded as the Home Port of the Officer.

- 15.2**
- a) An Officer's Home Port is the designated place he or she reports to at shift time as directed by the Company.
 - b) When an Officer is temporarily dispatched to or discharged from a vessel away from his Home Port, the Company will provide travel insurance of two hundred thousand dollars (\$200,000.00) for each Officer.
 - c) The Company is responsible for the Officer's transportation, wages and board and lodging until returned to his or her designated Home Port.
 - d) When an Officer is requested to use his own vehicle on day-to-day Company business he shall be compensated for his mileage at the applicable Company rate.

ARTICLE 16 Marine Disaster

- 16.1** Any Officer covered by this Agreement, who, while in the employ of the Company and on Company business, suffers loss of clothing, tools or equipment, or personal effects through marine mishap, vessel disaster or ship wreck, shall be compensated by a lump sum payment of one thousand dollars (\$1,000.00) and subject to satisfactory proof of loss, an additional payment not to exceed one thousand dollars (\$1,000.00). Maximum compensation shall be one thousand five hundred dollars (\$1,500.00).
In the event of such a loss, a detailed list is to be submitted to the Company within thirty (30) days of loss and to be paid by the Company or Insurance Underwriters within sixty (60) days thereafter.
- 16.2** Any compensation payable by this Clause will be paid first to the Officer, second to the beneficiary named by the Officer on his/her group life insurance, and lastly to the estate of the Officer as may be applicable in the circumstances. An Officer, beneficiary or estate making a claim under this Clause shall submit reasonable proof to the Company of the actual value of the loss suffered. Such proof shall be a signed affidavit listing the individual items and values claimed.

ARTICLE 17 Uniforms

- 17.1** Company supplied shirts and pants will constitute the appropriate on-duty dress wear for Deck Officers. The Company will supply three sets of suitable shirts and pants once each twelve (12) months, on or about April 1st of each year, to Deck Officers who have established Service Seniority as contemplated in Clause 23.2. Such dress wear shall be worn at all times when the Deck Officer is on duty.
- 17.2** Deck Officers shall have the option of substituting Company approved outerwear in lieu of the value of the Company supplied shirts and pants referred to in Clause 17.1 above.
- 17.3** There will be no carryover of clothing allowance between years, that is, any "unused" value at year end will be reduced to zero and not be cumulative year to year.
- 17.4** The Company will supply one (1) pair of coveralls to each Deck Officer to be worn over their uniforms when required to enter areas or engage in activities that could reasonably be expected to result in damage to their clothing. These coveralls will be replaced on an exchange basis when the condition of the coveralls so warrants. In no event will the Officer be supplied with more than one (1) pair of coveralls in one (1) year.
- 17.5** Company supplied coveralls will constitute the appropriate on-duty dress wear for Engineer Officers. The Company will supply two (2) pairs of 100% cotton coveralls once each twelve (12) months following the date of first supply of coveralls to Engineer Officers who have established Service Seniority as contemplated in Clause 23.2. Such dress wear shall be worn during on-duty time. Engineers shall have the option of coveralls or jacket of equal value per year. Coveralls shall be supplied with zipper or button fasteners, at the choice of the Engineer Officer.

If an Engineering Officer requires an additional set of coveralls they will be provided with the prior approval of the Engineering Superintendent.

17.6 The Company shall provide a D.O.T. approved floater coat or vest to Officers. This coat or vest may be replaced on an exchange basis once every three (3) years following the date it is supplied.

17.7 The Company will provide an allowance of one hundred and fifty dollars (\$150.00) per year for the purchase of approved safety footwear, or three hundred (\$300.00) dollars once bi-annually. Employees are required to submit receipts as proof of purchase and such claims to be submitted within ninety (90) days.

ARTICLE 18 Tools

18.1 The Company will provide all hand tools necessary for the maintenance of the vessel's machinery.

ARTICLE 19 Benefit Plan

19.1 The Company shall pay to the Guild a monthly contribution of up to eight hundred and fifty dollars (\$850.00) for each eligible Officer 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.

a) The Company will provide a monthly contribution of one per cent (1%) of each Officer's basic monthly rate of pay effective October 1, 2006 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 his retirement.

19.2 The Guild shall provide a Health Benefit Plan for all eligible Officers utilizing all of the contributions received under Clause 19.1 above.

19.3 An Officer 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.

19.4 Contributions will be pro-rated for those Officers who are eligible and who are employed for a part month. Laydays shall be credited as employed days.

19.5 a) All eligible Officers (except those who are part-time) will have contributions made for them on completion of ninety (90) days continuous employment with the Company.
b) Where an employee is promoted from his Employer's Unlicensed ranks and he works continuously as an Officer, Health Benefit Plan coverage shall be maintained under the Unlicensed Plan up to the first (1st) day of the fourth (4th) month following such a promotion, then entitlement to benefits under the Guild Benefit Plan shall commence. In the event such an Officer is subsequently demoted back to the Unlicensed ranks, coverage shall continue under the Guild Plan until he remains in the Unlicensed ranks for a full three (3) calendar months, then he shall revert back to coverage under the Unlicensed Plan first (1st) of the month following.

19.6 Officers 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.

- 19.7** Contributions will commence immediately for any eligible Officer who returns to active full-time employment with a participating Employer within six (6) months of the date of his leaving employment. If an Officer 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 Officer retains recall rights under Article 23.7 he shall not be subject to the waiting period on return-to-work with that Employer.
- 19.8** When an Officer is on Weekly Indemnity or WCB benefits for up to fifty-two (52) weeks, the Employer will pay the full contribution under Clause 19.1 above, and the BC Medical Plan Premium. An Officer who is put on layoff when on these benefits will continue to have these premiums paid by the Company.
- 19.9** Any rebate of EI Premiums shall continue to be retained by the Employer to offset contributions.
- 19.10** The Employer will continue to pay one hundred percent (100%) of the premium of the BC Medical Services Plan.

ARTICLE 20 Canadian Merchant Service Guild Western Branch Pension Plan

- 20.1** a) The Employer will contribute monthly to the Pension Plan a total of eight and one-half per cent (8.5) of each Officer's monthly basic rate of pay actually paid to the Officer each month. The plan will be portable within Guild Membership. The Employer contribution shall be allocated as seven and one-half per cent (7.5%) to the Pension Plan account of the individual Officer 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 (7.5%) and seven and one-half per cent (7.5%) respectively for those Officer's on Long Term Disability under the Guild Health Benefit Plan after fifty-two (52) weeks on WCB Benefits. Officers for whom the seven and one-half per cent (7.5%) contribution is made will contribute concurrently by payroll deduction seven and one-half per cent (7.5 %) on their own behalf.
- b) 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) Industry and three (3) Guild Trustees.
- 20.2** All contributions referred to under Article 20.1 above are exclusive of any contributions required for the Canada Pension Plan.
- 20.3** The Company shall not be required to contribute to the Guild Plan on behalf of any Officer who is presently a Member of an existing Company plan.
- 20.4** The Company will forward to the Pension Plan Administrator monthly statements showing all contributions made on behalf of all Officer's on payroll that month.

20.5 Where a Company is remiss in forwarding pension contributions, it shall be responsible for its contributions and any lost interest for any period beyond thirty (30) days.

20.6 Pension Plan contributions shall commence as of the first (1st) day of employment as an Officer. An Officer who is laid off or terminated will have pension contributions and deductions made on all basic earnings paid which includes regular leave paid.

ARTICLE 21 Leave of Absence

21.1 Any Officer desiring leave of absence for any reason other than those set out in Clauses 21.3, 21.4 and 21.5 of this Article must obtain authorization in writing from the Company, and the Company and the Guild must mutually agree in writing to the granting of such leave and it will not be unreasonably denied.

21.2 Where any Officer 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.

21.3 a) The Company will grant leave of absence to Officers suffering injury or illness when on Weekly Indemnity, LTD or WCB, subject to a medical certificate if required by the Employer.
b) Where an Officer on a Worker's Compensation Board claim is medically determined by the WCB to be unable to return to the employ of the Company, and evaluation or re-training for alternate employment under the WCB Vocational Rehabilitation Phase has commenced, the employment relationship between the Officer and the Company is ended. The foregoing shall apply providing the medical determination is not in dispute.

21.4 a) The Company will grant leave of absence to Officers who are appointed or elected to a Guild office (or who go ashore to work for the Company) for a period up to and including three (3) years. The Officer shall accumulate seniority for three (3) years and then his seniority shall remain dormant until his return. Further leave of absence will be granted if requested. Any Officer 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.
b) In the event an Officer returns to sea and subsequently returns ashore, he shall not be entitled to accumulate seniority for more than the period of his return to sea unless it is for more than one (1) year. Officers going ashore on a temporary basis, less than one (1) year at a time, shall continue to accumulate seniority.
c) By mutual agreement between the Parties, leave of absence of up to three (3) years may be granted to an Officer who desires to work offshore with an Employer engaged in foreign going shipping. Such an Officer's seniority shall remain dormant from the time leave is granted and until his return to the employ of the Company from which leave was taken. Under this arrangement, leave of less than three (3) months will not be granted.

- 21.5** The Company will grant leave of absence to Officers 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 Officer as a delegate on its behalf, or acts as Members of any Guild Negotiating Committee.
An Officer shall be allowed to continue to receive his rate of pay from his layday account including negative days up to a maximum of fourteen (14) days, for the purpose of attending such conventions and/or meetings. When an Officer sits on a Guild Negotiating or Trustee Committee dealing with his Employer the above fourteen (14) day limit shall not apply. This Clause shall not interfere with the provision of Article 36.
- 21.6** It is agreed that before the Officer receives the leave of absence as set forth in Clauses 21.4 and 21.5 above, the Company will be given due notice in writing by the Guild in order to replace the Officer during his absence with a competent substitute.
- 21.7** An Officer, when returning from leave of absence, shall be reinstated in no less than the same pay classification the Officer 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.
- 21.8** An Officer shall be entitled to compassionate leave of up to three (3) days to attend urgent domestic affairs. Leave of more than three (3) days may be taken, subject to Company approval, if the circumstances warrant.
- 21.9** An Officer who is required to be available for Jury Duty, Coroner's Jury Duty, Coroner's Witness, Crown Witness, or where the Officer represents his Employer in a court action, will be paid while on such duty, provided such court action is not occasioned by the Officer's private affairs. Such pay shall be offset where an Officer's pay is remunerated by a third Party, e.g.: when acting as a witness. The pay will be such as to maintain the Officer's monthly basic rate. Leave banks will be frozen during this time.

21.10 Bereavement Leave

1. Officers 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 define as:
 - a) the Officers spouse or common-law partner;
 - b) the Officers father and mother, and the spouse or common-law partner of the father or mother;
 - c) the Officers children and the children of the Officer's spouse or common-law partner;
 - d) the Officers grandchildren;
 - e) the Officers brothers and sisters;
 - f) the grandfather and grandmother of the Officer;
 - g) the father and mother of the spouse or common-law partner of the Officer and the spouse or common-law partner of the father or mother; and
 - h) any relative of the Officer who resides permanently with the Officer or with whom the Officer permanently reside.
2. The Officer will advise the Company as soon as possible regarding his request for bereavement leave so arrangement for relief, where required, may be arranged.

ARTICLE 22 Severance Pay

- 22.1** Officers with more than one (1) years' 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 Officers will be entitled to severance pay. Severance pay will be paid in the following manner (under the Canada Labour Code or this Article, whichever is the greater):
- 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 the monthly basic x 7/30.42.

ARTICLE 23 Seniority

- 23.1** For the purpose of this Article, there shall be two (2) kinds of seniority:
- a) **Service Seniority:** being length of service with the Company as an Officer.
 - b) **Category Seniority:** being length of service with the Company in a specified category of Officer; i.e. Master, Mate, Engineer. Any documented time served as an Officer, after October 1, 2006, will be recognized and credited to the Officer upon permanent promotion.
- 23.2** An Officer shall acquire Service Seniority as of his date of employment with the Company as an Officer, provided he has completed six (6) months probationary employment within a continuous twelve (12) month period.
- In no event will an Employee with less than one hundred eighty-two (182) days on the Company's payroll be considered as having completed the probationary period. During the probationary period, the Employee's work performance and attitude will be monitored and assessed. If work performance and or attitude is found to be unsatisfactory or unsuitable during the probationary period, then upon written request from the Employee, the reason(s) for dispensing with their services will be provided.
- 23.3** The Company shall provide the Guild with a list setting out both kinds of Seniority. This list shall include names, date of entry into the service of the Company and date of entry in the above named categories. The list will be revised and posted in January of each year and shall be open for correction for a period of ninety (90) days on presentation of proof of error by the Master or Officer or his Representative.
- 23.4** In cases of layoff or recall, Service Seniority shall be the determining factor, subject to qualifications, experience and ability.
- 23.5** 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 from all Company personnel.

23.6 Appointments

Appointments to regular job vacancies shall be made on the following basis:

- a) If the applicants are from the same category, category seniority shall apply, subject to qualifications, experience and ability.
- b) An Officer who refuses to accept promotion in order of seniority shall relinquish his seniority to the person promoted over them.
- c) Non-certified Officer's shall acquire category seniority only for the purposes of appointment to other non-certified positions.

23.7 An Officer who has been laid off will retain his service seniority and category seniority and the right to be recalled for a period of eighteen (18) months, provided he reports to the Company when recalled. An Officer who is given seven (7) days maximum notice and fails to report for work upon recall is subject to discharge from service, unless the Officer has advised the Company in advance that his or her circumstances will not allow him or her to report for work within the seven (7) day notice period.

23.8 A Deck Officer who does not possess the required Transport Canada (TC) Certification will be permitted to regain their Category Seniority over Officers with less Service Seniority who have advanced to the position of Chief Officer if;

- a) The Deck Officer obtains the required TC Certification within three (3) years of the position being filled by another Deck Officer with less seniority.
- b) Within thirty (30) days of obtaining the required TC Certification, the Deck Officer applies in writing to the Company requesting that they regain their Category Seniority; and
- c) The Company deems the Deck Officer is suitable for the position.

This Article does not apply to the advancement of a Master.

23.9 Promotions

All efforts shall be made to promote from within. Promotions shall be based on ability, qualifications, merit and seniority; ability, qualifications and merit being sufficient seniority shall prevail. In the matter of promotion to Master, the Officer candidate up for promotion will have successfully fulfilled the in-house training program as outlined in Appendix "G". For all promotions an Officer of the Company shall be the judge, subject to appeal in accordance with Article 3.

23.10 Should a Master or any Officer not be promoted in his turn, the authorized representative of the Officer, shall, upon written request, be furnished with the reasons thereof in writing.

23.11 Officers promoted to a position within the Company but outside the scope of this Collective Agreement will retain the seniority held at the date of promotion for a period of three (3) years.

23.12 In promotion of Officers, the Company retains the right to determine the appropriate probationary period that will apply in each individual case. Such probationary period will not exceed eighty (80) working days in the position to which he/she is promoted.

23.13 Should an Officer on leave take employment with another Company within the Marine Industry that requires possession of a Certificate of Competency, he/she shall be deemed to have terminated employment with the Company from which he took leave.

23.14 Relief Assignments

Where practicable, all relief assignments shall be offered to eligible Officers in accordance with their category seniority. This clause will not prevent the Company from scheduling junior employees into a relief assignment if the leave situation so warrants.

23.15 In the event of a merger or where the Company acquires other vessel(s) to its existing fleet, then the following shall prevail:

- a) All permanent Officers employed by the Company as of the date of the merger or vessel acquisition shall have their seniority status and vessel assignment grandfathered.
- b) Any new Officer who becomes employed as a result of such merger or vessel acquisition shall only be granted seniority for the purposes of this Article as of the date he/she becomes an employee of the Company.

23.16 a) An Officer may request to work up to half (1/2) time subject to approval by the Company. Entitlement to this provision shall be dependent on the following minimum age and service seniority formula:

Service	Age
15 years	60
20years	55
25 years	50

The minimum period shall be one (1) year and the maximum period shall be two (2) years. The Officer's requested period of work/leave of absence must be for a continuous duration and may not be broken into non-consecutive periods of time. The work/leave of absence arrangement will be mutually agreed between the Officer and the Company. The Officer will retain his posting and regular rotation. The intent of this Clause is for retirement phase-in, not alternate employment. This work arrangement can only be utilized once by an Officer during their employment with the Company.

- b) Such Officer shall only accrue further seniority and service for actual days worked and corresponding leave.
- c) Pension contributions shall be maintained as per Article 20.
- d) The benefit plan premiums shall be maintained by the Company and the Officer on a fifty-fifty (50/50) basis each month and will continue to be paid until this half (1/2) time arrangement is ended.
- e) Weekly Indemnity and long term disability benefits will be paid at the rate of fifty per cent (50%) of the benefit entitlement and other benefits at the full entitlement.
- f) The Officer will only be entitled to Statutory Holiday compensation which coincides with his being on the Company payroll, i.e., on a sea day, work by or layday.
- g) Annual vacation days accrual shall be fifty per cent (50%) of the Officer's normal vacation days entitlement from commencement of this half (1/2) time arrangement.

- h) At the time the Officer commences his or her leave of absence period, all accrued monies including leave may be paid out at the Officer's discretion, but he or she is not eligible to convert overtime as per Article 6.3. (Interpretation note from Provincial Mediators report: It is understood between the Parties that Employees working pursuant to this provision shall not be entitled to use accumulated overtime and stat holiday pay to reduce their commitment to work half time).
- i) This Clause may be reviewed and amended by mutual agreement between the Guild and the Company.

ARTICLE 24 Rules and Regulations Governing Engineer Officers' Positions and Promotions

24.1 Chief Engineers

Shall possess, as a minimum, the certificate(s) required under the Regulations issued pursuant to the Canada Shipping Act or any other statute that might be applicable to the position.

24.2 Promotions to the rank of Chief Engineer shall be based on ability, qualifications, experience and seniority; ability, qualifications and experience being substantially equal, seniority shall prevail. For all promotions, the Company shall be the judge, subject to appeal in accordance with Article 3.

24.3 Second Engineers

Shall possess, as a minimum, the certificate(s) required under the Regulations issued pursuant to the Canada Shipping Act or any other statute that might be applicable to the position.

24.4 Promotion to the rank of Second Engineer shall first be made from personnel in Third Engineer's positions who are qualified to relieve in the position of Chief Engineer as above and in accordance with seniority, with exception as follows:

- a) If the Engineer Officer concerned in the promotion, due to insufficient qualifying service, has not been able to sit and pass the examination for the certificate(s) necessary to relieve the Chief Engineer, then the requisitely qualified Engineer Officer next in line of seniority shall be promoted temporarily until such time as the Engineer Officer concerned in the promotion has obtained the certificate(s) necessary to relieve the Chief Engineer, providing that the date of obtaining same has not exceeded a period of three (3) years since the date of appointment of Engineer in the service of the Company.

24.5 Third Engineers

A Third Engineer shall possess, as a minimum, a Fourth Class Motor Certificate.

ARTICLE 25 Masters or Chief Engineers Reduced Pro Tem

25.1 Any Master or Chief Engineer who has occupied a position as such for six (6) months within a twelve (12) month period and has been reduced to a junior rank due to curtailment of service or fleet reductions will, for three (3) months, be paid half the difference between the rate he received as Master or Chief Engineer and the standard rate for the position to which he is appointed.

ARTICLE 26 Transportation Privileges

26.1 Transportation on Company vessels will be granted in accordance with the policies of the Company.

ARTICLE 27 Medical Examinations

27.1 The Company has the right to have all Officers medically examined for fitness, and any Officer found medically unfit for service will not be employed. Medical examinations will be at the Company's expense. Where an Officer is required to travel away from home for an examination, the Company will reimburse the Officer for all travel expenses and further compensate the Officer one (1) calendar days pay. In the instance an Officer is removed from his vessel (or not dispatched) to facilitate such an examination, then the Company will reimburse such an Officer for any and all loss of earnings and any associated travel costs.

27.2 Where the Company refuses to employ an Officer or discharges an Officer for medical reasons, the question of the Officer's fitness for full sea duties in the category in which he is to be employed may be referred to a competent medical authority acceptable to the Company, the Guild and the Officer concerned for determination acceptable to the Company, the Guild and the Officer concerned.

27.3 The Company will pay up to two hundred dollars (\$200.00) of the Doctor's charge for a Transport Canada required medical exam for Continued Proficiency Certification or STCW '95 Certification. This amount will continue until October 1, 2017 and then increase the amount to two hundred and fifty dollars (\$250.00) thereafter. Officers must supply the Company with proof of payment to be eligible for reimbursement.

ARTICLE 28 Basic Rates of Pay

28.1 Wages and overtime rates of pay under this Agreement shall be as contained in Appendix "A":

Effective Date	Wage Increase
October 1, 2013	two percent (2%)
October 1, 2014	two percent (2%)
October 1, 2015	two percent (2%)
October 1, 2016	two percent (2%)
October 1, 2017	two percent (2%)
October 1, 2018	two percent (2%) or COLA ¹
October 1, 2019	two percent (2%) or COLA ¹

Calculated based on the Officers annual base wage rate.

1. In the event the average annual all items Vancouver CPI exceeds 2.2% in the year prior to the contractual increase the wages will be increased by the amount above 2.0% to a maximum of 3%. (Example: If CPI = 2.3%, the wages will be increased by 2.3%).

ARTICLE 29 Extra Duties Premium

- 29.1** In recognition of the fact that on occasion, the Chief Engineer will be required to perform duties outside the watchkeeping period, the Chief Engineer will receive compensation in the form of an Extra Duty Premium (EDP). In consequence of the Chief Engineer receiving a flat rate EDP of one (1) hour overtime for each twelve (12) hour regular shift worked, any further overtime compensation will be restricted to that necessitated by emergency conditions and/or mechanical breakdown. Such further overtime claims will only be considered for actual overtime worked beyond the daily one (1) hour period compensated for by the EDP.
- 29.2** Due to the nature of the operation, the Watch-keeping Deck Officers are required to perform additional administrative duties. In recognition of such additional employment requirements the Watch-keeping Deck Officers will be compensated with one (1) layday in their OT/Stat bank as a monthly premium. The above is applicable only to Deck Officers with Seniority.

ARTICLE 30 Excess Hours Premium

- 30.1** In recognition of the fact that Non-Watchkeeping Masters are required to attend to issues which arise while his vessel is at sea and while he is not in attendance on the bridge related to traffic conditions, weather hazards, or the navigation of difficult tidal conditions, he shall be compensated by a monthly payment of seven hundred dollars (\$700.00) plus incremental yearly increases equal to agreed wage increases.
When the Master must leave the vessel in order not to be in violation of his "hours of rest", he will be credited with an additional full "layday" deposited in his OT/Stat bank.
- 30.2** Flat rate premiums shall be prorated for such Masters who are not working in such positions for the entire month or who are utilizing leave that was earned in other than such Master's position.

ARTICLE 31 Legal Defence Fund

- 31.1** Legal defence insurance for Officers covered by this Agreement shall be provided in the following manner:
 - a) The Guild shall provide legal defence insurance which shall be paid for by the Company monthly for each Officer in its employ at the following rate(s):

October 1, 2013 to September 30, 2019	thirty-two dollars and fifty cents (\$32.50)
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- 31.2** The Company and Officers shall be advised as to the terms, conditions and extent of coverage so placed.
- 31.3** "Officer" means Officers who are Members in good standing of the Guild.

ARTICLE 32 Certificate Insurance

- 32.1** Officers who obtain Certificate Insurance through the Canadian Merchant Service Guild shall be eligible for reimbursement of seventy-five per cent (75%) of the premium cost to a maximum of one hundred dollars (\$100.00) annually. The Officer must make a claim for reimbursement including evidence of the Certificate Insurance coverage.

ARTICLE 33 Liability Insurance

- 33.1** The Company shall cover all Officers to the full extent of its liability insurance. The intent is to prevent separate actions against Officers by allowing the policies to represent a single and unified defence against third Party claims.

ARTICLE 34 Certificate Allowance

- 34.1** Engineer Officers holding a First Class Motor or First Class Combined Steam and Motor Certificate will be paid a certificate allowance of one hundred dollars (\$100.00) per month.

ARTICLE 35 Education and Upgrading

- 35.1** An Education Committee shall be established to foster the education and upgrading of Officers. It shall be comprised of two (2) Guild Representatives and two (2) Company Representatives. Its duties shall include the development and approval of courses which are mutually beneficial to the Company and its Officer's. It shall promulgate rules and procedures, establish a body of precedents, adjudicate disputed applications, maintain liaison with appropriate Government departments and otherwise assume responsibilities as directed by the Parties from time to time.

The following concepts shall govern the payment of courses:

- a) On Company required education and training programs, the Employer will bear all costs of tuition, including wages. Any extraordinary expenses will be considered by the Company.
- b) 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 Officer will contribute his time in accordance with Clause 35.3. An Officer who fails to successfully complete a course shall reimburse the Company for tuition, books and fees.
- c) On required upgrading arising out of Government Regulations, the Employer will assist the Officer along the lines outlined in (b) above.
- d) The Company will pay to each Officer who attends a required upgrading course necessary for maintaining his Continued Proficiency and STCW '95 Certificate as follows:
 1. The Company will pay an expense allowance of one hundred fifteen dollars (\$115.00) per day of attendance in a course. The allowance will increase five percent (5%) on each anniversary date of this Collective Agreement. The allowance will be paid to a maximum of fifteen (15) calendar days every five (5) years not including medicals. Leave banks may be frozen at the discretion of the individual Officer while attending such upgrading courses.

- 35.2** The Company shall have the right to limit the selection and the number of Officers permitted to take an upgrading course at any one time.

- 35.3** a) If an Officer runs out of leave time during attendance at an approved course, the Company shall loan him funds to the extent of continuing the Officer'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.
- b) If Government assistance is available, the Officer shall apply and if granted, the amount advanced by the Company during the course shall be reduced by the sum of such Government assistance.
- 35.4** At the completion of the course, an Officer shall return-to-work for the Company until such loan is paid. If the Officer fails to do so, the Guild will render cooperation toward recovery of the loan.
- 35.5** The Employer will provide wage assistance to eligible Officers who take courses leading to certificates for which the Employer deems he has use and which are three (3) or more months in length. Wage assistance shall be fifty per cent (50%) of the Officer'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 Officer shall have a minimum of three (3) years with the employer.
- a) MED II and re-validation are covered by the terms of 35.1(c).
- b) Parties agree that a Standing Committee be named pursuant to Article 35.

ARTICLE 36 Suspension, Layoff or Termination of Employment

36.1 Termination

An Officer will 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 Officer, when hired for relief or temporary work which does not exceed three (3) months, will only be entitled to the provisions of Clause 36.2 below.

36.2 Layoff

An Officer will be given forty eight (48) hours' notice of layoff. Failure to give forty-eight (48) hours' notice will result in payment of two (2) days wages.

36.3 An Officer will give his Employer forty-eight (48) hours' notice of termination of employment.

36.4 Suspension

An Officer may be suspended or discharged for just cause. Just cause may include but is not limited to the following:

- a) The refusal to abide by the Company's rules, regulations, policies, and practices.
- b) The refusal by the employee to submit to a drug test following a significant incident (as defined in the Company's Substance Use policy).
- c) Any dispute related to this Article is subject to Article 3 adjudication.

ARTICLE 37 Discrimination, Intimidation and Harassment

37.1 The Company and the Guild recognize and jointly subscribe to the principles as set out within the British Columbia Human Rights Code.

ARTICLE 38 Special Leave

38.1 Maternity, adoption, parental and special leave provisions regarding care or support of family Members as stipulated within the British Columbia labour and Employment Law Statues and Regulations are recognized and subscribed to by the Guild and the Company.

ARTICLE 39 Term of Agreement

39.1 This Agreement shall be effective from **October 1, 2013** and shall remain in effect until **September 30, 2020** and thereafter from year to year, subject to four (4) months' notice in writing of desire to revise, amend or terminate same. Such notice may be given any time after May 31, 2020. 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.

EXECUTED on BEHALF of SEASPAN FERRIES CORPORATION	EXECUTED on BEHALF of THE CANADIAN MERCHANT SERVICE GUILD
	
<i>Steve Roth - Vice President</i>	<i>Capt. Roland Gerak - President</i>
	
<i>Brent Hale - Vice President - Human Resources</i>	<i>Zulema Sanabria - Secretary Treasurer</i>
	
<i>Dianne Richards Director - Employee Relations and Wellness</i>	<i>Robert Samson - Business Agent</i>

Dated at Delta, BC	this 18th day of	August, 2016
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APPENDIX "A"
CMSG Wage Rates
Carrier Princess / Princess Superior

Effective October 1, 2013 – 2% Increase				
GROUP	Monthly	Weekly	Hourly	Double Time
Master	8,830.22	2,039.31	54.19	108.38
First Officer	7,285.82	1,682.64	44.71	89.42
Second Officer	6,890.01	1,591.23	42.28	84.56
Chief Engineer	8,110.24	1,873.03	49.77	99.54
Second Engineer	7,285.82	1,682.64	44.71	89.42
Third Engineer	6,890.01	1,591.23	42.28	84.56

Effective October 1, 2014 – 2% Increase				
GROUP	Monthly	Weekly	Hourly	Double Time
Master	9,006.82	2,080.10	55.27	110.54
First Officer	7,431.54	1,716.29	45.60	91.20
Second Officer	7,027.81	1,623.05	43.13	86.26
Chief Engineer	8,272.44	1,910.49	50.76	101.52
Second Engineer	7,431.54	1,716.29	45.60	91.20
Third Engineer	7,027.81	1,623.05	43.13	86.26

Effective October 1, 2015 – 2% Increase				
GROUP	Monthly	Weekly	Hourly	Double Time
Master	9,186.96	2,121.70	56.37	112.74
First Officer	7,580.17	1,750.62	46.51	93.02
Second Officer	7,168.37	1,655.51	43.99	87.98
Chief Engineer	8,437.89	1,948.70	51.78	103.56
Second Engineer	7,580.17	1,750.62	46.51	93.02
Third Engineer	7,168.37	1,655.51	43.99	87.98

Effective October 1, 2016 – 2% Increase				
GROUP	Monthly	Weekly	Hourly	Double Time
Master	9,370.70	2,164.13	57.50	115.00
First Officer	7,731.77	1,785.63	47.45	94.90
Second Officer	7,311.74	1,688.62	44.87	89.74
Chief Engineer	8,606.65	1,987.68	52.81	105.62
Second Engineer	7,731.77	1,785.63	47.45	94.90
Third Engineer	7,311.74	1,688.62	44.87	89.74

APPENDIX "A"
CMSG Wage Rates
Carrier Princess / Princess Superior

Effective October 1, 2017 – 2% Increase

GROUP	Monthly	Weekly	Hourly	Double Time
Master	9,558.11	2,207.42	58.65	117.30
First Officer	7,886.41	1,821.34	48.39	96.78
Second Officer	7,457.97	1,722.39	45.77	91.54
Chief Engineer	8,778.78	2,027.43	53.87	107.74
Second Engineer	7,886.41	1,821.34	48.39	96.78
Third Engineer	7,457.97	1,722.39	45.77	91.54

Effective October 1, 2018 – 2% Increase or COLA

GROUP	Monthly	Weekly	Hourly	Double Time
Master	9,749.27	2,251.56	59.83	119.66
First Officer	8,044.14	1,857.77	49.36	98.72
Second Officer	7,607.13	1,756.84	46.68	93.36
Chief Engineer	8,954.36	2,067.98	54.95	109.90
Second Engineer	8,044.14	1,857.77	49.36	98.72
Third Engineer	7,607.13	1,756.84	46.68	93.36

Effective October 1, 2019 - 2% Increase or COLA

GROUP	Monthly	Weekly	Hourly	Double Time
Master	9,944.26	2,296.60	61.02	122.04
First Officer	8,205.02	1,894.92	50.35	100.70
Second Officer	7,759.27	1,791.98	47.61	95.22
Chief Engineer	9,133.45	2,109.34	56.05	112.10
Second Engineer	8,205.02	1,894.92	50.35	100.70
Third Engineer	7,759.27	1,791.98	47.61	95.22

APPENDIX "B"

Schedules

Work Schedule Outlining Working and Leave Arrangements

1. **Non-Watchkeeping Masters**

Masters assigned will be on board the vessel in sufficient time to meet the vessel's scheduled departure time.

APPENDIX "C"
Manning Levels

The shipboard complement of Officers for a continuous or twelve (12) hour shift operation shall be as follows:

1. **Continuous Operation – Twenty-Four (24) Hour**

	Carrier Princess	Princess Superior
Deck	Master (Non-Watch)	Master (Non-Watch)
	First Officer	First Officer
	Second Officer	Second Officer
Engine Room	Chief Engineer	Chief Engineer
	Either of two Second Engineers or One Second Add One Third Engineer	Second Engineer

2. **Twelve (12) Hour Shift Operation**

	Carrier Princess	Princess Superior
Deck	Master (Non-Watch)	Master (Non-Watch)
	First Officer	First Officer
	Second Officer	Second Officer
Engine Room	Chief Engineer	Chief Engineer
	Either of Two Second Engineers or One Second Add One Third Engineer	Second Engineer

APPENDIX "D"
Credit Agreement to Repay Wage Advances

Seaspan Ferries Corporation

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 12 months of my initial absence, I agree to repay the outstanding debt on demand and until demand, at the rate of \$350 per 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)

(Signature)

(Name)

(Address)

(Occupation)

APPENDIX "E"

New Hire Declaration of Guild Membership Status

It is agreed that Officer's to be hired will sign a letter attesting that they are Members in good standing with the Guild.

SUGGESTED LETTER FORMAT

To: *Seaspan Ferries Corporation*

From: *(New Officer)*

Dear Sirs:

This letter confirms that the undersigned is a Member in good standing with the Canadian Merchant Service Guild.

Yours truly,

(Signature of New Officer)

APPENDIX "F"

Employee Family Assistance Program (EFAP)

The Company shall participate in the Council of Marine Carriers Employee Family Assistance Program, or in the alternative, shall establish their own plan as of the effective date (commencement) of this Agreement.

APPENDIX "G"

In-House Masters Training Program

In the matter of promotion to Master and with safety in mind, all Deck Officers – provided they have the appropriate qualifications – who wish to apply for the position of Master must first complete an in-house ship-handling program for the applicable vessel. The end objective of each Master training program is to clear the candidate to work as a Relief Master on the vessel for which they have successfully completed the Master training program.

Should a Deck Officer with higher seniority choose not to participate in the above program he/she will be deemed to be ineligible for a promotion to Master should one arise. Should the same Deck Officer later change his/her mind and wish to participate in the program and does so successfully he/she will be listed below those who have already completed the program ahead of him/her regardless of category and/or service seniority.

APPENDIX "H"
Letter of Agreement

RE: Benefits

Article 1.08 – Benefit Plan

The Parties agree that the Hall Award and the Trust Agreement will be in force throughout the term of the Collective Agreement and in the event there is a conflict regarding contribution rates or benefit levels, the Hall Award and the Trust Agreement provisions will prevail.
