

**DEEP SEA AND COASTWISE
LONGSHORE AND COTTON
AGREEMENT**

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**AGREEMENT
ENTERED INTO BETWEEN**

The Owners and/or Operators and/or Agents, and/or Terminal Operators and Stevedores of all deep sea and coastwise vessels arriving at and/or departing from all Ports in Texas, excluding the Port of Brownsville, Texas, and including the Port of Lake Charles, Louisiana, subscribed for by the West Gulf Maritime Association, and their respective regular and associate members, hereinafter styled First Parties, and the South Atlantic and Gulf Coast District, International Longshoremen's Association, and its affiliated deep sea locals in all Ports in Texas, excluding the Port of Brownsville, Texas, and including the Port of Lake Charles, Louisiana, to wit; Local No. 20 of Galveston, Texas, Local No. 21 of Beaumont, Texas, Local No. 22 of Orange, Texas, Local No. 23 of Texas City, Texas, Local No. 24 of Houston, Texas, Local No. 25 of Port Arthur, Texas, Local No. 26 of Corpus Christi, Texas, Local No. 30 of Freeport, Texas, Local No. 31 of Port Lavaca, Texas, and Local No. 2047 of Lake Charles, Louisiana, hereinafter styled Second Parties, as follows:

The First Parties and Second Parties agree that all negotiations on Collective Bargaining

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It is hereby agreed between First Parties and Second Parties that the following shall be the scale of wages and working arrangements for labor to be performed as set forth below in the loading and unloading of deep sea and coastwise vessels, arriving at or departing from the Texas Ports, excluding the Port of Brownsville, Texas and including the Port of Lake Charles, Louisiana, with any kind of cargo, including cotton and tobacco effective the 1st day of October, 1996, and terminating the 30th day of September, 2001. Any negotiations that may happen regarding this Contract shall be taken up collectively by the members of the West Gulf Maritime Association who are Owners and/or Operators and/or Agents and/or Terminal Operators and/or Stevedores of deep sea and coastwise vessels loading or unloading at the Texas ports, excluding the Port of Brownsville, Texas, and including the Port of Lake Charles, Louisiana.

The term of this Agreement shall be subject to the right of the South Atlantic and Gulf Coast District, International Longshoremen's Association, and the affected locals, or the West Gulf Maritime Association, and its affected respective regular and associate members, to re-open negotiations on the subject of wages at the end of the second year of this Agreement. In the

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Agreement(s) involving all covered work performed in the Port of Brownsville, Texas will be handled independently for the Port of Brownsville, Texas and that any Agreement(s) made will only apply to the Port of Brownsville, Texas.

The First Parties and Second Parties recognize that the revised Port of Houston - Attraction and Retention of Work - Memorandum of Understanding dated October 1, 1996 will continue to cover working conditions in the Port of Houston and that the parties in other ports in the West Gulf covered under this Agreement shall have the option to adopt all or part of the revised Port of Houston - Attraction and Retention of Work - Memorandum of Understanding in their port with the understanding that any language adopted shall cover all current and future similar operations in that port and that the "Me Too" clause shall not automatically require the acceptance of the revised Port of Houston - Attraction and Retention of Work - Memorandum of Understanding in any port where the local parties are unwilling to exercise this option. The revised Port of Houston - Attraction and Retention of Work - Memorandum of Understanding will be considered as a "floor".

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event either Party chooses to exercise its right to re-open negotiations on wages, it must give written notice of a desire to do so at least sixty (60) days prior to October 1, 1998. If such notice is given and the Parties are unable to reach agreement on the subject of wages by October 1, 1998, the no-strike, no-lockout provisions of this Agreement shall be suspended.

RULE 1. HIRING HALLS

WHEREAS, it is necessary in the loading and unloading of ships in all Texas ports, excluding the Port of Brownsville, Texas, and including the Port of Lake Charles, La., and in the doing of all longshore work, as defined in Rule 19 of this Agreement, that the Owners, Operators, Terminal Operators, Stevedores and Agents of ships have available at the places where such ships are docked a sufficient number of experienced and efficient longshoremen qualified to do and perform the said longshore work in the loading and unloading of said ships, such longshoremen to be available at such times and places as needed.

WHEREAS, Second Parties are in position to supply to First Parties the number of qualified, efficient longshoremen as and when needed by

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them and at such times and places as they are needed.

IT IS THEREFORE AGREED by and between the parties hereto subject to the terms and provisions hereof as follows:

First Parties will employ to perform all longshore work as defined in Rule 19 of this Agreement the labor necessary therefore through Hiring Halls. The local unions herein before designated acting independently as bargaining representatives of the employees and not as agents of the First Parties shall operate and administer the Hiring Halls. The term "Hiring Halls" as used herein, includes all union controlled places away from shipside where individuals apply for referral.

"Joint Productivity Review Committees" shall be established in all ports covered under this Agreement with criteria to be developed on a port-by-port basis.

A longshoreman referred through the Hiring Hall does not become an employee of any of the First Parties until he reports to one of the First Parties at shipside ready to work and is in fact there hired.

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No applicant or employee shall be denied the use of the Local's Hiring Hall, a referral, assignment, employment, or any opportunity on the basis of race, creed, color, religion, national origin, sex, age, or union membership or non-union membership and in compliance with the Americans with Disabilities Act.

Minors under eighteen years of age not to be referred for any class of work.

Any breach of the obligation to refer only experienced and efficient longshoremen of the requisite age shall be resolved and remedied pursuant to the provisions of Rule #42 of this Agreement exclusively and the obligation shall not give rise to any liability on the part of the Second Party for personal injury or wrongful death, either directly or indirectly to any other person whatsoever.

Applicants referred through Hiring Halls shall not be rejected or discharged except for just cause.

It is agreed that gangs shall be referred through the Hiring Halls in order to guarantee equal employment opportunities to all

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longshoremen. When gangs are ordered from I.L.A. Local #21 Beaumont or from I.L.A. Local #25 Port Arthur or from I.L.A. Local #22 Orange and cannot be supplied by the local from which gangs are ordered, it is understood that whichever local(s) can provide the gangs it shall be incumbent upon them to do so, and that the respective Business Agents agree to cooperate, and any failure to do so will be considered a violation of the Contract.

It shall likewise be the duty and responsibility of the office or the president of the South Atlantic and Gulf Coast District of the I.L.A. to see that the proper system of coordination is maintained in order that available gangs will be provided from other Locals when they cannot be supplied from the Local ordered.

It is agreed by the Parties and all affected local(s) that procedures have been agreed to effective January 1, 1997 under which all "registered" longshoremen from any West Gulf port will be referred before "casual" workers in any West Gulf port, and that a computer system will be utilized to assure that available labor will be provided from other local(s) when they cannot be supplied from the local Hiring Hall maintained by the original Local involved with the understanding

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that an effort will be made to have common ordering and cancellation times. A "casual" worker hereunder is one who has no local Hiring Hall seniority classification.

Said Locals agree to provide such Hiring Halls and to maintain and operate them open to any person seeking employment as a longshoreman, irrespective of race, creed, color, religion, national origin, sex, age, or union membership or non-union membership and in compliance with the requirements of the Americans with Disabilities Act. Selection of applicants for referral to jobs shall be without discrimination against any applicant by reason of race, creed, color, religion, national origin, sex, age, or union membership or non-union membership, in such Locals and in compliance with the requirements of the Americans with Disabilities Act.

All such persons in resorting to such Hiring Halls for employment shall not be subjected to abuse, vituperation, physical violence or threats by any of said unions or by any person with the knowledge or consent of the unions, and if any such acts come to the notice of Second Parties they will take prompt steps to correct and prevent such practices.

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Said Local Unions further agree that they will not knowingly or intentionally discourage or prevent free and open resort to said Hiring Halls during the hours for hiring by anyone desiring employment, or knowingly allow anyone upon the premises to do so. No union activities other than those activities which could be conducted in any other public place will be conducted in the Hiring Halls during the hours for hiring, such hours being between 6:00 A.M. and 7:00 P.M.

No rule, regulation, by-law or constitutional provision of the union is in any way a part of this Agreement.

It is agreed that in the operation of such Hiring Halls and in the selection of applicants for employment the Second Parties will not knowingly or intentionally engage in any discriminatory practices of any kind which are prohibited by the "Labor Management Relations Act of 1947", as amended, and Title VII of the Civil Rights Act of 1964, as amended.

The Second Parties agree that upon a final determination by a Federal Court of competent jurisdiction, or a determination of a legally authorized governmental agency which

determination is acquiesced in by the Second Parties in the selection of men for employment or in the operation by Second Parties of the Hiring Hall is discriminatory under the "Labor Management Relations Act of 1947", as amended or that Title VII of the Civil Rights Act of 1964, as amended, has been violated, such practice or practices will be promptly discontinued and altered to conform to such determination.

First Parties and the District insist and demand that said locals operate their Hiring Halls and refer applicants for employment in such a manner that all applicable laws are complied with.

If any Employer fails to pay assessments, contributions, royalties or other payments to any fund as required under the terms of this agreement when due, any Union party hereto shall refuse to furnish longshoremen to that Employer, and in addition thereto at the union's option may picket or otherwise boycott that Employer, or may sue for legal or equitable relief or for establishment of any creditor's rights, or may resort to any combination thereof until such default is fully cured.

"NEW WORKER" AND "NEW ENTRY" PROGRAM

A "New Worker" shall be defined as any individual who entered the industry on or after October 1, 1996 (never having attained benefits under the terms of the ILA-WGMA Collective Bargaining Agreement(s)).

A "New Entry" individual shall be defined as any individual who had not worked under the ILA-WGMA Collective Bargaining Agreement(s) prior to December 1, 1990 subject to Port Memoranda of Understanding.

WGMA, in cooperation with each of the South Atlantic and Gulf Coast District's affiliated locals in all the Texas ports, excluding the Port of Brownsville, Texas, and including the Port of Lake Charles, Louisiana, will institute a "Work Number Card System" to differentiate between "New Worker" and "New Entry" individual(s) and those already in the industry as of December 1, 1990. The "Work Number Card System" shall also identify qualifications under the various Collective Bargaining Agreement(s) and under the specific classification requirements developed jointly in each Port.

Manhour credits will be jointly determined as of the end of each "payroll year".

STABILIZATION AND DECASUALIZATION OF WORK FORCE

This provision is established in mutual recognition of the increasing need to stabilize the work forces in the West Gulf ports and to reduce the industry's reliance upon casual labor. It shall be the joint responsibility of labor and management to control the entrance of new longshoremen into the industry. The objective of the parties is to provide a sufficient number of qualified and efficient longshoremen to meet the needs of the covered West Gulf ports. The following comprehensive program is hereby implemented for the mutual benefit of the parties.

JOINT LOCAL PORT BOARD

There shall be established in each port area a Joint Local Port Board (JLPB) consisting of equal representation of not more than six (6) representatives of labor and not more than six (6) representatives of management for the purpose of implementing and administering the Stabilization and Decasualization Program as provided herein. Port areas shall be defined to include Lake

Charles, Sabine (Beaumont, Port Arthur and Orange area), Galveston, Freeport, Houston, and Corpus Christi. Each JLPB will establish a Stabilization and Decasualization Program in their respective port areas in conformity with the following policy and criteria.

POLICY

It shall be the policy of the respective Joint Local Port Boards for the West Gulf Ports that all individuals seeking employment through the respective Hiring Halls shall be referred for employment without discrimination on the basis of race, creed, color, religion, national origin, sex, age, or union membership or non-union membership and in compliance with the requirements of the Americans with Disabilities Act.

STABILIZATION AND DECASUALIZATION CRITERIA

- (A) Successful applicants will be given preferential referral privileges over other casuals. (A casual hereunder is one who has no local Hiring Hall seniority classification.)

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- (B) All casuals will be required to pass a mandatory physical examination and a drug test as established by Management and the ILA after they are offered employment and before they engage in any services. The physical examination will be performed by a medical doctor (or clinic) approved by the JLPB and will include back x-rays. Longshoremen will be expected to frequently lift 50 pounds and more, work outdoors in heat and cold, bend, stoop, climb, etc., in the course of their routine duties. The individual's vision, hearing, speaking and intelligence level should be such that he can perceive hazards and react accordingly. Additionally, general health should be satisfactory for performing heavy manual labor.

- (C) All casuals shall be required to pass ability and proficiency tests approved by Management and the ILA and shall also be required to be recertified each two (2) years in the case of equipment operators, clerical and maintenance employees.

- (D) Refusal to employ a casual because of his failure to take a physical examination as

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required herein shall be considered just cause for refusing to hire.

- (E) Casuals failing to pass the physical examination shall be immediately referred to a medical doctor who is a specialist or recognized as having expertise in the medical field which concerns itself with diagnosis and/or treatment of the kind of physical deficiency which renders him ineligible for employment. If the casual submits to a second physical examination within fifteen (15) days and it is in the opinion of the specialist performing the examination that this individual is recommended for performing longshore duties as described hereinabove, he will be eligible for further participation in this program and employment within the industry. If, however, the casual fails the second physical examination or fails to take the second physical examination within the time prescribed, the Employer may refuse to employ such individual and the refusal to so employ will be considered just cause.

- (F) Casuals who pass the physical examination and ability and proficiency tests will then be eligible to complete a Longshore Referral

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and Employment Application. In its discretion, the JLPB may verify the application and either approve it or disapprove it, based upon factors of business necessity for efficient operation and safety.

- (G) Medical examinations and opinions and ability and proficiency tests shall be at the expense of the Employers.

- (H) Upon the satisfactory completion of the physical examination and the ability and proficiency tests and screening by the JLPB, the casual will be required to attend and complete the Longshore Safety and Health "Entry Training" Program as designed and administered by the West Gulf Maritime Association with input from the ILA.

- (I) Upon completion of the Longshore Safety and Health Training Program, as well as the requisite physical examination and the ability and proficiency tests and employment application, the individual shall receive a work number, be furnished an ANSI approved hard hat by the West Gulf

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Maritime Association, and given preferential referral privileges over other casualls.

RULE 2. INDEMNITY

As a further consideration for this Contract the Second Parties agree, subject to the terms of this Agreement, to indemnify the First Parties to the following extent and subject to the following conditions:

If any suit or proceeding is instituted by any person or group of persons against any of the First Parties to recover a money judgment and/or for injunctive relief based upon alleged acts of discrimination under the "Labor Management Relations Act of 1947", as amended, by any of the Second Parties in the operation and maintenance of any of said Hiring Halls, the First Party or Parties so being sued or proceeded against shall promptly make the Second Party or Parties so alleged to have violated said Statute a party or parties to said suit or proceedings. The First Party or Parties so being sued or proceeded against shall urge and prosecute all pleas in abatement and defenses which said First Party or Parties have to the claims and demands being so asserted against them, and said First Party or Parties shall urge and prosecute all other and

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further pleas in abatement and defenses to such suits and/or proceedings which are raised and urged in said suits and/or proceeding by the Second Party or Parties so made parties thereto.

If a money judgment is finally obtained against any of said First Parties in any such suit or proceedings the Second Parties agree to pay such judgment promptly after it becomes a final judgment, or pay settlements agreed upon by Second Parties.

Nothing herein shall be construed to prevent or interfere with said parties' urging every defense which can be urged to such suit or proceeding. Said Second Party or Parties shall have the exclusive right to determine whether appeals shall be taken in said suits or proceedings and whether or not settlements therein and thereof shall be made. Second Party or Parties will furnish appeal bonds required.

In all such proceedings and suits if the plaintiffs or complainants are successful in obtaining final judgment or judgments against any of the First Parties, the Second Parties agree to reimburse said First Party or Parties for reasonable attorneys' fees and expenses paid out by them in defending such suits or proceedings.

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RULE 3. EMPLOYER'S ORDERING OFFICE

The Employers will establish at their discretion an Ordering Office or Offices where Employers deem necessary. It is further understood that where such offices are established the Union Hiring Halls agree that they will not accept orders for longshore gangs from any other source other than the Employers' Ordering Office. The Employers' Ordering Office will accept orders for longshore labor for ships and barge operations from any Employer whether or not a member of the West Gulf Maritime Association, and will place such orders with the Union's Hiring Halls on the same basis and rotation system without discrimination, as it accepts and places orders for members of the West Gulf Maritime Association.

RULE 4. LIMITATION OF LIABILITY

The District with respect to a local union signatory hereto will be relieved from liability for which it would otherwise be liable for breach of this contract by such local union if upon being informed of such breach it promptly takes whatever steps are permitted by the I.L.A. International Constitution of July, 1947, as

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amended, and the District Constitution with amendments thereto as presently in force on the date of this Agreement, to persuade or compel said local to cease and desist from whatever conduct constitutes a breach of this Contract and if such steps are unsuccessful it publicly and promptly disavows the conduct of the local and does not act to condone said offending local's conduct.

The local union with respect to an individual member not an official of the local will be relieved from liability for which it would otherwise be liable for breach of this Contract by such individual if upon being informed of such breach it promptly takes whatever steps are permitted by the I.L.A. International Constitution of July, 1947, as amended, and the District Constitution with amendments thereto as presently in force on the date of this Agreement, to persuade or compel such individual to cease and desist from whatever conduct constitutes a breach of this Contract and if such steps are unsuccessful it publicly and promptly disavows the conduct of the individual and does not act to condone said offending individual's conduct.

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RULE 5. GUARANTEE

The Union agrees that when a gang member(s) is discharged for incompetency, shirking of work, refusing to follow orders of Gang Foreman, or any violations of the "Misconduct Rules", the gang(s) will continue working and the local involved will immediately replace the individual(s) so discharged. Under these circumstances, the Employers agree not to discharge the entire gang(s) unless the majority of the gang(s) members are incompetent, shirking work, refusing to follow orders of Gang Foreman, or violating any of the "Misconduct Rules".

The International Longshoremen's Association guarantees the full observance of this contract by the individual members of the Association. The Employers also pledge themselves to the faithful performance of their obligations under this contract. No rule or rules affecting in any way the cost of labor or the working of the vessels shall be adopted by either party of this agreement during the life of this agreement except by mutual consent.

It is mutually agreed, by all signatories to this contract, that the Safety Rules attached to this Agreement are hereby acknowledged and will

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govern all longshore work. I.L.A. agrees to and will support Employer policies designed to achieve compliance with the Occupational Safety and Health Act of 1970, as amended.

It is further agreed that any individual(s) who wish to be employed under this Agreement must participate in a West Gulf Maritime Association administered HAZMAT/HAZCOM or Safety Training class once each year.

RULE 6. HOURS OF LABOR

Eight hours shall constitute a straight day's work, with forty (40) hours a week, 8:00 A.M. to Noon, and 1:00 P.M. to 5:00 P.M. Monday through Friday.

When required longshoremen shall work on Saturday, Sunday or night if necessary at the usual overtime or meal hour rate, as the case may be.

All bulk operations including grain operations, excluding bulk sugar and bulk rock phosphate operations, are exempted from the above language and may be worked any day of the week on a shift work basis, 7:00 A.M. to 6:00 P.M., 7:00 P.M. to Midnight and 1:00 A.M. to 6:00

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A.M. at the shift differentials as set forth in, Scale of Wages.

All "non-vessel" operations involving containers may also be worked beginning at 6:00 A.M., 7:00 A.M., 8:00 A.M., 10:00 A.M., 1:00 P.M., 3:00 P.M., 7:00 P.M. and 12:00 Midnight any day of the week at the "flextime" shift provisions set forth in Rule 7, "Scale of Wages" and under the "flextime" meal hour provisions set forth in Rule 9, "Meal Hours".

Any "fully automated" vessel operation performed at the "fully automated" facilities at "Barbours Cut" or in Galveston may also be worked beginning at 12:00 Midnight any day of the week. Gang(s) and/or individual(s) ordered for the 12:00 Midnight starting time shall receive six (6) hours time and one-half (1-1/2) and two (2) hours double time. Gang(s) and/or individual(s) ordered for 12:00 Midnight starts may not be worked past 7:00 A.M.

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RULE 7. SCALE OF WAGES WAGES GOVERNING LONGSHORE WORK

"FULLY AUTOMATED" RATES OCTOBER 1, 1996 - SEPTEMBER 30, 1998

CLASSIFICATION- Fully automated container vessel operations and fully automated RO/RO vessel operations and all vessel and barge operations, excluding automobile operations, at the "fully automated" facilities at "Barbours Cut" and in Galveston:

	S/T	O/T	D/T
Longshoreman-Basic	\$23.00	\$34.50	\$46.00
Gang Foreman-Basic	24.00	36.00	48.00
Special Equipment Operator-Basic	23.50	35.25	47.00
Class I Truck Driver-Basic	23.50	35.25	47.00
Class II Truck Driver-Basic	23.25	34.875	46.50
Paceco Crane Operator-Basic	24.00	36.00	48.00
Longshoreman - "New Entry" -			
Basic	17.00	25.50	34.00
Longshoreman - "New Worker" -			
Basic	13.00	19.50	26.00

FLEXTIME PROCEDURES

When management determines to utilize "flextime" on any terminal work currently covered

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by WGMA/ILA Agreement(s) wage rates shall be based upon past practice. A twenty-five percent (25%) shift differential shall be paid above the applicable straight time rate of pay for any hours worked by individual(s) employed under "flextime" provisions for the time worked before 8:00 A.M. or after 5:00 P.M. on normal workdays, Monday through Friday. When individual(s) employed under the "flextime" provisions are required to work more than eight (8) hours on their shift, the usual overtime or meal hour rate and not the twenty-five percent (25%) shift differential shall apply. "Flextime" worked on weekends or on Holidays will be paid at the usual overtime rates for the first eight (8) hours worked. When individual(s) employed under the "flextime" provisions are required to work more than eight (8) hours on their shift on weekends or Holidays, the usual double time rates shall apply to any additional hours worked. Management shall also have the option of utilizing "flextime" procedures on any other warehouse operation not directly involving "vessel operations", upon mutual agreement. These "flextime" procedures shall not apply to any operation not specifically being worked as "flextime" operation(s).

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Bulk Cargo-(Including Grain).....	12.00	24.00
Bulk Cargo-Shift Differential-		
2nd Shift	12.20	24.40
Bulk Cargo-Shift Differential-		
3rd Shift	12.50	25.00
Gang Foreman-General.....	17.50	26.25 35.00
50¢ Differential	18.00	27.00 36.00
"CES"	16.00	24.00 32.00
(Rate for individual(s) specifically ordered for "CES" operations)		
"Bagged Goods"	16.00	24.00 32.00
"Cotton"	16.00	24.00 32.00
Bulk Sugar & Bulk		
Phosphate Rock	16.50	24.75 33.00
Bulk Cargo-(Including Grain).....	13.00	26.00
Bulk Cargo-Shift Differential-		
2nd Shift	13.20	26.40
Bulk Cargo-Shift Differential-		
3rd Shift	13.50	27.00
Tractor Driver/Switchman	16.50	24.75 33.00
Shifting Boards/Carpenters/		
Securing Own Tools	17.00	25.50 34.00
Shifting Boards/Carpenters/		
Securing Own Tools Foreman	18.00	27.00 36.00
Cleaning and/or Fly Gang	16.50	24.75 33.00
Cleaning and/or Fly Gang Gang		
Foreman	17.50	26.25 35.00

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DAMAGED CARGO

CLASSIFICATION	S/T	O/T	D/T
Longshoreman-Basic	\$46.00	\$69.00	\$92.00
Gang Foreman-Basic	48.00	72.00	96.00
Special Equipment Operator-Basic..	47.00	70.50	94.00
Class I Truck Driver-Basic	47.00	70.50	94.00
Class II Truck Driver-Basic	46.50	69.75	93.00
Paceco Crane Operator-Basic	48.00	72.00	96.00
Longshoreman - "New Entry" -			
Basic.....	34.00	51.00	68.00
Longshoreman - "New Worker".-			
Basic.....	26.00	39.00	52.00

GENERAL WAGE RATES EFFECTIVE OCTOBER 1, 1996 - SEPTEMBER 30, 2001

CLASSIFICATION	S/T	O/T	D/T
Longshore-General Cargo Rate . \$	16.50	\$24.75	\$33.00
50¢ Differential	17.00	25.50	34.00
"New Worker" and/or "New Entry" -			
General Rate	12.00	18.00	24.00
"CES"	14.00	21.00	28.00
(Rate for individual(s) specifically ordered for "CES" operations)			
"Bagged Goods"	15.00	22.50	30.00
"Cotton"	15.00	22.50	30.00
Bulk Sugar & Bulk			
Phosphate Rock	15.50	23.25	31.00

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Special Equipment Operator/			
Payload Operator	17.00	25.50	34.00
Class I Truck Driver	17.00	25.50	34.00
Class II Truck Driver	16.75	25.125	33.50
Paceco Crane Operator	17.50	26.25	35.00

DAMAGED CARGO

CLASSIFICATION	S/T	O/T	D/T
Longshoreman-Basic	\$33.00	\$49.50	\$66.00
50¢ Differential	34.00	51.00	68.00
Bulk Sugar & Bulk			
Phosphate Rock	31.00	46.50	62.00
Bulk Cargo-(Including Grain)	24.00		48.00
Bulk Cargo-Shift Differential			
2nd Shift	24.40		48.80
Bulk Cargo-Shift Differential			
3rd Shift	25.00		50.00
Gang Foreman-Basic	35.00	52.50	70.00
50¢ Differential	36.00	54.00	72.00
Bulk Sugar & Bulk			
Phosphate Rock	33.00	49.50	66.00
Bulk Cargo-(Including Grain)	26.00		52.00
Bulk Cargo-Shift Differential			
2nd Shift	26.40		52.80
Bulk Cargo-Shift Differential			
3rd Shift	27.00		54.00

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WGMA Training Wage 12.00 18.00 24.00
(Applicable to required "on the job" training not involving cargo handling operations)...

"FULLY AUTOMATED" RATES
OCTOBER 1, 1998 – SEPTEMBER 30, 2000

CLASSIFICATION- Fully automated container vessel operations and fully automated RO/RO vessel operations and all vessel and barge operations, excluding automobile operations, at the "fully automated" facilities at "Barbours Cut" and in Galveston:

	S/T	O/T	D/T
Longshoreman-Basic	\$ 24.00	\$ 36.00	\$ 48.00
Gang Foreman-Basic	25.00	37.50	50.00
Special Equipment Operator-Basic ..	24.50	36.75	49.00
Class I Truck Driver-Basic	24.50	36.75	49.00
Class II Truck Driver-Basic	24.25	36.375	48.50
Paceco Crane Operator-Basic	25.00	37.50	50.00
Longshoreman - "New Entry" -			
Basic	18.00	27.00	36.00
Longshoreman - "New Worker" -			
Basic	14.00	21.00	28.00

DAMAGED CARGO

CLASSIFICATION	S/T	O/T	D/T
Longshoreman-Basic	\$48.00	\$72.00	\$96.00

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Gang Foreman-Basic	50.00	75.00	100.00
Special Equipment Operator-Basic...	49.00	73.50	98.00
Class I Truck Driver-Basic	49.00	73.50	98.00
Class II Truck Driver-Basic	48.50	72.75	97.00
Paceco Crane Operator-Basic	50.00	75.00	100.00
Longshoreman - "New Entry" -			
Basic	36.00	54.00	72.00
Longshoreman - "New Worker" -			
Basic	28.00	42.00	56.00

"FULLY AUTOMATED" RATES
OCTOBER 1, 2000 – SEPTEMBER 30, 2001

CLASSIFICATION- Fully automated container vessel operations and fully automated RO/RO vessel operations and all vessel and barge operations, excluding automobile operations, at the "fully automated" facilities at "Barbours Cut" and in Galveston:

	S/T	O/T	D/T
Longshoreman-Basic	\$25.00	\$ 37.50	\$50.00
Gang Foreman-Basic	26.00	39.00	52.00
Special Equipment Operator-Basic ..	25.50	38.25	51.00
Class I Truck Driver-Basic	25.50	38.25	51.00
Class II Truck Driver-Basic	25.25	37.875	50.50
Paceco Crane Operator-Basic	26.00	39.00	52.00
Longshoreman - "New Entry" -			
Basic	19.00	28.50	38.00

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Longshoreman - "New Worker" -			
Basic	15.00	22.50	30.00

DAMAGED CARGO

CLASSIFICATION	S/T	O/T	D/T
Longshoreman-Basic	\$ 50.00	\$ 75.00	\$100.00
Gang Foreman-Basic	52.00	78.00	104.00
Special Equipment Operator-Basic ..	51.00	76.50	102.00
Class I Truck Driver-Basic	51.00	76.50	102.00
Class II Truck Driver-Basic	50.50	75.75	101.00
Paceco Crane Operator-Basic	52.00	78.00	104.00

"Fully automated container vessel operation" shall be defined as operations involving the loading and/or discharging of containers only, from vessels with cellguides in all hatches being worked.

It is understood that any gang working containers with a Paceco or similar type crane will be treated as if working a "fully automated container vessel operation" and will carry the same wages, gang size and guarantees as a "fully automated" vessel.

On "fully automated" vessels as defined above handling containers using ship's gear or shore-side cranes or equipment, floating derricks, etc., other than Paceco or similar type cranes, the

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"fully automated" wages, gang size and guarantees shall apply and lashers will be ordered as needed and the gang shall perform all work as directed by the Employer.

On other vessels, other than "fully automated vessels", loading and/or discharging containers only, using ship's gear or shore-side cranes or equipment, floating derricks, etc. other than Paceco or similar type cranes, the size of gang(s) shall be as set forth in Rule 20 "Size of Gangs" and the wage classifications shall be as set forth under Rule 7. "Scale of Wages for "General Cargo" operations. The gang guarantee shall be four (4) and four (4), and the Gang Foreman guarantee will be eight (8) hours, 8:00 A.M. to 12:00 Noon and 1:00 P.M. to 5:00 P.M.

All other vessels not covered above will be worked under the terms and conditions covering "non fully automated" vessel operations.

RULE 8. DIFFERENTIAL

Green Hides will carry a differential of 50¢ per hour. It is recognized that flies and worms are an inherent condition of this commodity, therefore the parties to the Agreement agree that when working this commodity no other differential or

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penalty will be claimed or paid due to the above stated inherent condition of the hides. Management will work with Labor in an attempt to improve this condition.

Fitting and Securing: See Rule #20.

Overtime on differential commodities, time and one half the commodity rate.

The West Gulf Maritime Association will compile a comprehensive file on hazardous chemicals which may be handled as cargo in the West Gulf ports and make such information (including other sources of information) available upon request. While the nature of such cargoes change continuously, as do the laws governing their handling, the Employers will make every reasonable effort to comply with such rules and regulations as may be prescribed by governmental regulatory agencies having jurisdiction.

Employers will continue to cooperate with Union to the fullest extent to improve packaging, with special emphasis on the packaging of asbestos; however, it is recognized that in many instances packaging is beyond the control of both

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parties so that failure of any such efforts will not be subject to grievance.

RULE 9. MEAL HOURS

Meal hours shall be as follows:

From 6:00 A.M. to 7:00 A.M.- Breakfast

From 12 Noon to 1:00 P.M.- Dinner

From 6:00 P.M. to 7:00 P.M.- Supper

From 12 Midnight to 1:00 A.M.-Midnight Lunch

Meal hour, double the straight-time commodity rate. If men are ordered to work into a meal hour they will be paid a minimum of thirty (30) minutes. If men are ordered to work past thirty (30) minutes into the meal hour but less than forty-five (45) minutes, they will be paid for forty-five (45) minutes. If men are ordered to work past the three-quarter (3/4) hour but less than one (1) hour, they will be paid for one (1) hour with double-time continuing on, based on fifteen (15) minute intervals until released or relieved.

On all "non-vessel" operations involving containers being worked on "flexitime", the normal "flexitime" meal hours shall be between 10:00 A.M. and 11:00 A.M. for 6:00 A.M. starts, between 11:00 A.M. and 12:00 Noon for 7:00

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A.M. starts, between 12:00 Noon and 1:00 P.M. for 8:00 A.M. starts, between 2:00 P.M. and 3:00 P.M. for 10:00 A.M. starts and between 5:00 P.M. and 6:00 P.M. for 1:00 P.M. starts.

RULE 10. WORKING BEYOND MEAL HOURS

Whenever individual(s) are required to work past any meal hour, they shall be allowed to go eat or the stevedore to furnish meal at his own expense, providing, however, that work shall not be continued beyond the next regular meal hour. The Employer may require individual(s) to work through and beyond the breakfast hour, in which case the individual(s) will be paid one (1) additional hour at the double-time rate in lieu of going to eat and \$7.00 will be paid for the meal. The Employer may allow individual(s) who work through and beyond the breakfast hour to go eat and return to work at the double-time rate until work is completed or gang is discharged.

RULE 11. OUTSIDE WORK

The wages for all outside work shall be the same as for work along the wharf, provided that whenever the Stevedore furnishes a cook and provisions for his gang or gangs, he shall be paid

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the prevailing rate for meals furnished each man. No board to be paid for overtime.

Men to be paid from time of leaving until return to wharf. This to apply to outside work, such as in roads or vessels at anchor.

RULE 12. HOLIDAYS SUBJECT TO FEDERAL AND/OR STATE LAW

Veterans Day (November 11), Thanksgiving Day (Fourth Thursday in November), Christmas Day (December 25th), New Year's Day (January 1st), Martin Luther King's Birthday (Third Monday in January), President's Day (Third Monday in February), Texas Independence Day (March 2nd), Good Friday, Memorial Day (Last Monday in May), June 19th, July 4th, Labor Day (First Monday in September). At Lake Charles, La., Mardi Gras Day to be substituted for Texas Independence Day. No work shall be performed on Labor Day or Christmas Day, except in case of fire or where property is in danger.

When Holidays come on Sunday, the following Monday to be recognized as the Holiday. No work to be performed between 5:00 P.M. and 7:00 P.M. on Federal and State election days; however, gangs may work after 5:00 P.M. on

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other election days by mutual agreement between gang(s) and Employer, on a gang by gang basis. When Christmas falls on a Sunday, Monday will be an overtime day and gangs will work as ordered.

RULE 13. CALCULATION OF TIME

For the purpose of calculating time worked by longshore gangs, their time will be based on fifteen (15) minutes. For example, if gang works past the hour but less than 1/4 of an hour they will receive fifteen (15) minutes past the hour. If they work sixteen (16) minutes past the hour but less than thirty (30) minutes past the hour they will be paid for thirty (30) minutes. If they work past thirty (30) minutes but less than forty-five (45) minutes they will be paid for forty-five (45) minutes. If they work past the three-quarter (3/4) hour but less than one (1) hour they will be paid for one (1) hour.

Meal hour, double the straight-time commodity rate. If men are ordered to work into a meal hour, they will be paid a minimum of thirty (30) minutes. If men are ordered to work past thirty (30) minutes into the meal hour but less than forty-five (45) minutes, they will be paid for forty-five (45) minutes. If men are ordered to work past

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the three-quarter (3/4) hour but less than one (1) hour, they will be paid for one (1) hour with double-time continuing on, based on fifteen (15) minute intervals until released or relieved.

RULE 14. PAYDAY

For the purpose of calculating the payroll the work week will begin at 6:00 A.M. Friday and will end at 6:00 A.M. the following Friday.

Men to be paid every Friday.

When a Holiday, as listed in Rule #12 of this Agreement, falls on Friday and the Holiday is also observed as a banking Holiday in the port(s) community, payday will be on the preceding Thursday in that port(s).

No individual(s) shall be allowed to change their Social Security Card Number on file unless proof is provided establishing that an individual(s) Social Security Card Number was officially changed by the Social Security Administration.

Any Employer, employing Deep Sea longshoremen under the terms of this Agreement will process their payroll through the West Gulf Maritime Association Payroll Division.

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RULE 15. SERVICE CHARGE FOR DISTRICT

When presented with an individual, written, authorization card to deduct a service charge to the District, parties of the first part will deduct nine-tenths of one percent (9/10 of 1%) of actual straight time basic wages (any overtime hours are to be computed on the basis of nine-tenths of one percent (9/10 of 1%) of basic straight-time wages), and from annual gross Supplemental Wage Benefits from Maritime I.L.A. No. 2 Royalty Trust Fund, if any, as a Service Charge to the South Atlantic & Gulf Coast District, I.L.A. Such sum shall be deducted from the employee's weekly pay check and transmitted promptly as directed in the authorization card to the District in one check along with all other service charges due and owing the District from such authorization cards.

RULE 16. SERVICE CHARGE TO THE LOCAL

When presented with an individual, written, authorization card, parties of the first part will deduct from wages the amount thereby authorized as a service charge for the respective locals submitting them. Such sum shall be deducted from the employee's weekly pay check

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and transmitted promptly as directed in the authorization cards.

RULE 16(a). ILA COPE

When presented with an individual, written, authorization, parties of the first part will deduct from wages the sum of one-tenth of one percent (1/10 of 1%) of actual straight-time wages (any overtime hours are to be computed on the basis of one-tenth of one percent (1/10 of 1%) of basic straight-time wages) and annual Supplemental Wage Benefit from Maritime-I.L.A. No. 2 Royalty Trust Fund, as a voluntary contribution to the International Longshoremen's Association, AFL-CIO, Committee on Political Education. Such sums shall be deducted and transmitted promptly as directed in the authorization to the ILA COPE.

RULE 17. PENSION, WELFARE, VACATION AND MARITIME-I.L.A. #2 ROYALTY FUND BENEFITS

- (A) Throughout the term of this Agreement First Parties agree to pay 10¢ per manhour on all hours worked, into the Maritime-I.L.A. #2 Royalty Trust Fund, jointly administered by the Board of Trustees of the Maritime-I.L.A.

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#2 Royalty Trust Fund, to be used for the payment of benefits to eligible individuals pursuant to Rule #46 of this Agreement. Individual(s) who enter the industry after October 1, 1996 will be entitled to benefits pursuant to the Trust Agreement(s) if they earn at least three (3) qualifying years. The 10¢ per manhour herein referred to shall be constant throughout the term of the Agreement, that is, October 1, 1996 through September 30, 2001.

10/1/96- 9/30/97	10/1/97- 9/30/98	10/1/98- 9/30/99	10/1/99- 9/30/00	10/1/00- 9/30/01
\$.10	\$.10	\$.10	\$.10	\$.10

Throughout the term of this Agreement First Parties agree to pay 30¢ per manhour on all hours worked into the Vacation Trust Fund, jointly administered by the Board of Trustees; to be used for the payment of benefits to eligible individuals pursuant to the Trust Agreement(s). The 30¢ per manhour herein referred to shall be constant throughout the term of the Agreement, that is, October 1, 1996 through September 30, 2001.

10/1/96- 9/30/97	10/1/97- 9/30/98	10/1/98- 9/30/99	10/1/99- 9/30/00	10/1/00- 9/30/01
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contractual fringe benefit contribution requirements have been met.

Based upon availability of funding after all contractual fringe benefit requirement(s) have been met, the Trustees may also provide for additional fringe benefit(s) subject to the Agreement(s) of Trust.

The provisions of the defined contribution retirement plan shall be determined by the Trustees.

The current Pension Fund shall remain in existence, but shall be "frozen", so that all accrued benefits shall be "frozen" as of September 30, 1996, subject to adjustments that may be made by the Trustees of the Agreement of Trust applicable to the Pension Fund.

Beginning October 1, 1999, \$4.00 per covered manhour worked in all covered ports shall be allocated to the Managed Health Care Plan or Plans as set forth in the Collective Bargaining Agreement on Master Contract Issues except for the "Special Welfare" \$2.00 per manhour contributions

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9/30/97	9/30/98	9/30/99	9/30/00	9/30/01
\$.30	\$.30	\$.30	\$.30	\$.30

The welfare benefit contribution rate for all "New Workers" and/or "New Entry" individual(s) will be \$2.00 per manhour until a "New Worker" and/or "New Entry" individual has reached a cumulative total of 4000 or more manhours as of the end of the "payroll year". After that time, the individual will be eligible to qualify for the basic industry system in effect at that time and shall be considered as "Previously Employed" for fringe benefit purposes. The balance between the \$2.00 per manhour, the \$.10 per manhour and the \$.30 per manhour plus the "New Worker"/"New Entry" defined contribution amount, if any, shall be allocated by the Trustees.

Effective October 1, 1996, a jointly administered defined contribution retirement plan shall be created pursuant to this Agreement and an Agreement of Trust to be negotiated between the Parties hereto and shall be contributed to by the First Parties as determined by the Trustees based upon available fringe benefit contribution monies after all other

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which will continue to be handled separately.

Qualification requirements for welfare coverage to be determined by the Trustees.

All fringe benefit program(s) provided pursuant to the Agreement(s) between the parties as well as the actions of the Trustees shall be subject to the provisions of the Agreement on the Master Contract Issues.

- (B) For the purpose of calculating #2 Royalty Trust Fund and Welfare, Vacation and Defined Retirement Contributions when working cotton on a piece-work basis, each 100 bales is equal to one (1) manhour.
- (C) Effective October 1, 1996 and continuing through September 30, 2001 the maximum total "Manhour Fringe Benefit Contribution Rates" shall be as follows:

October 1, 1996 – September 30, 1999

"Bulk", Bagged Good", "Cotton", General Cargoes and all Other Operations	\$6.6.15
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"Fully Automated" (Fully Automated Container Vessel Operation(s), Fully Automated RO/RO Vessel Operation(s) And all Vessel and Barge Operation(s), Excluding Automobile facilities at "Barbours Cut" and in Galveston) \$9.415

October 1, 1999 – September 30, 2000

"Bulk", Bagged Good", "Cotton", General Cargoes and all Other Operations \$6.6.15

"Fully Automated" (Fully Automated Container Vessel Operation(s), Fully Automated RO/RO Vessel Operation(s) And all Vessel and Barge Operation(s), Excluding Automobile facilities at "Barbours Cut" and in Galveston) \$9.865

October 1, 2000 – September 30, 2001

"Bulk", Bagged Good", "Cotton", General Cargoes and all Other Operations \$6.6.15

"Fully Automated" (Fully Automated Container Vessel Operation(s), Fully Automated RO/RO Vessel Operation(s) And all Vessel and Barge Operation(s), Excluding Automobile facilities at "Barbours Cut" and in Galveston) \$10.365

Each of the First Parties and all others who contribute to the Maritime Association-I.L.A. Defined Contribution Retirement and Welfare Funds (Funds), shall secure the

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payment of their contributions to the Funds by posting either a corporate surety bond, causing a letter of credit to be issued by a banking institution, or pledging a certificate of deposit evidencing the funds on deposit with a bank on forms and on sureties or banks acceptable to the Trustees of the Funds in such amounts as may be determined by the Trustees of the Funds, naming the Funds as obligee, beneficiary or pledgee.

Notwithstanding the no work stoppage provision contained in Rule #42A herein, the Second Party shall not provide labor to any First Party or any other entity obligated to contribute to the Funds unless certification is made by the Administrator of the Funds that the surety, letter of credit or certificate of deposit called for herein has been provided to the Fund by said First Party or any other entity who contribute to the Maritime Association-I.L.A. Funds and that such surety device remains in full force and effect.

In addition, the First Parties and all others who contribute to the Maritime Association-I.L.A. Funds agree to abide by any

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collection policy adopted by the Trustees of the Funds for the collection of delinquent contributions not secured as provided above. The collection policy may include provision for delinquent contributors to pay in addition to the unpaid contributions, interest, liquidated damages, auditing costs, attorneys' fees and other expenses incurred by the Funds in processing delinquencies.

**RULE 18.
MANAGEMENT-ILA RULES
ON CONTAINERS
(As Amended by Agreement of
May 27, 1980)
PREAMBLE
(Language and Sections Taken Verbatim From
Master Contract)**

This Agreement made and entered into by and between the carrier and direct employer members of the Management Port Associations (hereinafter referred to collectively as "Management") and the International Longshoremen's Association, AFL-CIO ("ILA"), its Atlantic Coast District ("ACD"), its South Atlantic and Gulf Coast District ("SAGO") and its affiliated local unions in each Management port ("locals") covers all container work at a waterfront facility

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which includes but is not limited to the receiving and delivery of cargo, the loading and discharging of said cargo into and out of containers, the maintenance of containers, and the loading and discharging of containers on and off ships.

Management agrees that it will not directly perform work done on a container waterfront facility (as hereinafter defined) or contract out such work which historically and regularly has been and currently is performed by employees covered by management-ILA Agreements, including Management-ILA craft agreements, unless such work on such container waterfront facility is performed by employees covered by Management-ILA Agreements.

RULES

The following provisions are intended to protect and preserve the work jurisdiction of longshoremen and all other ILA crafts which was performed at deepsea waterfront facilities. These rules do not have any effect on work which historically was not performed at a waterfront facility by deepsea ILA labor. To assure compliance with the collective bargaining provisions, the following rules and regulations

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shall be applied uniformly in all Management Ports to all import or export cargo in containers:

DEFINITIONS

(a) **LOADING A CONTAINER** – means the act of placing cargo into a container.

(b) **DISCHARGING A CONTAINER** – means the act of removing cargo from a container.

(c) **LOADING CONTAINERS ON A VESSEL** – means the act of placing containers aboard a vessel.

(d) **DISCHARGING CONTAINERS FROM A VESSEL** – means the act of removing containers from a vessel.

(e) **WATERFRONT FACILITY** – means a pier or dock where vessels are normally worked including a container compound operated by a carrier or direct employer.

(f) **QUALIFIED SHIPPER** – means the manufacturer or seller having a proprietary financial interest (other than in the transportation or physical consolidation or deconsolidation) in

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the export cargo being transported and who is named in the dock/cargo receipt.

(g) **QUALIFIED CONSIGNEE** – means the purchaser or one who otherwise has a proprietary financial interest (other than in the transportation or physical consolidation or deconsolidation) in the import cargo being transported and who is named in the delivery order.

(h) **CONSOLIDATED CONTAINER LOAD** – means a container load of cargo where such cargo belongs to more than one shipper on export cargo or one consignee on import cargo.

RULE 3 – BATCHING

When an employer-member or carrier uses a trucker to remove or deliver containers in batches, or in substantial number, from or to a terminal to another place of rest (outside of its terminal) where containers are stored pending their delivery to a consignee (or after being received from a shipper and while waiting the arrival of a ship), for the purpose of reducing the work jurisdiction of the ILA or any of its crafts, such use is deemed to be batching and an evasion of these Rules in violation of the Management-ILA contracts.

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RULE 4 – HEADLOAD

Where a single qualified shipper sends an export container which contains all of his own cargo to a waterfront facility and such container is not full, the carrier or direct employer may load this container with additional cargo at the waterfront facility. On import cargo, the carrier or direct employer may discharge any such additional cargo and send the remaining cargo in the container to the qualified consignee. The loading or discharging of cargo at ILA ports shall be performed at a waterfront facility by deepsea ILA labor.

RULE 7 – NO AVOIDANCE OR EVASION

The above rules are intended to be fairly and reasonably applied by the parties. To obtain non-discriminatory and fair implementation of the above, the following principles shall apply:

- (b) **Containers Owned, Leased or Used** – Containers owned, leased or used by companies which are affiliated either directly or through a holding company with a carrier or a direct employer shall be deemed to be containers

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owned, leased or used by a carrier or direct employer. Affiliations shall include subsidiaries and/or affiliates which are effectively controlled by the carrier or direct employer, its parent, or stockholders of either of them.

- (c) **Liquidated Damages** – Failure to load or discharge a container as required under these rules will be considered a violation of the contract between the parties. Use of improper, fictitious or incorrect documentation to evade the provisions of Rule 1 and Rule 2 shall also be considered a violation of the contract. If for any reason a container is no longer at the waterfront facility at which it should have been loaded or discharged under the Rules, then the carrier or its agent or direct employer shall pay, to the joint Container Royalty Fund, liquidated damages of \$1,000 per container which should have been loaded or discharged. If any carrier does not pay liquidated damages within 30 days after exhausting its right to appeal the imposition of liquidated damages to the Committee provided in Rule 9(1)

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below, the ILA shall have the right to stop working such carrier's containers until such damages are paid.

RULE 10 - CONTAINER ROYALTY PAYMENTS

The two Container royalty payments, effective in 1960 and 1977 respectively, shall be continued and shall be used exclusively for supplemental cash payments to employees covered by the Management agreements, and for no other purpose. The remaining royalty payment effective in 1971, also shall be continued and shall be used for fringe benefit purposes only, other than supplemental cash benefits, which purposes are to be determined locally on a port-by-port basis. The Container Royalty payments shall be payable only once in the continental United States. They shall be paid in that ILA port where the container is first handled by ILA longshore labor, at longshore rates. Containers originating at a foreign port which are transshipped at a United States port for ultimate destination to another foreign port ("foreign-sea-to-foreign sea containers") are exempt from the payment of container royalties. Container Royalty payments shall be asserted against all containers moving across the

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continental United States by rail or truck in the foreign-to-foreign "LANDBRIDGE" system.

Management and the Carriers agree that the payment of Container Royalties as provided in their agreements is of the essence to this agreement and, if for any reason during the term of this agreement such payments cannot be made in their present form, then Management and the Carriers shall provide by some other form of assessment for the payment of equivalent amounts to be used for the same purposes as said Container Royalties are presently used.

WEST GULF CONTAINER ROYALTY PROCEDURES

(A.) The amounts set forth below shall be paid by the Employer into a Maritime - I.L.A. No. 1 Royalty Trust Fund, as a royalty on containers, including Dravo boxes and larger, loaded with any cargo, which has not been "stuffed" or "stripped" by I.L.A. Labor. Such funds, less administrative costs, shall be transferred to and administered by the Maritime-I. L. A. No. 2 Royalty Trust Fund. Such Royalty Trust Funds shall be used for supplemental wage and/or other benefits as defined in 9(a) hereof.

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1. Loading or discharging such containers on conventional ships, seventy cents (70¢) per long ton of 2240 lbs. of cargo in each container.
2. Loading or discharging such containers on partially-automated ships (conventional ships converted for handling containers) where not more than two hatches have been converted for the handling of containers, one dollar and forty cents (\$1.40) per long ton of 2240 lbs. of cargo in each container.
3. Loading or discharging such containers on partially-automated ships (conventional ships converted for handling containers) where not more than forty percent (40%) of the ship's bale cubic has been fitted for containers, one dollar and forty cents (\$1.40) per long ton of 2240 lbs. of cargo in each container.
4. Loading or discharging such containers on ships where more than two hatches have been converted or fitted for the handling of containers, or where more than forty percent (40%) of the ship's bale cubic has been fitted for containers. Two dollars

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- (\$2.00) per long ton of 2240 lbs. of cargo in each container.
5. It is expressly understood that any cargo shipped in containers shall be classed as "containerized cargo" and the wage rate applicable for "containers" shall be as listed in the wage rate schedule section of this contract.
6. It is also expressly understood that containers shifted or otherwise handled for the convenience of the vessel are exempt from any payments under the Container Royalty provisions of this Contract.
7. Whenever cotton is loaded or discharged in containers, Employer's contributions to the Pension, Welfare and Vacation Fund shall be paid per man hour.
8. All such supplemental wage benefits shall be subject to the following check-off as a service charge provided the trustees of the Trust Fund are presented with an individual, written authorization card (form of which to be mutually approved), authorizing the trustees to deduct such a service charge: 10% to the District and 5% to the involved

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Local. Such sum shall be deducted annually from such employee's annual supplemental wage benefit and distributed on the 15th day of December, as directed in the authorization card, to the District and respective Local in one check to each.

9. Additional container royalties i.e. thirty-five cents (35¢)/ton, seventy cents (70¢)/ton, and one dollar (\$1.00)/ton which became effective as of November 14, 1971, will be paid monthly into a Maritime-I.L.A. No. 2 Royalty Trust Fund to be used as follows:

- (a) To Fund the Maritime-I.L.A. #2 Royalty Trust Fund benefits pursuant to Rule #46 of this Agreement, including all administrative, accounting, auditing and legal expenses which may be incurred, and then, but only if there are additional funds, to pay into;
- (b) The Pension Fund established between the parties, provided, it is certified by a reputable accountant that said Pension fund assets are insufficient to fund the pension program as it existed at the inception of the then current contract, and then only to the extent necessary to

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contribution of 30¢ per weight ton as is presently paid. This periodic distribution of the amounts to be paid therefrom, and the purposes thereof, shall be determined solely by the Trustees of this Trust Fund.

(B.) It is understood and agreed that pursuant to the Agreement on the Master Contract Issues that the use of the Second Container Royalty dollar which shall be continued in the West Gulf for the first three (3) years of the contract shall be discontinued for such purposes as of October 1, 1999. The 1993 dollar, which is now being used for welfare purposes, as well as other fringe benefit amounts shall be transferred for use as a substitute for the Second Container Royalty dollar. The effect thereof shall be that on and after October 1, 1999, the Second Container Royalty dollar shall be used exclusively for health care purposes. The West Gulf may determine to continue to use the Second Container Royalty dollar in the fourth and fifth years of the agreement for present purposes. Should the West Gulf make such a determination, it must pay the equivalent of said Second Container amount, in total dollars, out of its hourly assessments to the Trustees of the Managed Health Care Plan. The Trustees shall remit monthly payments and reports so that by the end of each of the fourth

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liquidate the underfunding; and then, but, only if there are still remaining funds, to pay into;

- (c) The Welfare Fund heretofore established by the parties, provided it is certified by a reputable accountant that said Welfare fund assets are insufficient to fund the welfare program as it existed at the inception of the then current contract, and then only to the extent necessary to liquidate the underfunding; and finally, provided each of the liabilities under (1), (2), and (3) are fully and completely paid or reserved for under accepted accounting procedures.

10. Both Royalty Trust Funds to be jointly administered by trustees equally representing parties of the First and Second Part and to be in compliance with the National Labor Relations Act and approved by the Internal Revenue Service if necessary as qualifying under applicable Tax Laws.
11. The Carrier-ILA Container Freight Station Trust Fund is continued with the same

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and fifth contract years, the Managed Health Care Plan has received the same amount that it would have received had the second Container Royalty payment been made to such plan. In the event that there is a deficit in any such plan created by unforeseen events, application may be made to the Trustees of Container Royalty Fund #4 to make up any such deficit from funds collected from cargo that had moved in the West Gulf. The Trustees shall act only if there is a need for such funding.

GENERAL RULES GOVERNING WORK

RULE 19. LONGSHORE WORK

Longshore work shall constitute the loading and discharging of all sea-going vessels, railroad cars at wharf, fitting ships for grain, livestock, building magazine rooms or securing cargoes of any kind, dismantling ships of any kind of fittings, shifting of cargoes, coal or coke, and all labor connected with the loading and discharging of ships, including hoisting cargoes with ships' winches, also including dinkey or jitney drivers, and loading of ship's stores except when stores are loaded by ship's crew and except at ports where longshoremen are not available. Longshore labor also includes all men who truck

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cargo direct to and from pile or car to or from the ship's side to hatches. The important distinction being whether or not the freight is handled once, that is to say, laid down or piled. It is mutually agreed when assorting is necessary when discharging the employment of warehouse labor is optional.

When a vessel is in a loading or unloading berth, the removal and replacing of beams and hatchboards or pontoons when done in connection with the handling of general cargo and/or cotton, will be performed by longshoremen if they are working on the vessel.

When a vessel is in a loading or unloading berth, or shifting between loading or unloading berths within the confines of a port, the loading and laying of dunnage is longshore work and will not be done by the ship's crew and the crew shall not perform any work covered under paragraph 1 of Rule 19. Longshore Work.

It has been agreed that gearmen, mechanic(s) and mobile crane operator(s) work is "waterfront" work covered under this Collective Bargaining Agreement with the understanding that current hiring practices, wages, working conditions and other terms of employment

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involving such work shall be continued unless modified on a port-by-port basis by the Parties by mutual written agreement.

The Employers reserve the right to determine by name from a list furnished by the Deep Sea Local Union those persons who will be qualified to be trained to operate Pacéco or similar type cranes. Employers orders for Paceco or similar type crane operators will be filled by the Hiring Hall(s) from a list of qualified Paceco or similar type crane operators who have satisfactorily completed the West Gulf Maritime Association Training Course and are currently certified by the W.G.M.A. as Paceco or similar type crane operators. Such Paceco or similar type crane operator(s) shall receive such training as may be required from time-to-time by Management and shall be subject to such recertification requirements which may be established by Management and the ILA to demonstrate the Paceco or similar type crane operator's ability to perform the essential functions of their job.

The Employer will select the individual longshoreman by name from a list furnished by the Deep Sea Local Union to operate container machines.

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When direct voice communication is not possible between operators of Paceco and/or similar type cranes and the signalman, then electronic communications must be provided.

"Inclement Weather"

The Employer shall have the option of working employees during inclement weather to work any cargo where the operation meets applicable safety and health standards. Persons required to work in the rain will be furnished protective rain gear by the Employer.

"Ship Cleaning Guidelines"

Reporting Responsibilities - Longshoremen and/or union officials agree that they have an obligation to and will immediately report alleged violations to local management representatives. Stevedores and/or union official shall immediately notify the West Gulf Maritime Association of such alleged violation. The objective is to protect and preserve the established work jurisdiction of the longshoremen not to wait until the work is completed or substantially completed and then claim pay for work not performed.

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Wash Downs - Washing down holds with ship's hoses is Deep Sea work. Wash downs requiring the use of chemicals or special equipment not of the type customarily operated or maintained by the stevedores is outside the jurisdiction of the deep sea longshoremen. When scaffolds are necessary to wash down, such work is outside the deep sea longshore jurisdiction.

Miscellaneous Cleaning - Sweeping, mopping, mucking, bucketing, stacking dunnage, removal of debris, drying up after deballasting and similar work where chemicals and/or special equipment are not required shall be considered deep sea work. Cleaning of bilges and roseboxes is deep sea work except when such work is required for maintenance of the vessel and not in preparation for taking on cargo, or when chemicals or special equipment is utilized. Cleaning of the drain wells will be the responsibility of the ship's officers.

Scaling rust and sweeping after scaling operation, cleaning tankers or tanks on freighters from liquid to dry bulk, use of chemicals and/or specialized equipment not customarily operated, maintained or used by stevedores, painting and other work necessary for ship's maintenance (rather than taking on cargo) is not considered deep sea work.

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Installation of Roseboxes - The installation of wooden roseboxes or use of cement and/or tape and burlap is deep sea work. Installation of metal roseboxes and sounding pipes is not deep sea work.

Use of Contractor or Crew - When it has been determined that the work to be performed does not belong to the deep sea locals, the union will not claim penalty pay for overlapping duties associated with the non-deep sea task. For example, when a contractor is employed to chemically wash down a hold, the contractor shall do all work in connection with washing down, including mucking, bucketing, mopping and sweeping; however, sweeping of hatches, removal of debris and dunnage, and cleaning of bilges and roseboxes prior to wash down shall be done by I.L.A. Deep Sea labor.

Exceptions to these rules, on a port by port basis, is permissible but such exceptions must be based on established and historical past practice and mutually agreed to by the parties to this Agreement.

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the dock and the point of stowage in the hold, as opposed to cargo stowed or unstowed with the use of mechanical aids.

Where shore-side cranes or equipment, floating derricks, etc. are used instead of ship's gear, the gang may be reduced by two (2) men from those on deck by the Employer.

Where cargo is handled between ship and open railroad cars, barges or trucks, the general cargo gang may be reduced by two (2) men.

A minimum of twelve (12) men, including the foreman, shall be employed for loading and/or unloading unitized cargo such as pre-palletized cargo, and cargo secured by strapping, banding or other means.

Where shore-side cranes or equipment, floating derricks, etc., are used instead of ship's gear, the gang may be reduced by two (2) men from those utilized on deck by the Employer.

When only containers are being loaded and/or discharged from a Deep Sea Barge a minimum of twelve (12) men, including the foreman, two (2) Paceco or similar type crane operators and two (2) drivers shall be employed.

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RULE 20. SIZE OF GANGS

A bagged goods gang shall consist of not less than sixteen (16) men, foreman included, with a minimum of ten (10) men utilized in the hold, with three (3) men utilized on deck, including foreman, and three (3) men utilized on the dock. Whenever ten (10) men are working in the hold, two (2) of the ten (10) men may be used on the deck, dock or in the warehouse as needed, for thirty (30) minutes during any A.M. or P.M. work period to pick up bags or to do other work as may be necessary in connection with the loading or discharging of such bagged goods.

Where shore-side cranes or equipment, floating derricks, etc. are used instead of ship's gear, the gang may be reduced by two (2) men from those on deck by the Employer.

General cargo gangs shall not be less than fourteen (14) men, foreman included, with a minimum of eight (8) men in the hold, three (3) men utilized on deck and three (3) men utilized on the dock.

General cargo is hand stowed or hand unstowed small packaged and bagged cargo handled in the operation between point of rest on

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When more than six (6) containers are loaded and/or discharged on conventional vessels, a minimum of fourteen (14) men, including foreman, and two (2) drivers will be employed.

Where shore-side cranes or equipment, floating derricks, etc. are used instead of ship's gear, the gang may be reduced by two (2) men from those utilized on deck by the Employer.

Pipe and Steel gangs shall be at the Stevedore's discretion except when loading or discharging loose or packaged structural steel, pipe, angles, channels, plates, bundles of wire rods, reinforcing rods, wire in coils, tin plate, skelp, coiled steel and billets.

Where the above commodities are being worked on gearless or pre-slung bulk type vessels, the minimum gang size will be eight (8) men to be assigned by the Stevedore with four (4) men in the hold, one (1) flagman, one (1) foreman and two (2) men to be used as needed for hooking and unhooking.

Where the above commodities are being worked on normal steel vessels, the men in the

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gang will be assigned by the Stevedore with four (4) men in the hold and one (1) pickup winchman when required, one (1) flagman, one (1) foreman and one (1) man to be used as needed for hooking or unhooking.

A minimum of ten (10) men including foreman shall be employed when discharging bulk sugar on 'tween deck vessels and bulk carriers not equipped with automated hatch opening devices. When discharging bulk sugar on a 'tween deck vessel, two (2) drivers per machine will be used. When loading bulk sugar, minimum gang size shall be three (3) men.

A minimum of three (3) men, one (1) of whom will be paid at the Gang Foreman rate, may be ordered for small amounts of fitting and securing or cleaning.

Where there is a large amount of fitting and securing, the minimum gang size will be seven (7) men, foreman included. Members of a fitting and securing gang shall furnish all small tools necessary to do the work for which they were ordered. The small tools required shall consist of the following: crescent wrench, ratchet wrench and sockets, hatchets, hammers and measuring tapes. Hand saws, power saws and other

necessary tools and/or equipment will be checked out by the gang foreman from the Employer. The gang foreman will be responsible for the tools checked out by him and will prevent the theft thereof.

When a fitting and securing gang(s) is ordered to a vessel along with cargo gang(s) and the local has been notified that such fitting and securing gang is only to be referred if cargo gang is dispatched, then the fitting and securing gang will not be referred unless the cargo gang is also dispatched.

A fitting and securing gang(s) shall receive a differential of 50¢ per hour when they are ordered from the Hiring Hall as a securing gang and who report for work equipped with the small tools as required hereinabove.

Other men and loading or discharging gangs, when directed to do fitting and securing work shall be provided with necessary tools by the Employer. Under these circumstances, the foreman will check out all necessary tools from the Employer and shall be responsible for such tools and prevent the theft thereof.

When loading and/or discharging RO/RO vessels exclusively by (a wheeled operation) way of the ramp, the minimum of fourteen (14) longshoremen including foremen is reduced by one (1) basic longshoreman effective October 1, 1998, making the minimum gang size thirteen (13) longshoremen including foreman. RO/RO gang(s) will perform any work on any two (2) decks at the same time as required in connection with the RO/RO operation as directed by the Employer.

When a RO/RO vessel is loaded and/or discharged by lift on/lift off method, hatch(es) will be specified and the gang size will be determined in the manner used when working break bulk cargo on a conventional vessel.

If the RO/RO vessel is loaded and/or discharged partially by way of the ramp and partially by lift on/lift off, the gang size will be determined by the method of loading and/or discharging in which the gang is to be employed. If the RO/RO vessel is loaded and/or discharged partially by way of the ramp and partially by lift on/lift off and only one (1) gang is to be employed, the gang size will be based on the method of loading and/or discharging which requires the greatest number of men.

Small Boat Agreement

1. For ships with a capacity of up to 500 TEU's, the gang size of ten (10) longshoremen which shall include a foreman is reduced by one (1) basic longshoreman effective October 1, 1998 making the minimum gang size nine (9) longshoremen which shall include a foreman. In those cases where mobile cranes are used over which the ILA has no jurisdiction, the gang may be reduced by two (2) men.
2. The above gang sizes are minimums only. If more than one gang is employed at the same time, one (1) additional man to be utilized as needed depending on local port custom, will be employed.
3. Gangs ordered under this small boat agreement shall receive a guarantee of four (4) hours; and when reporting back after a meal hour shall receive an additional 2-hour guarantee. All lashing shall be performed by the gang.

Grain Clause

On vessels loading bulk grain from shoreside elevator the following shall apply:

The basic grain gang shall consist of four (4) men. One (1) of these four (4) men will act as a gang foreman. This basic grain gang shall handle and work up to three (3) spouts. When more than three (3) spouts are used at the same time, two (2) additional spout tenders will be added to the gang per spout. This basic gang will work one (1) mechanical belt driven grain trimming machine. Whenever additional mechanical belt driven grain trimming machines are utilized, three (3) longshoremen will be employed per machine at elevators equipped with automated spouts. Where the elevator has non-automated spouts, four (4) longshoremen per mechanical belt driven grain trimming machine will be employed.

"Fully Mechanized" shore-side elevators may be worked under Memoranda of Understanding signed separately by the Parties covering each port involved.

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There shall be a direct communications system between grain elevator operator and the spout tender.

Any grain gang will do any work required in connection with loading of the grain.

With the exception of the above, Stevedore to have the option of employing any number of men he may consider proper when doing work other than outlined above and to have the privilege of moving men from dock to hold and hold to dock, and the number of men in a gang shall not be reduced when covering the hatches.

General cargo gangs, or other gangs are obligated to do any other work requested by the Stevedore in addition to handling cargo loading or discharging viz cleaning or other work required by the Stevedore covered by this agreement.

Any practice in any port of employing non-productive men such as the practice in the Port of Houston of assigning one (1) man in a loading and/or discharging gang as a "pileman" will be discontinued and with clear understanding that it is the Employers sole prerogative to order or delete men above minimum gang sizes as required to efficiently meet the needs of the

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operation with such men paid separately from the gang.

RULE 21. STARTING TIME

The regular starting time of a ship and/or barge shall be at 8:00 A.M., 10:00 A.M., 1:00 P.M., 3:00 P.M. and 7:00 P.M. When it is found necessary for the quick dispatch of the vessels, gangs may be ordered to work at 7:00 A.M., provided the overtime rate is paid for all work between the hours of 7:00 A.M. and 8:00 A.M. except on vessels working on a "shift work" basis. Orders for 1:00 A.M. starts may be placed for all bulk operations including grain operations.

In addition to the regular ship starting times set forth above, an additional starting time of 12:00 Midnight may also be utilized on "fully automated" vessel operations performed at the "fully automated" facilities at "Barbours Cut" and in Galveston.

RULE 22. EXEMPTIONS

All ships in case of fire, or other unusual and imperative necessity, shall be exempt from Rule 21. The term "unusual and imperative" to be

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determined by Stevedore and Business Agent of Locals.

RULE 23. ORDERING OF GANGS

A. (1) All labor to be ordered by 6:00 P.M. the previous evening for all 7:00 A.M. or 8:00 A.M. starts the following morning. Stevedores shall have until 7:15 P.M. to order gang(s) for 7:00 A.M. or 8:00 A.M. starting time for the following morning for that particular ship. (This means in cases where night gang(s) fail to report for work.) Any labor ordered for 7:00 A.M. or 8:00 A.M. starts may be cancelled by the Employer before 5:30 A.M. in the morning of the day work was scheduled to begin if vessel has been delayed because of fog, channel closings or when vessel loses a propeller, rudder or runs aground. Gang(s) ordered for a 7:00 P.M. start must be ordered by 4:00 P.M. Two (2) hours notice to be given for ordering labor at other agreed starting times except for labor ordered for 1:00 A.M. starts which shall be ordered at the normal 7:00 P.M. ordering time. Orders for work on Sundays and Holidays must be placed by 6:00 P. M. of the previous evening. Any orders for labor

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of any type for work at any starting time on Sundays and Holidays may be cancelled by the Employer before 5:30 A.M. in the morning on the day work was scheduled to begin if vessel has been delayed because of fog, channel closings or when a vessel loses a propeller, rudder or runs aground.

- (2) When gang(s) are ordered for any agreed starting time on conventional vessels the Employer will specify the hatch(es) where such gang(s) will commence work. When gang(s) are ordered for any agreed starting time on RO/RO vessels the Employer will specify where the gang(s) will commence work i.e. to work over the ramp or on the deck. Hatch(es) shall be specified when the RO/RO vessel is to be worked totally or partially as a conventional vessel. When gang(s) are ordered for any agreed starting time for Container vessels the Employer will specify where gang(s) will commence work i.e. forward and/or aft end of vessel. Nothing herein shall limit the Employers privileges as set out in Rules #20, #34 or other Rules contained herein.

- B. Where night gangs fail to report for work at a berth so that vessel cannot be completed

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at that berth Employer shall have until 7:15 P.M. to order and/or cancel gangs for 7:00 A.M. or 8:00 A.M. start the next day in that berth, unless the next day is Sunday or Holiday in which case the Employer shall have until 7:15 P.M. to order and/or cancel gangs for any starting time on Sunday or Holiday. This also applies to other Employers within the port who may have gangs ordered for that particular berth at subsequent starting times.

- C. In ports where Employers' Ordering Office is established these rules may be supplemented upon mutual agreement between the West Gulf Maritime Association and the I.L.A. locals involved.

RULE 24. GUARANTEE FOR GANGS NOT PROPERLY CANCELLED

With the exception of the provisions as stated in Rule 23, orders for gangs to return to work the following morning must be cancelled by 7:00 P.M., otherwise gangs reporting will be entitled to four (4) hours pay provided the men remain subject to call.

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RULE 25. GUARANTEED HOURS

Gang(s) and/or men ordered to work shall be paid four (4) hours time at prevailing rate, providing full gang(s) and/or men remain subject to the call of their Employer during that time.

Gang Foremen ordered for any 7:00 A.M./8:00 A.M., or 10:00 A.M. starting time will be guaranteed four (4) hours between 8:00 A.M. and Noon. Gang Foremen ordered for a 1:00 P.M. starting time will be guaranteed four (4) hours. Gang Foremen ordered for a 7:00 P.M. or 1:00 A.M. starting time will be guaranteed a minimum of four (4) hours.

Gang(s) and/or men ordered to return after any meal hour shall be paid a minimum of two (2) hours at the prevailing rate. All individuals so ordered shall return and perform any work necessary under the scope of work covered by the Contract including work in any hatch(es) on either end of the vessel as needed.

Gang(s), Gang Foremen and longshoremen will not be paid while any strike is in progress.

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If only one (1) gang is ordered back after a meal hour to finish hatches on both ends of a vessel, the gang on the forward end shall be ordered back.

In cases where gang(s) of unequal size are being used on different ends, the larger size gang may be ordered back if needed to handle the remaining work under the terms of this Agreement.

Gang(s) ordered for 7:00 A.M. starting time may be released by the stevedore through notice to the Local or Locals between 5:30 A.M. and 6:00 A.M. as available for other vessels, but if all gangs ordered for all ships for 7:00 A.M. are supplied then such release is not valid and the guarantee will apply.

Gang(s) ordered for 8:00 A.M. starting time may be released by the stevedore through notice to the Local or Locals between 6:00 A.M. and 6:30 A.M. as available for other vessels, but if all gangs ordered for all ships for 8:00 A.M. are supplied then such release is not valid and the guarantee will apply.

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It is further mutually understood that grain and sulfur trimmers may be called for four (4) hours work when trimming by hand.

The waiting time and order out time also applies to the cotton rules.

On all "fully automated" container vessel operations and all "fully automated" RO/RO vessel operations gang(s) and/or men ordered to work shall be paid four (4) hours time at prevailing rate, providing full gang(s) and/or men remain subject to the call of their Employer during that time. Gang Foremen ordered for any 7:00 A.M./ 8:00 A.M., 10:00 A.M. or 1:00 P.M. starting time shall be guaranteed a minimum of eight (8) hours pay from 8:00 A.M. to 5:00 P.M. Gang Foremen ordered for a 7:00 P.M. start will be guaranteed a minimum of five (5) hours. Gang(s) and/or men ordered to return after any meal hour shall be paid a minimum of four (4) hours at the prevailing rate, and gang(s) and/or men so ordered shall return and perform any work necessary under the scope of work covered by the Contract including work in any hatch(es) on either end of the vessel as needed.

On all "fully automated" vessel operations performed at the "fully automated" facilities at

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"Barbours Cut" and in Galveston, gang(s) and/or individuals ordered for 12:00 Midnight starting time shall receive six (6) hours time and one half (1-1/2) and two (2) hours double time. Gang(s) and/or individual(s) ordered for 12:00 Midnight starts may not be worked past 7:00 A.M.

The direct employer shall have the right to hire additional men over minimum gang sizes at any regular starting time based upon individual guarantees with all such individual(s) to perform work anywhere on the operations.

Minimum hourly guarantees shall begin at the time the employee reports to work as ordered.

RULE 26. SUNDAY AND HOLIDAY WORK REORDERING OF GANGS

When men are ordered to report for work at any regular starting time on Sunday and/or Holiday, they shall be entitled to four (4) hours pay at the prevailing rate, providing full gang(s) and/or men remain subject to the call of their Employer during that time.

Gang Foremen ordered for any 7:00 A.M./8:00 A.M. or 10:00 A.M. starting time will be guaranteed four (4) hours between 8:00 A.M. and

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Noon. Gang Foremen ordered for 1:00 P.M. starting time will be guaranteed four (4) hours. Gang Foremen ordered for a 7:00 P.M. starting time will be guaranteed a minimum of four (4) hours.

Gang(s) and/or men ordered to return after any meal hour shall be paid a minimum of two (2) hours at the prevailing rate. All individuals so ordered shall return and perform any work necessary under the scope of work covered by the Contract including work in any hatch(es) on either end of the vessel as needed.

Gang(s), Gang Foremen and longshoremen will not be paid while any strike is in progress.

If only one (1) gang is ordered back after a meal hour to finish hatches on both ends of a vessel, the gang on the forward end shall be ordered back.

In cases where gang(s) of unequal size are being used on different ends, the larger size gang may be ordered back if needed to handle the remaining work under the terms of this Agreement.

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Stevedore may re-order men from shipside to return to work at any agreed starting time; also men may be re-ordered from shipside on nights preceding Sunday and Holidays. This rule also to apply to cotton.

It is understood that the re-ordering of men from shipside on nights preceding Sundays or Holidays is only permitted in the event the gang(s) fail to complete work planned because of weather conditions, and/or mechanical failure and/or shortage of gang(s).

RULE 27. GANG FOREMAN

Before a longshoreman can be included on a list of men eligible as Gang Foremen, he must first meet the following requirements:

- (a) Worked at least five (5) consecutive years as a longshoreman unless nomination to Gang Foreman List is mutually agreed on;
- (b) Attend and complete a 16-hour Gang Foreman Safety Course as prescribed and administered by the West Gulf Maritime Association.

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- (c) Qualified to direct any work normally performed by a longshoreman.
- (d) Gang Foreman shall attend and complete an 8-hour Refresher Safety Course every three (3) years to remain eligible as Gang Foreman.

It is understood and agreed that clauses (a), (b) and (c) above are applicable to new Gang Foremen effective with the signing of this Agreement.

Within 15 days of the signing of this Agreement, each Local shall submit to the Employers in each port a list of the men they consider eligible as Gang Foremen. These men will continue eligible as Gang Foremen until such time as any Employer files a complaint against them. Any such complaint shall be filed with a panel of two representatives from the Local and two representatives from the Employers other than complainant. Within five days after the filing of a complaint against a man by any Employer, said panel shall make a decision that the man in question shall be continued as an eligible Gang Foreman, or that he shall not. Three votes of this panel shall constitute a decision. In the event of a tie vote of this Panel, or in the event this Panel

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does not make the required decision within five days, the complaint against the man shall automatically be transferred to the Employers as a group, and they shall decide whether the man shall continue as a Gang Foreman or not. In the event the man is removed from the list of eligible Gang Foremen by the Employers, they shall then select a replacement of their choice from additional names furnished by the Local.

Gang Foremen will not be accepted for employment unless he has been selected from eligible Gang Foremen List submitted to the Employers.

A Gang Foreman failing to carry his own gang shall be removed from the Gang Foreman's List within 5 days unless his absence was due to a legitimate reason.

Gang Foreman shall direct the use of stevedore's equipment and shall prevent the abuse and/or theft thereof.

There shall be only one Gang Foreman to each working whip. Gang Foremen to be leaders of their gangs and to have the duty of assigning all men in the gang subject to supervision and direction of the Stevedore.

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It is expressly understood that a Gang Foreman, like other men in the gang, is not hired and does become an employee of any of the First Parties until he actually reports at shipside ready to work.

Any unresolved dispute under this clause can be referred to the arbitrator.

RULE 28. RECORDING GANG TIME

No foreman will be compelled to make out time other than the actual time made by his gang. No time sheets will be changed with reference to time worked unless by mutual agreement of Union and the Employer.

RULE 29. WALKING FOREMAN

Walking Foremen to be given employment without discrimination.

In selecting Walking Foremen First Parties will give first consideration to presently employed Walking Foremen and thereafter to experienced and qualified longshoremen presently employed and will not discriminate against any employee in

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such selection because of membership in the I.L.A.

RULE 30. PROVIDING QUALIFIED AND EFFICIENT PERSONNEL

The representative of the Locals to use every effort to provide persons qualified and efficient for the class of work for which they may be ordered.

Any person entering the industry as a longshoreman will be required to attend and complete a "Entry Training" Longshore Safety and Health Program as designed and administered by the West Gulf Maritime Association with input from the ILA not exceeding sixteen (16) class room hours during the first three (3) months of his employment.

MANPOWER DEVELOPMENT PROGRAM (MDP)

It is the mutual objective of management and labor to assure that qualified persons are referred to perform all work covered under Scope of Work of this Agreement, and toward that objective, the parties agree to cooperate in the following Manpower Development Program.

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In ports where the Stabilization & Decasualization policy of this contract has not been instituted, any person entering the industry as a longshoreman will be required to attend and complete a "Entry Training" Longshore Safety and Health Program administered by the West Gulf Maritime Association with input from the ILA not exceeding sixteen (16) classroom hours as soon as it becomes practical to conduct a safety course in that port.

No person shall be referred by the Hiring Hall as a truck driver or special equipment operator (as defined below) unless he has been qualified by:

- (1) Successfully completing a truck driver or special equipment operator training course(s), which has been prescribed and administered by the West Gulf Maritime Association and possesses a current Certificate of Qualification issued by the West Gulf Maritime Association, and
- (2) Possesses a valid commercial vehicle operators license issued by the state wherein such person resides. (Not applicable to Special Equipment Operators).

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There shall be established in each port a committee comprised of equal representation from labor and management to act upon disputes regarding decertification. Certification will be withdrawn and the individual removed from the referral list when it is determined that the individual is incompetent in the certified job.

The Union shall establish and maintain separate referral lists consisting of the names of individuals who hold valid Certificate of Qualification issued by the West Gulf Maritime Association (WGMA).

The following differential shall be paid when individuals are dispatched from the respective certified referral lists pursuant to specific Employer orders for such certified personnel.

(1) Special Equipment Operator Referral List

When referred from Special Equipment Operator Referral List for operating lift trucks or top loaders having manufacturer's rated capacity of at least 50,000#, or front end loaders, when such equipment is operated for the purpose of handling cargo in hold, barge, yard and/or dock, the

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Operator shall be paid a differential of 50¢ hour.

After a Special Equipment Operator commences work nothing herein shall prevent the Employer from assigning the Special Equipment Operator to operate a lift truck or top loader of any capacity, in hold, barge, yard and/or dock and the differential of 50¢/hour will continue to be paid.

(2) Class I Truck Driver Referral List

When referred from Class I Driver Referral List to operate truck tractors and trailers aboard Roll On-Roll Off (RO-RO) vessels or specifically ordered for other special or difficult driving tasks, Class I Drivers will be paid a differential of 50¢/hour. When this list is exhausted Class II Drivers are to be referred hereunder and will be paid Class I differential.

(3) Class II Truck Driver Referral List

When referred from Class II Driver Referral List to operate truck tractor and trailers in container operations and for other truck tractor driving operation, Class II Drivers will

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be paid a differential of 25¢/hour. (This list must be exhausted before noncertified drivers are referred.)

Manpower Development Program (MDP) individual(s) certified by the West Gulf Maritime Association shall receive such training as may be required from time-to-time by Management and shall be subject to such recertification requirements which may be established by Management and the ILA to demonstrate their ability to perform the essential functions on their job.

It is also understood and agreed that the West Gulf Maritime Association shall have the right to implement additional skilled training requirements as required to meet industry efficiency standard(s).

It is understood and agreed that persons dispatched from these referral lists will perform any other longshore work on dock or vessel necessary to complete their guarantee obligations, except that such persons shall not be required to hand stow general cargo or bags in the hold. Employers will not be required to increase the gang size due to employment of MDP certified personnel.

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The requirements provided hereinabove shall not be construed or interpreted by either party as limiting or expanding upon the duties that may be assigned to Class I Drivers, Class II Drivers or Special Equipment Operators or any other individual referred to perform work under Rule #19 Scope of Work of this Agreement; and such individuals shall be part of the minimum gang size, unless expressly ordered in addition to such minimum gang requirement by the Employer.

RULE 31. LOCATION OF GANGS AT STARTING TIME

Gangs shall be at shipside ready to work at the time gangs are ordered to start work.

RULE 32. INTERRUPTION OF WORK

When gangs report to work, or after starting to work, work is stopped for any reason, full gangs will stand by at the prevailing rate until dismissed or until work is resumed, subject to guarantee in Rule 25.

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When men are employed in rigging up vessels they shall receive pay for same according to the position they hold when working cargo.

RULE 33. TRACTOR DRIVERS AND SWITCHMEN

Within fifteen (15) days of the signing of this agreement, each Local in Ports where Tractor Drivers and Switchmen are employed shall submit to the Employers a list of men qualified to be employed as Tractor Drivers and Switchmen.

RULE 34. SHIFTING GANGS ON A SHIP

Stevedore, at his discretion, to have the privilege of moving gang(s) from one hatch to another hatch during a working day. This is to be interpreted that a gang(s) can be moved from the forward end aft or from aft forward, whenever the Stevedore considers it necessary to do so.

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RULE 35. SHIFTING GANGS FROM SHIP TO SHIP

When gang(s) are shifted from one ship to another during working hours, while working for the same firm, they shall receive the same pay as if working during such time of shifting.

Gang(s) can be shifted from one ship to another only after gang(s) have been ordered through the Local(s) and the Local(s) has been unable to furnish the gang. However, when gang(s) are on waiting time, they may be shifted from one ship to another ship of the same Employer at the same port at the discretion of Employer.

It is understood that:

1. When the Employer elects to move the men on foot, they will be allowed time to return to point of origin of transfer.
2. Gang(s) moved by Employer's vehicle will be returned on pay time to point of origin of transfer.
3. When the Employer elects to have the men move in their own vehicles, each

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man will receive one payment of \$4.00 per man for travel expense.

RULE 36. CHANGE OF EMPLOYER

When a ship is partly loaded or discharged by one Stevedore and finished by another, the gang(s) working for the first Stevedore shall have no claim on their hatches under the second Stevedore; but under each Stevedore gang(s) must be ordered through the Business Agent.

RULE 37. DAMAGED CARGO

Cargo, on vessels in distress, or where fumes, smoke, water or oil or obnoxious odors are present, to be shifted, discharged or otherwise handled shall be paid for at double the prevailing rates applicable to class of cargo handled, but when holds are clear of fumes, smoke, or oil, water or obnoxious odors undamaged cargo to be shifted, discharged or otherwise handled, shall be paid for at the prevailing rates applicable. In case of disputes as to what shall constitute damaged cargo, the matter shall be referred to the Grievance Committee, whose decision shall be final.

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Rules Governing Damaged Cargo Operations

- A. When gang(s) are ordered to vessel but due to mechanical failure, weather conditions, etc. cannot begin work, such standby time will be paid at the basic commodity rate.
- B. Rigging necessary to handle damaged cargo shall be paid at damaged cargo rate applicable.
- C. After commencing work and when mechanical failure develops during damaged cargo operation, standby time will be paid at damaged cargo rate.
- D. When damaged cargo handling is interrupted by rain, standby time will be paid at the basic commodity rate.
- E. When necessary to complete payment of guarantee period after handling damaged cargo and no other work is available such time shall be paid at the basic rate.

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RULE 38. ETHICS

It is agreed that there will be no sarcastic or abusive language indulged in by either party.

RULE 39. MISCONDUCT

The Parties hereto agree to make every effort to assure that a sufficient number of experienced and efficient individual(s) qualified to do and perform all work covered under the "Scope of Work" of this Agreement shall be available at all required starting times and places as needed. Any and all individual(s) who are unwilling or do not efficiently perform any and all work within their craft that they are required to perform will be considered to have violated the Agreement. Failure of gang(s) and/or individual(s) to efficiently perform work as directed by the direct employer shall be considered as just cause for discipline.

(A.) PILFERAGE

The I.L.A. Locals parties hereto agree to make every effort to prevent pilferage or broaching of cargo, and any person found guilty of such broaching, or pilfering or knowingly having broached or pilfered cargo in his possession, will be disciplined as follows:

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Penalties:

First Offense- Thirty (30) days suspension from work through any and all I.L.A. Hiring Halls covered under this Agreement.

Second Offense- Sixty (60) days suspension from work through any and all I.L.A. Hiring Halls covered under this Agreement.

Third Offense- Permanent suspension from work through any and all I.L.A. Hiring Halls covered under this Agreement.

(B.) FRAUD

When an individual(s) has been found guilty of fraudulently causing or allowing himself to be carried on two or more payrolls the following penalties shall apply to him (them).

First Offense- Thirty (30) days suspension from work through any and all I.L.A. Hiring Halls covered under this Agreement.

Second Offense- Sixty (60) days suspension from work through any and all I.L.A. Hiring Halls covered under this Agreement.

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Third Offense- Permanent suspension from employment through any and all I.L.A. Hiring Halls covered under this Agreement.

(C.) VIOLENCE

1. Display or Possession of Weapon

When anyone employed under the terms of this Agreement, or in the exercise of any official capacity under the terms of this Agreement, is found guilty of displaying or knowingly possessing a dangerous weapon at any facility normally considered a work place under this Agreement, the following penalties shall apply:

First Offense- Thirty (30) days suspension from employment through any and all I.L.A. Hiring Halls and from acting in such official capacity under the terms of this Agreement.

Second Offense- Sixty (60) days suspension from employment through any and all I.L.A. Hiring Halls and from acting in such official capacity under the terms of this Agreement.

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Third Offense- Permanent suspension from employment through any and all I.L.A. Hiring Halls and from acting in such official capacity under the terms of this Agreement.

2. Physical Assault With A Dangerous Weapon

Anyone employed under the terms of this Agreement, or in the exercise of any official capacity under the terms of this Agreement found guilty of deliberately physically assaulting another individual with a dangerous weapon at any facility normally considered a work place under this Agreement, shall be immediately and permanently suspended from employment through any and all I.L.A. Hiring Halls and such official capacity covered under the terms of this Agreement.

3. Battery

When anyone employed under the terms of this Agreement or in the exercise of any official capacity under the terms of this Agreement is found guilty of beating or using physical violence on a person, without that person's consent, the following penalties shall apply:

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First Offense- Thirty (30) days suspension from employment through any and all I.L.A. Hiring Halls and from acting in such official capacity under the terms of this Agreement.

Second Offense- Sixty (60) days suspension from employment through any and all I.L.A. Hiring Halls and from acting in such official capacity under the terms of this Agreement.

Third Offense- Permanent suspension from employment through any and all I.L.A. Hiring Halls and from acting in such official capacity under the terms of this Agreement.

Offenses hereunder, which occurred more than three (3) years prior to the date of an offense, shall not be considered in determining the appropriate misconduct penalty for the latest offense.

(D.) NARCOTICS AND ILLEGAL SUBSTANCES

Anyone found guilty of possession, use of, or other dealings in narcotics or other illegal substances (other than drugs which have been prescribed by a licensed physician) while employed under the terms of this Agreement or any Memorandum of Understanding, or any other

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Agreement between the Parties shall be immediately suspended from employment through any and all I.L.A. Hiring Halls for a period of sixty (60) days. A second offense shall result in permanent suspension from employment through any and all I.L.A. Hiring Halls.

Those who are permanently suspended from employment through any and all I.L.A. Hiring Hall(s) during the life of WGMA/ILA Agreement(s) as set forth above shall be provided with a sixty (60) day window from the date of their permanent suspension in which to make written application for reinstatement. Those seeking reinstatement must complete a West Gulf Maritime Association approved and accredited twelve (12) month rehabilitation program and must not work in the industry and must remain drug-free throughout the twelve (12) month period. Those seeking reinstatement shall be required to agree to take random drug screening test(s) upon reasonable notice made through the West Gulf Maritime Association during the twelve (12) month rehabilitation period and for the remainder of their time in the industry.

Anyone employed under the terms of this Agreement or any Memorandum of Understanding or any other Agreement between the Parties shall

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be subject to all of the provisions of the SOUTH ATLANTIC AND GULF COAST DISTRICT, INTERNATIONAL LONGSHORE-MEN'S ASSOCIATION AND ITS AFFILIATED LOCALS IN ALL PORTS IN TEXAS, EXCLUDING THE PORT OF BROWNSVILLE, TEXAS, AND INCLUDING THE PORT OF LAKE CHARLES, LOUISIANA AND THE WEST GULF MARITIME ASSOCIATION POLICY ON DRUGS.

A refusal to be tested shall be grounds for immediate discharge and immediate suspension from employment through any and all I.L.A. Hiring Halls for a period of sixty (60) days. A second violation or offense shall result in permanent suspension from employment through any and all I.L.A. Hiring Halls.

It is understood and agreed that all of those actively working under the terms of this Agreement or any Memorandum of Understanding or any other Agreement between the Parties shall have the right to request referral to an approved program for treatment or to be tested and any employee whose test results thereof are positive shall be required to immediately report to an approved program for treatment. If such employee participates in and successfully completes the required approved rehabilitation program, that

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employee may be reinstated. Any additional positive test shall be grounds for immediate and permanent discharge and permanent suspension from employment through any and all I.L.A. Hiring Halls.

Any individual who seeks reinstatement shall be required to sign a written agreement that they shall agree to take random drug screening test(s) upon reasonable notice made through the West Gulf Maritime Association for the remainder of their time in the industry.

(E.) INTOXICATION

Anyone employed under the terms of this Agreement or any Memorandum of Understanding or any other Agreement between the Parties or in the exercise of any official capacity under the terms of this Agreement found guilty of being intoxicated at any facility normally considered a work place or bringing intoxicants on the premises at any facility normally considered a place of work under this Agreement, the following penalties shall apply:

First Offense- Thirty (30) days suspension from employment through any and all I.L.A. Hiring

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Halls and from acting in such official capacity under the terms of this Agreement.

Second Offense- Sixty (60) days suspension from employment through any and all I.L.A. Hiring Halls and from acting in such official capacity under the terms of this Agreement.

Third Offense- Permanent suspension from employment through any and all I.L.A. Hiring Halls and from acting in such official capacity under the terms of this Agreement.

Offenses hereunder, which occurred more than three (3) years prior to the date of an offense, shall not be considered in determining the appropriate misconduct penalty for the latest offense.

(F.) ENFORCEMENT

An individual shall be subject to the penalties provided herein when found guilty of an offense charged under this Rule when his guilt is established by a forum properly constituted under Union bylaws and/or Hiring Hall procedures, by a committee or arbitrator as provided under the grievance and arbitration procedures of this

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Agreement, or by a court of law or a governmental agency of competent jurisdiction.

The Parties hereto agree that any individual(s) employed under the terms of the Agreement who leaves the job without prior approval by the direct employer or otherwise abandons his duties or who is unwilling or does not perform his duties as required by the direct employer or who improperly handles or deliberately damages equipment and/or cargo shall be deemed to have violated the Agreement and shall be subject to discipline up to and including termination.

Penalties and/or discipline may be applied by mutual agreement and/or pursuant to the Agreement's Grievance Procedure and Arbitration language.

The Parties hereto further agree that any individual(s) who work in the industry during any suspension from employment through any and all I.L.A. Hiring Halls shall be considered to have violated the Collective Bargaining Agreement(s) and shall be given three (3) additional days suspension from employment through any and all Hiring Halls for any day or portion of day they worked during their suspension.

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RULE 40. DRINKING WATER

Drinking water to be furnished by the Employer under sanitary conditions in metal or plastic containers, and ice to be furnished all year round, as well as sanitary drinking cups.

RULE 41. WAGES AND WORKING RULES GOVERNING COTTON

Scale of Wages- Cotton By Hand- Per Bale

Effective October 1, 1996 - September 30, 2001

COTTON	S/T	O/T	D/T
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Stowing By Hand and Unloading.....	\$2.57	\$3.86	\$5.14
Hardship Differential Payment			

(It is recognized that the cotton industry has revolutionized the character of the traditional cotton bale. Both parties will continue to encourage the standardization of a bale whose characteristics are reasonably comparable to those traditionally handled in the West Gulf. In addition to the applicable bale rates to be paid herein, a differential of fifteen cents (15¢) per bale will be paid on all cotton until such additional hardship is relieved.- Meetings will be held on or

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about September 1st of each year thereafter at the discretion of either party.)

Stowed on Top of any other cargo
in a space less than heading
heights to deck beams 2.60 3.90 5.20

Stowed in peaks, lazarets, saddle
backs and compartments not
approached by open hatch, poops.... 5.14 7.71 10.28

COTTON	S/T	O/T	D/T
Stowing Round Bales, single	1.28	1.92	2.56

Flat or uncompressed cotton	2.63	3.94	5.26
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Stowing with tools	5.14	7.71	10.28
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Undamaged cotton on decks	2.57	3.86	5.14
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Loading damaged cotton to be paid
for by days work per day, per gang
of 15 men..... 2,057.16 3,085.74 4,114.32

Stowing cotton on top of grain, when there is less than 4 feet under the beams	5.14	7.71	10.28
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Loading cotton in the No. 3 deep tank of Liberty Ships	3.86	5.79	7.72
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Stowing cotton behind feeders in
between decks, to be paid for at
one and one half the prevailing
rate. This means aft or fwd end of
feeder-starboard or port 3.86 5.79 7.72

Wings and hatchways straight time..	2.57	3.86	5.14
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COTTON	S/T	O/T	D/T
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Stowing cotton in any place, other
than a general cargo hold, not
specified in this agreement shall be
settled by arrangement between
the Walking Delegate and the
Stevedore

Piled25	.38	.50
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Pickup/Restowed	1.28	1.92	2.56
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Stowed in Any Rooms, Reefers,
Lockers or Tanks in Cargo Hatches:
With doorways and/or openings
less than 5'6" in width double time
rate will be paid 5.14 7.71 10.28

With doorways and/or openings
less than 7'6" in width-time and one-
half will be paid 3.86 5.79 7.72

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Stowed in any tanks with openings less than 7'6" in width or length	3.86	5.79	7.72
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Stowed over General Cargo that prevents a reasonable level floor	3.86	5.79	7.72
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LINTERS			
25¢ per bale over cotton rates shown for square cotton	2.82	4.23	5.64

Pickup/Restowed	1.41	2.12	2.82
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Memorandum of Understanding

Cotton will continue to be loaded,
discharged or otherwise handled when working a
vessel under the terms and conditions of Rule 41
of this Agreement, except as herein provided.
When all available cotton gangs are working and
the local has been unable to provide all cotton
gangs ordered for vessels, the remaining unfilled
orders will be furnished, with the Employer's
express approval, by the local referring and the
Employer hiring a sixteen (16) man cargo gang.
At least one (1) man in such gang shall be
experienced in the loading and stowing of cotton.
These gangs shall be compensated at the
applicable longshore hourly rate. If, however, the

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gang's production on a piecework basis (as
provided in Rule 41) exceeds the applicable
longshore hourly rate, then the sixteen (16) man
gang shall be paid under the terms and conditions
of Rule 41 "Wages and Working Rules Governing
Cotton". When gang is paid on piecework basis it
is the intent to allocate the gangs piecework
earnings (number of bales loaded X applicable
bale rate) among all sixteen (16) longshoremen.

Whenever unitized cotton such as pre-
palletized cotton, and cotton secured by
strapping, banding or other means is loaded
and/or unloaded, it shall be worked under the
terms and conditions of the Longshore Rules.

Waiting Time

When gangs are ordered to work, they shall
receive not less than four (4) hours pay at the
prevailing rate.

Gangs ordered to return after any meal
hour shall be paid a minimum two (2) hours at the
prevailing rate, and gangs so ordered shall return
and perform any work necessary under the scope
of work covered by this Contract.

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A longshore and cotton gang ordered to return after any meal hour shall be paid a minimum of two (2) hours. The two (2) hour guarantee shall be calculated on the basis of cotton piece work rates or longshore hourly rates or a combination of cotton piece work rates and longshore hourly rates.

If only one gang is ordered back after a meal hour to finish hatches on both ends of a vessel, the gang on the forward end shall be ordered back.

In cases where gangs of unequal size are being used on different ends, the larger size gang may be ordered back if needed to handle the remaining work under the terms of this Agreement.

Night Waiting Time

When men are ordered to work at 7:00 P.M. and are not kept continuously employed, it is mutually agreed they shall be paid waiting time at the rate of 100 bales per hour, based on a gang working at hand-stowed cotton or a rate of per bale:

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October 1, 1996 through September 30, 2001
\$3.86

Cotton Stowed In Any Rooms, Reefers Lockers Or Tanks In Cargo Hatches

With doorways and/or openings of 7'6" in width or greater, cotton will be stowed at base rate. It is understood that when gang/gangs are required to work under an undue hardship in any room, reefer, locker or tank, additional pay will be settled by agreement between the Union representative and the Stevedore.

Cotton Stowed Over General Cargo That Prevents A Reasonable Level Floor

Whenever cotton is to be stowed in hatches over and/or around general cargo previously stowed and nature of general cargo prevents a reasonable level floor, time and one-half will be paid on cotton so stowed until cotton stowage levels up floor.

For the purpose of calculating fringe benefits pursuant to Rule #17 contributions when working cotton on piece work basis, each 100 bales is equal to one (1) man hour.

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When stages or pontoons are used for tabling cotton, same will be paid at the rate of twenty-five bales for each height. This means that each additional twenty-five bales will be included for the purpose of calculating fringe benefits pursuant to Rule #17.

(Example: 500 bales actually placed aboard ship.)

Two heights used for tabling

Fringe Benefits Calculations

500 bales loaded
50 bales for tabling
550 bales divided by 100=5½ hours

contributions to fringe benefits
pursuant to Rule #17 for each
man in cotton gang.

Overtime

Overtime to be time and a half, with double time for meal hours.

If men are ordered to work into a meal hour they will be paid a minimum of thirty (30) minutes. If men are ordered to work past thirty (30) minutes

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into the meal hour but less than forty-five (45) minutes, they will be paid for forty-five (45) minutes. If men are ordered to work past the three-quarter (¾) hour but less than one (1) hour, they will be paid for one (1) hour with double-time continuing on, based on fifteen (15) minute intervals until released or relieved.

Deadtime

Men are to be paid for actual time lost at the rate of 100 bales per hour.

Cotton Gang Handling General Cargo

Cotton gangs will be required to handle up to ten (10) tons of general cargo per gang, per day at longshore rates without an increase in gang size.

Doubling Gangs

No hatch whether working cotton or any other cargo, to be doubled up where there is a space of less than fifteen (15) feet between falls. Where hatches are doubled up, both gangs will not be required to work in the same end of the hatch, and neither gang will work under the other gang's fall, or whip.

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Eligible Foremen

Same as Rule 27 of the General Longshore Rules.

Moving Equipment

Tools or stages moved from one pier to another shall be moved by the Stevedore or his Superintendent in charge of his work at the Stevedore's expense.

Covering Hatches

When a day's work in cotton is done or at any time when work is stopped, hatches shall be covered by gangs working hatch.

Beams and Mechanical Hatches

When a hatch is finished, longshore rate will be paid for work performed in replacing beams or hatchboards or pontoons. Agreed that no longshore time will be paid for closing mechanical hatches. Mechanical hatch is defined to mean one the closing of which does not require the manual placing of beams, boards or pontoons.

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Hours of Work

Hours of work shall extend from 8:00 A.M. to 12:00 Noon and from 1:00 P.M. to 5:00 P.M. Monday through Friday.

Payday

Men to receive their pay in full in accordance with Rule 14 of the Longshore Rules.

Size of Cotton Gangs

A cotton gang shall consist of fifteen (15) men, including foreman, except when cotton is unitized.

Cotton in Ship's Berth

It is mutually agreed cotton must be headed in the ship's berth within 200 feet from the hatch when cotton to be hand trucked to the sling. When cotton is to be moved with mechanical equipment from the shed to the sling, cotton may be stacked in the shed. It is mutually agreed that mechanical equipment will be furnished when available.

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Gear

All foremen shall be held responsible for all gear that is property of the Stevedores. Any loss or breakage through willful carelessness shall be paid by the foreman incurring such loss or breakage.

Other Unspecified Cotton Stowage

Stowing cotton in any place not specified in this Agreement shall be settled by arrangement between the Union representative and the Stevedore. It is further mutually understood between both parties that an agreement arrived at between the Union representative and a Stevedore is for that particular ship and the stowage of that particular cotton only.

Rehandling Cotton Or Linters

Any cotton or linters required to be rehandled or to be shifted in the same compartment shall be paid for at half the prevailing rates, including all landingway cotton.

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Use of Stages Or Pontoons

When stages or pontoons are used for tabling cotton, same will be paid at the rate of twenty-five (25) bales for each height.

Piling Three (3) Bales High

Whenever there is to be piled three (3) bales high, there shall be a twenty-five cents (25¢) differential on the top bale.

Rigging and Uncovering

When a gang commences direct loading of cotton, the initial rigging and uncovering the main deck will not be paid for, removal of tween deck beams, hatchboards or pontoons will be paid for at longshore rates.

When a gang commences work other than loading cotton, all rigging and uncovering will be paid for at longshore rates.

Cotton Separations

Neither paper nor burlap will be used for cotton separations. No longshore time will be paid for Port separations if ink, paint or tape is used.

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In the event it is necessary to make separations, other than Port separations, the gang time actually required to make such separations will be paid on an accumulated basis at longshore rate.

RULE 42. GRIEVANCE PROCEDURE AND ARBITRATION

A. No Stoppage Of Work Or Lockouts

1. Stoppage of Work. The Union agrees that during the life of this Agreement there shall be no strikes or other stoppages of work.

2. Lockouts. The Employers agree that during the life of this Agreement there shall be no lockouts of employees represented by the I.L.A.

B. Grievance Procedure and Arbitration

1. The parties accept the principle that any disputes involving the interpretation or application of the terms of this Agreement shall be resolved in an orderly expeditious manner. They commit themselves to the procedure outlined below. Failure by either party to handle disputes in

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accordance with the grievance procedure shall constitute a violation of the Agreement.

This grievance procedure and arbitration shall be the exclusive remedy with respect to any and all disputes arising between the Union or any person working under the Agreement or both, on the one hand, and the Association or any company acting under the Agreement or both, on the other hand, and no other remedies shall be utilized, except those remedies specifically provided for under this Agreement.

All disputes under the Master Agreement involving Containerization, and RO-RO, including interpretations of the said Master Agreement, shall be handled pursuant to the Master Agreement section entitled "Grievance Procedure".

Any and all disputes must be formally submitted for processing within six (6) months of the original occurrence and any and all disputes not submitted within the six (6) month time limit shall be considered "dropped" and forever barred from being submitted.

2. The following specific steps shall be followed to insure prompt resolution of disputes.

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When a problem arises it shall be discussed immediately between the representatives of the Employer and Local union involved. If they are unable to reach a satisfactory settlement, either representative may request immediate referral of the matter to Step 1. As soon as such request is made known, each party shall have the responsibility of notifying its representatives on the Step 1 Spot Grievance Committee.

Step 1. There shall be established at each port a permanent Spot Grievance Committee. A panel of no fewer than three nor more than six members shall be designated by the Employer Association and no fewer than three nor more than six designated by the I.L.A. Two Members from each side shall constitute the Committee to consider a dispute. A quorum to this committee shall be at least one member from each side. These Spot Grievance Panel members will be named within two weeks after this Agreement is signed and shall serve for no less than one year unless there is good and sufficient reason to name a replacement before the expiration of one year. All union representatives and Employers shall be given promptly the names and telephone numbers of the Committee members in their respective ports.

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Within two hours after the referral of a dispute to Step 1, the members of the Spot Grievance Committee shall proceed to the ship and investigate the issue. One member of the Committee could be from the Local involved and one could be from the company involved.

An agreed upon resolution of the dispute by unanimous decision of the Committee shall be final and binding on the parties and shall not be subject to further review. However, the settlement reached in Step 1, shall not constitute a precedent for the port involved or for other ports covered by this Agreement.

In conducting its investigation, the Committee shall have the right to confer with the principals involved. However, work shall continue without interruption during the investigation. The Committee shall also have the responsibility to collect and record all pertinent facts relating to the dispute.

If the Committee is unable to reach a settlement, the dispute shall be referred within 24 hours to Step 2 of the Grievance Procedure.

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Step 2. The South Atlantic and Gulf Coast District, International Longshoremen's Association, and the West Gulf Maritime Association, Inc. shall select two (2) mediators by March 1, 1995 who are acceptable to both Parties. Mediator(s) shall serve at the discretion of the Parties throughout the term of the various Collective Bargaining Agreement(s) between the Parties.

Any dispute referred to Step 2 shall be reviewed by an Appeals Committee composed of one (1) Official of the I.L.A. District Office and one (1) Official of the West Gulf Maritime Association, Inc.

Whenever a Step 2 meeting is requested, one (1) mediator shall be immediately selected at random by the Parties. The mediator selected shall then schedule a Step 2 meeting as soon as possible after the mediator was selected, and will Chair the Step 2 meeting.

The parties to the dispute and the members of the Spot Grievance Committee shall have a right to be heard at the Step 2 meeting. The documented facts recorded by the Spot Grievance Committee Report shall be submitted to the Appeals Committee at this Step 2 meeting.

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If the Step 2 Appeals Committee is unable to mutually agree on an immediate Decision, the Step 2 Appeals Committee may refer the matter to immediate mediation. If a Decision is still not reached, the mediator shall immediately accept the final written position submitted by either the one (1) Official of the I.L.A. District or the one (1) Official of the West Gulf Maritime Association, Inc., as the mediator's Recommended Decision(s).

Recommended Decision(s) shall be signed by the mediator and shall be immediately implemented and/or observed.

Either Party may refer any Recommended Decision(s) to Step 3 arbitration within ten (10) days following the mediator(s) Recommended Decision(s) in the same manner as though no Recommended Decision(s) was made provided, however, that the party requesting arbitration shall be required to pay the full amount of the arbitrator's fees and expenses.

It is agreed and understood that Recommended Decision(s) shall remain in full force and effect unless or until an Arbitration

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Decision(s) modifies or sets the Recommended Decision(s) aside.

If neither Party refers the matter to arbitration within ten (10) days following the mediator's Recommended Decision(s), such Recommended Decision(s) shall become final and binding on all parties and shall have the same force and effect as a Step 2 Appeals Committee Decision and no further appeal(s) shall be recognized.

Step 3. Written notification of referral to arbitration must be made to the Director of the Federal Mediation and Conciliation Service, (herein referred to as the Service) and to the other party within ten (10) working days following either the Appeals Committee's inability to settle a dispute or the mediator's Recommended Decision(s).

The Service will, as soon as possible, appoint a panel of five (5) arbitrators. A list of the panel shall be submitted to each of the parties and each party will have the right to strike two names and return its list, containing the strikes, to the Director within five (5) days after its receipt of the list. If the Director receives both parties' strikes within five days, and only one name is not

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struck, the Director shall forthwith notify that person of his appointment as arbitrator and shall simultaneously notify both parties. If the Director receives the list containing the strikes from only one of the parties within the five (5) day limit, or the parties double strike, the first name not stricken on either list shall be the arbitrator and the Director shall forthwith notify that person of his appointment as arbitrator and shall simultaneously notify both parties.

The arbitrator shall have the authority to rule on all disputes properly referred to him which involve the interpretation or application of the terms of this Agreement as well as on all issues of arbitrability of the dispute.

He shall have no authority to render decisions which have the effect of adding to, subtracting from or otherwise modifying the terms of the Agreement negotiated by the Parties. The decision of the arbitrator shall be final and binding upon both parties. The Employers Association and the I.L.A. District (or sub-district thereof) shall share equally the expenses of the arbitrator, except where a Recommended Decision(s) is referred to Step 3 arbitration in which case the party requesting arbitration shall be required to

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pay the full amount of the arbitrator's fees and expenses.

Upon receipt of notification of a dispute referred to him, the arbitrator shall schedule a hearing within two (2) weeks of such referral. The award of the arbitrator shall be in writing and shall be issued within seven (7) days after the record in the matter is closed. The award may be issued with or without opinion. If any party desires an opinion, one shall be issued, but its issuance shall not delay compliance with and enforcement of the award.

The failure of either party to attend an arbitration hearing as scheduled by the arbitrator, after reasonable efforts to accommodate the parties, shall not delay said arbitration and the arbitrator is authorized to conduct the hearing and issue an award as though such party were present.

3. Notwithstanding any of the foregoing procedures, parties agree to the following:

(1). Either party to a dispute or grievance may waive the grievance procedure and the time limits of the arbitration provision referred to above whenever a violation of Rule 42, Section A,

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subsection (1) or (2), and/or Section B, subsection (1) shall be alleged. In this event, a notice of such allegation shall be made by telegram to the other party and to the Director of the Service. The Director, within 12 hours, shall designate an arbitrator who shall hold a hearing within 12 hours after his designation and shall render an award within 12 hours after the hearing. In such case the arbitrator shall make a finding of fact concerning the alleged violation and is empowered to prescribe appropriate relief.

(2). The time limits set forth in Section B, subsection (2) at any step of the procedure or the observance of the appeal steps prior to arbitration may be waived by mutual consent of the parties in any given case. The parties recognize that some grievances or disputes require more expeditious determination and therefore immediate referral to arbitration is desirable.

RULE 43. PRESENT AND PAST PRACTICES

It is a part of this Agreement, binding on both parties, that regardless of the fact that on some occasions during the tenure of this Agreement either Party may, knowingly or otherwise, exceed and/or violate the terms and conditions of this Contract, such action does not

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alter or change the terms of the Contract; and, furthermore, neither party shall be bound by such acts. The established past practices will not be challenged.

RULE 44. SAVINGS CLAUSE

If any provision of this Contract, during the period it is in effect, is finally determined by any Court or other governmental agency having jurisdiction to be illegal, the provisions so condemned, and none others, shall be changed by the parties to the extent necessary to comply with the ruling in question. All other provisions of the Contract to remain in full force and effect.

RULE 45. "BLUE RIBBON" PANEL

The Parties agree that a "Blue Ribbon" Panel of thirty-eight (38) members (nineteen (19) from management and nineteen (19) from labor shall be formed within six (6) months following the effective date of this Agreement. The panel shall be comprised of two (2) co-chairmen; six (6) management and six (6) labor representatives from the South Atlantic ports; six (6) from management and six (6) from labor from the East Gulf ports, and six (6) from management and six (6) from labor from the West Gulf ports. One (1)

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of the co-chairmen shall be the president of the South Atlantic and Gulf Coast District. The other shall be chosen by the management representatives on the panel. A quorum of at least twenty (20) members of the panel is required for an official meeting. A majority of those in attendance at any official meeting shall have authority to grant requested modification(s) to local agreement(s). Either co-chairman shall have authority to call an expedited meeting of the panel upon twenty-four (24) hours notice by telephone and/or fax communication. In the alternative, and upon request of either co-chairman, the panel may be polled by telephone or fax to approve or disapprove any proposed modification of a local Agreement.

RULE 46. MARITIME I.L.A. #2 ROYALTY TRUST FUND BENEFITS

It is understood and agreed that the benefits to be paid from the Maritime-I.L.A. #2 Royalty Trust Fund (hereinafter referred to as RT #2) are subject to the approval of certain governmental agencies such as, but not necessarily limited to, the Internal Revenue Service.

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(A) Royalty Trust #2 Funding

1. Funding of RT #2 shall be as follows:
 - (a) Contributions to Royalty Trust #2, pursuant to Rule #18, West Gulf Container Royalty Procedures, and
 - (b) Contributions from the Maritime-I.L.A. #1 Royalty Trust Fund, pursuant to Rule #18 West Gulf Container Royalty Procedures of this Agreement, and
 - (c) A ten cents (10¢) per man hour contribution pursuant to Rule #17 of this Agreement, effective Oct. 1, 1977, to Royalty Trust #2.

(B) Administrative Expenses and Benefits Payable Under #2 Royalty Trust

1. All expenses, i.e. accounting, auditing, legal, Trustees, etc., incurred in the Administration of RT #2 shall be paid out of available Funds before such Funds are distributed to eligible beneficiaries.

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2. The basis for determining eligibility for benefits under the RT #2 Plan shall be established by the second parties, reduced to writing and signed by officials representing the second parties and submitted to the Trustees of the Maritime-I.L.A. #2 Royalty Trust Fund. Upon receipt of such plan from second parties first parties will immediately submit the RT #2 Plan, and other necessary documents, to applicable governmental agencies for approval.
3. The total annual benefits payable under the RT #2 Benefit Plan, to all individuals eligible to receive such benefits, shall not exceed the total monies accumulated from the funding sources listed above in (A) (1) (a), (b), and (c), less administrative expenses as referred to in (B)(1) hereinabove.
4. Such RT #2 benefits are to be paid in accordance with Rule 17(A) and Rule 18 of this Agreement. RT #2 benefits shall be paid within three months following the end of each contract year in which an employee qualified for such benefits pursuant to the RT #2 Benefit

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Plan referred to in (B) (2) above. A contract year, for purposes of qualifying hereunder, shall commence on the first pay period ending in October and ending with the last pay period ending in September. It is understood and agreed that no fringe benefits are payable on the RT #2 benefits.

5. It is agreed by the Parties that the payment of all Container Royalty tonnage assessment(s) shall be the responsibility of the Carrier(s) involved unless the Container Royalty contributions involved have been paid by the Carrier(s) involved to the direct employer involved in which case the direct employer will also be held liable. No direct employer will work non-signatory Carrier(s) container vessel(s) unless they obtain a letter of commitment to pay Container Royalty tonnage assessment(s) from the Carrier(s) involved.

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RULE 47. PERSONAL PROTECTIVE EQUIPMENT

Approved hard hats are required to be worn on all jobs as a condition of employment.

Workers shall utilize all safety equipment as directed by the Employer and shall return all safety equipment issued by the Employer as directed by the Employer.

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SAFETY RULES

General Safety Rules: Instructions and rules governing cargo handling in the Texas Ports and Port Lake Charles, La.

1. The Employer shall at all times maintain his gear and equipment in good condition.
2. Lighting, nightwork- dock and all compartments on ship being worked must be properly lighted, Gang Foreman shall report to Walking Foreman in all instances where there is insufficient light. No workers shall enter a ship's hold unless sufficient hatches are removed to give proper light or artificial light, with at least three clusters of lights per whip, furnished by ship.
3. All slippery docks, surfaces and decks of ships over which men and trucks have to travel must be remedied, by responsible parties.
4. First Aid Kit: An approved First Aid Kit should be maintained on each dock. Stretchers for injured will be placed on all central points where work is performed, a

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stabilize his condition; that he has not had a seizure during the period the medication has been administered; that he will not, in all medical probability, be susceptible to epileptic seizures while on the medication; and that his epileptic condition will not otherwise impair his ability to perform the tasks required of him.

10. Loose matches must not be carried on board ship or docks, warehouses, under penalty of fine by law of union. No smoking will be allowed during working hours on dock, ship or warehouse.
11. Injury caused by "Spider", secure identification tag of bale and give particulars to the Employers, union representatives and U.S. Department of Labor.
12. Hatch tenders or Gang Foremen's responsibilities: He shall be recognized as the key man around whom the gang is formed. He is the one to direct the winch driver and through him proper stowing of cargo is assured. The safety of the gang as well as the cargo is up to him.

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life ring will be placed at a secured place on docks, furnished by ships.

5. A safety book will be given to each Gang Foreman, Walking Foreman, and I.L.A. Officials.
6. Gang Foremen and Walking Foremen must enforce these rules, and any worker found guilty of violating these rules, persisting on working unsafely, shall be summarily dismissed by Gang Foreman. They shall be replaced by another worker who will respect said rules.
7. Inspection of stevedoring gear: Gang Foremen shall refuse to work with any defective cargo gear.
8. No worker shall be allowed to turn to or remain on the job if under the influence of drugs or alcohol or is not physically qualified to safely perform all work to which assigned.
9. A known epileptic will not be referred to work unless he obtains a physician's written certification on a periodic basis stating that he is receiving medication to control or

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He must be a rigger and able to relieve at the winches. He shall be recognized as being in charge of the gang. He is required to give his personal attention to the removal of hatch covers and beams. Hatch covers must be piled neatly against bulwark. Hatch covers and beams must be stacked clear of Derrick guy and safely to prevent shifting. When hatch beams cannot be removed when loading or discharging, they must be securely fastened at each end to prevent accidental shifting. When work is stopped, the necessary beams must be shifted in place, and hatch covers put on in proper order and squarely landed.

13. Inspection of winches and mechanical equipment: The operator should inspect the equipment that he is using if winches or any other mechanical equipment are not in good working order, he must report same to foreman.
14. From a safety standpoint, a winch driver shall take signals or orders from but one man.
15. When any foreign noises are heard about a winch or any other mechanical equipment,

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the operator should stop such equipment at once and notify the foreman.

16. In rigging ship's standing gear, care must be taken to protect the position of the winch driver against swinging loads that could interfere with safe operation. Winch Driver and hatch tenders are not to sit down unless a seat has been provided, he must not put himself in a position that he cannot perform his duty safely, and to take proper signals from flagman.
17. Proper length stages or savealls must be properly secured in place when in use.
18. Make sure connection shackles on large hooks are hardened up.
19. No worker shall come up or go down holds ladder while load is swinging in hatch way.
20. Portable ladder: Where it is necessary to use a hand ladder, the foreman shall see that such ladder is safe.
21. Building Loads: When building loads, make sure that no piece is so placed that it may fall and injure someone.

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22. Slings up loads: In slinging up a load, your hands should not be in a position to be caught by sling or bridles.-
23. Kinky Chains: No load to be lifted with a chain having a kink or twist, the chain should be straightened before the lift is made.
24. Caution: Stand from under the load; workmen should keep clear of loads being lowered or hoisted.
25. Warning of approaching loads: It is the duty of each foreman and worker to give sufficient warning to those who might be endangered.
26. Stowing of cargo in 'tween decks hatches: When lower holds are empty always leave sufficient space for safe passage between cargo and open hatch.
27. Throwing gear is especially dangerous.
28. No hatch to be double unless there is sufficient space between whips to work safely, both Walking Foremen, and Gang

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Foremen also winchmen must exercise the utmost care.

29. Do not ride sling loads or cargo falls up or down stage, hold or wharf.
30. Sufficient slings shall be used in loading cotton, and slings shall be doubled to hook when hoisted from holds.
31. Bulk Cargo: Respirators should be worn when working any dusty cargo.
32. Bulk Cargo: Trimmers are to check in and out of the hold as a safety precaution.
33. Care should be exercised by employees in stacking all commodities regardless of location.
34. The foreman of each gang should consider himself responsible to both Stevedore and Union for accidents to the extent that they are recorded against his standing as a foreman.
35. All wire preventors to be of sufficient length to run through eye and around bit.

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36. Stowing Hatches and Beams: 3 feet space around coaming and 15 feet from fall to fall.
37. There must be a 3 foot clearance around the hatch coaming in 'tween decks where cargo is to be worked below. Gangs will not be required to work off a landway more than eight (8) pallets high unless a solid floor is built in the hatchway ten (10) feet fore and aft from coaming to coaming.
38. Proper ventilation should be provided in the warehouses to keep carbon monoxide concentration below 50 parts per million (.005%).
39. Before any cargo is to be loaded, decks and holds should be reasonably safe from debris which would cause an unsafe condition.
40. Whenever steel or pipe 15 feet in length or longer is loaded/discharged directly from or to a truck, such truck shall be equipped with two steel pipe racks per length.
41. Proper ventilation shall be provided in the holds of ships or barges.

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42. One wooden or metal ladder shall be available for each gang working in a hold. When such ladders are in use, they shall be kept clear and adequately chocked.
43. Safe working conditions require a minimum of 10 feet for each gang to work through. When these conditions cannot be reasonably met, additional precautions will be taken.
44. Safety shoes are recommended, however, under no circumstances shall barefeet, tennis shoes, sandals, or similar footwear be allowed.
45. There shall be a telephone at each wharf or pier where vessels are being worked.
46. The safety practices agreed to hereinabove shall be respected and enforced by both parties. Premium or penalty pay for purposes of circumventing these practices shall not be paid.
47. When loading cargoes of loose pipe or similar commodities on deck which extend above the height of the hatch coaming or railing, stanchions of sufficient strength for

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securing the pipe shall be constructed prior to loading. In no case shall the pipe or similar commodity, be stowed above the height of the stanchions.

48. When loading grain, the Employers agree to make every effort to secure certificates from the elevator prior to loading ensuring no insecticide residues of a harmful nature are present in the grain.
49. A Stokes Basket with bridles for vertical lifts will be provided where container ships are working.
50. A trampoline net ten (10') feet wide will be put in place where longshoremen are working at a height of ten (10') feet or more in any hold or 'tween deck.
51. Make sure all personnel in hold of ships are out safely before leaving.
52. It is agreed that an Accident Review Committee will be established in each West Gulf port with the objectives to: 1) minimize incidences of injuries referred to the Committee, 2) ensure the elimination and prevention of false and/or exaggerated

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injury or illness claims by employees referred to the Committee to the extent possible and 3) ensure that all employees referred to the Committee are both physically and professionally qualified to safely perform all work which they are assigned to the extent possible. The Committee will consist of three (3) local Employers and three (3) union members. Based on an objective evaluation of an employee's accident history record, the Committee will develop written recommendations as to what, if any, post-interview action should be taken concerning each employee interviewed. Recommendations will be made based on a simple majority vote of the Committee.

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INLAND WATERWAYS AGREEMENT

General Rules Covering Work at all Texas Ports, Excluding the Port of Brownsville, Texas, and Including the Port of Lake Charles, Louisiana

It is mutually agreed by and between the regular and associate members of the West Gulf Maritime Association, Inc. and the South Atlantic and Gulf Coast District, International Longshoremen's Association and its affiliated Local Unions located in all Ports of Texas, excluding the Port of Brownsville, Texas, and including the Port of Lake Charles, Louisiana, that the following shall be the scale of wages and working arrangements for labor to be performed by the members of each of the aforementioned Locals of the International Longshoremen's Association engaged in the loading and unloading of inland vessels arriving at and departing from any and all Texas Ports, excluding the Port of Brownsville, Texas, and including the Port of Lake Charles, Louisiana, with any kind of cargo, excluding all bulk operations including grain operations which shall be under the Longshore Rules, effective the 1st day of October, 1996 and terminating September 30, 2001.

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Rule No. 1. Scale of Wages

Effective date and rate on non-self-propelled vessels plying inland waterways:

Effective Dates

October 1, 1996 – September 30, 2001

General Wages	\$16.50
Bulk Sugar & Bulk Phosphate Rock	\$15.50

Overtime rate Saturday, Sunday, Nights and Holidays shall be:

General Wages	\$24.75
Bulk Sugar & Bulk Phosphate Rock	\$23.25

Wages - All "Bagged Goods" and "Baled Cotton" shall continue to be worked under the rates and conditions in effect as of November 30, 1990 throughout the term of this Agreement.

	S/T	D/T
Bulk Cargo- (Including Grain)	\$12.00	\$24.00
Bulk Cargo- Shift Differential-		
2nd Shift.....	12.20	24.40
Bulk Cargo- Shift Differential-		
3rd Shift	12.50	25.00

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Rule No. 2

Self-propelled vessels - plying inland waterways and outside or sea-going non-self-propelled vessels, to be the same rate as Deep Sea.

Rule No. 3.

Overtime on self-propelled inland vessels and sea-going barges, same rate as Deep Sea overtime.

Rule No. 4.

When applicable, the Containerization clause, including "Rules on Containers" and "Container Royalty" in Deep Sea Agreement shall apply to all barges.

Rule No. 5.

The deep sea rate shall also be paid when the Containerization Clause applies.

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Rule No. 6.

When containerized cargo is handled from or to barges for domestic distribution, the container royalty shall be paid at the time.

Rule No. 7.

When containerized cargo is handled from or to barges for export or import, the Container Royalty shall be paid when containers are loaded or discharged from or to a ship. It is intended by this Rule that the Container Royalty is to be paid only once.

Rule No. 8.

Meal hours to be governed by Deep Sea Agreement.

Rule No. 9.

In the event that any time in the future the Deep Sea Longshoremen receive a wage increase, the barge employees shall receive the same increase.

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Rule No. 10. Pipe Gang

Less than 10 inches in diameter, a minimum of four (4) men in the barge to be used. Pipe 10 inches in diameter or larger, the number of men to be used in gang left to the discretion of the Stevedore.

Rule No. 11.

All past practices with respect to gang sizes and assignment of work will be respected and continued by Second Parties when First Party is engaged in loading and/or discharging barges and coastwise vessels.

Any phase not specifically covered by this barge contract or the above referred-to Past Practices to be covered by the Longshore Contract.

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**HOUSTON-GALVESTON
FREEPORT**

Walking Foreman Agreement

(A.) Guarantees

1. All Walking Foremen to be guaranteed eight (8) hours pay, from 8:00 A.M. to 5:00 P.M., and if worked through meal hour shall receive double time pay. If Walking Foremen are ordered to work into a meal hour they will be paid a minimum of thirty (30) minutes. If Walking Foremen are ordered to work past thirty (30) minutes into the meal hour but less than forty-five (45) minutes, they will be paid for forty-five (45) minutes. If Walking Foremen are ordered to work past the three-quarter (3/4) hour but less than one (1) hour, they will be paid for one (1) hour with double-time continuing on, based on fifteen (15) minute intervals until released or relieved. If a Walking Foreman is directed to work into a meal hour with a gang(s) and the gang(s) is released during or at the conclusion of the meal hour and the Walking Foreman involved continues working after the meal hour, the Walking Foreman involved will be paid for the full

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A.M. and will be paid until 6:00 P.M. except on election days.

2. When ordered for 7:00 P.M. or 1:00 A.M. (on non-exempted bulk cargo only) or ordered back at 7:00 P.M. or 1:00 A.M., they will be guaranteed four (4) hours pay.

On all "fully automated container vessel operations" and all "fully automated RO/RO vessel operations" and all vessel and barge operations, excluding automobile operations, at the "fully automated" facilities at "Barbours Cut" and in Galveston:

When ordered for 7:00 P.M. or ordered back at 7:00 P.M. will be paid to midnight. If called back after midnight shall be paid to 5:00 A.M. If working until 4:30 A.M. will be paid to 6:00 A.M.

All Walking Foremen to be paid until 6:00 P.M. when ordered back for 7:00 P.M. except on election days. If longshore gangs are not returned for 1:00 P.M. due to weather, or if gangs are not returned or ordered for 7:00 P.M. then Walking Foreman will be paid until 5:00 P.M.

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meal hour. All Walking Foremen to receive eight (8) hours pay on Saturdays, Sundays, and Holidays from 8:00 A.M. to 5:00 P.M.

Walking Foremen ordered for 10:00 A.M. or 1:00 P.M. starting time will be paid from 8:00 A.M.

On all "fully automated" container vessel operations" and all "fully automated" RO/RO vessel operations and all vessel and barge operations, excluding automobile operations, at the "fully automated" facilities at "Barbours Cut" and in Galveston:

All Walking Foremen to be guaranteed eight (8) hours pay, from 8:00 A.M. to 5:00 P.M., and if work through meal hour shall receive double-time pay. All Walking Foremen to receive eight (8) hours pay on Saturdays, Sundays, and Holidays from 8:00 A.M. to 5:00 P.M.

Walking Foremen ordered for any A.M. starting time (7:00 A.M., 8:00 A.M., and 10:00 A.M.) will be paid from 7:00 A.M. If returned for 1:00 P.M. will be paid until 6:00 P.M. Walking Foremen ordered for a 1:00 P.M. starting time will be paid from 8:00

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3. If there is any double-time work on the ship, the Foreman in charge will receive double-time pay.
4. If there is any penalty on the ship, the Walking Foreman in charge shall receive same time as a gang in extra pay other than regular time worked.

(B.) Rate of Compensation

The wages to be paid to Walking Foremen and effective date shall be:

EFFECTIVE DATES

OCTOBER 1, 1996 – SEPTEMBER 30, 1998

CLASSIFICATION- Fully automated container vessel operations and fully automated RO/RO vessel operations and all vessel and barge operations, excluding automobile operations, at the "fully automated" facilities at "Barbours Cut" and in Galveston:

	S/T	O/T	D/T
Basic	\$25.60	\$38.40	\$51.20

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CLASSIFICATION

General	\$19.85	\$29.775	\$39.70
50¢ Differential	20.35	30.525	40.70
"CES"	16.60	24.90	33.20
(Rate for individual(s) specifically ordered for "CES" operations)			
"Bagged Goods"	17.60	26.40	35.20
Bulk Sugar and Bulk Phosphate			
Rock	18.10	27.15	36.20
Bulk Cargo - (Including Grain)	14.60		29.20
Bulk Cargo - Shift Differential -			
2nd Shift	14.80		29.60
Bulk Cargo - Shift Differential -			
3rd Shift	15.10		30.20
W/F with Securing Gang With or			
Without Tools	19.95	29.925	39.90

Note: Walking Foremen will not receive any differential when working Cotton.

EFFECTIVE DATES

OCTOBER 1, 1998 – SEPTEMBER 30, 2000

CLASSIFICATION- Fully automated container vessel operations and fully automated RO/RO vessel operations and all vessel and barge operations, excluding automobile operations, at the "fully automated" facilities at "Barbours Cut" and in Galveston:

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	S/T	O/T	D/T
Basic	\$26.60	\$39.90	\$53.20

CLASSIFICATION

General	\$19.85	\$29.775	\$39.70
50¢ Differential	20.35	30.525	40.70
"CES"	16.60	24.90	33.20
(Rate for individual(s) specifically ordered for "CES" operations)			
"Bagged Goods"	17.60	26.40	35.20
Bulk Sugar and Bulk Phosphate			
Rock	18.10	27.15	36.20
Bulk Cargo - (Including Grain)	14.60		29.20
Bulk Cargo - Shift Differential -			
2nd Shift	14.80		29.60
Bulk Cargo - Shift Differential -			
3rd Shift	15.10		30.20
W/F with Securing Gang With or			
Without Tools	19.95	29.925	39.90

Note: Walking Foremen will not receive any differential when working Cotton.

EFFECTIVE DATES

OCTOBER 1, 2000 – SEPTEMBER 30, 2001

CLASSIFICATION- Fully automated container vessel operations and fully automated RO/RO

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vessel operations and all vessel and barge operations, excluding automobile operations, at the "fully automated" facilities at "Barbours Cut" and in Galveston:

	S/T	O/T	D/T
Basic	\$27.60	\$41.40	\$55.20

CLASSIFICATION

General	\$19.85	\$29.775	\$39.70
50¢ Differential	20.35	30.525	40.70
"CES"	16.60	24.90	33.20
(Rate for individual(s) specifically ordered for "CES" operations)			
"Bagged Goods"	17.60	26.40	35.20
Bulk Sugar and Bulk Phosphate			
Rock	18.10	27.15	36.20
Bulk Cargo - (Including Grain)	14.60		29.20
Bulk Cargo - Shift Differential -			
2nd Shift	14.80		29.60
Bulk Cargo - Shift Differential -			
3rd Shift	15.10		30.20
W/F with Securing Gang With or			
Without Tools	19.95	29.925	39.90

Note: Walking Foremen will not receive any differential when working Cotton.

1. (a) Any regular Walking Foreman making up to 800 hours with any company

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during a year will get one (1) week paid vacation at Walking Foreman's wages. This will be one (1) forty (40) hour week. In the Port of Freeport, Texas the above vacation language shall not be applied to regular Walking Foremen. Instead such Walking Foreman's hours shall be kept separately for each separate Employer working in the Port. Each Employer will be required to pay one (1) hour vacation pay for each full ten (10) hours of Walking Foreman's work performed for that Employer in the Port. No additional vacation pay will be required under this provision once an individual Walking Foreman has accumulated a maximum of four hundred (400) Walking Foreman's hours of work for an individual Employer in one (1) contract year in Freeport, Texas. Any vacation payments earned under this provision will be due at the end of each contract year. Any regular Walking Foremen making 1600 hours with any company during a year will get two (2) weeks paid vacation at Walking Foreman's wages. This will be two (2) forty (40) hour weeks. Those regular Walking Foremen making a minimum of

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800 hours and less than 1600 hours as regular Walking Foreman shall receive a minimum of one (1) week vacation at Walking Foreman's wages and a proration of vacation pay for those hours in excess of 800 hours up to a maximum of 1600 hours. (All references above are in addition to regular vacation pay from the Maritime Association/I.L.A. Pension, Welfare and Vacation Fund).

- (b) After ten (10) years accumulated service with one (1) company as a regular Walking Foreman, two (2) weeks vacation shall be paid regardless of the number of hours worked during a year.
2. (a) All Walking Foremen, regular or extra, will be called by 7:00 P.M. the previous evening for all starting times the following day. There will be no cancellations after 7:00 P.M.

Reordering of Walking Foreman from ship side at night is permitted only in the event gangs fail to complete the work planned because of gangs failing to report for work, weather conditions,

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and/or mechanical failure. Unforeseen events would permit ordering Walking Foreman for 10:00 A.M. or 1:00 P.M., weather conditions excluded.

- (b) All Walking Foremen, regular or extra, will be called by 4:00 P.M. for 7:00 P.M. starts. There shall be no cancellations after 5:00 P.M.
- (c) Walking Foremen will be ordered at home and also through the Local. When a ship changes hands it will be treated as a new ship in respect to the Walking Foremen.
3. (a) The Deep Sea and Cotton Agreement grievance procedure shall apply to Walking Foremen on violations of this agreement.
- (b) On any abuses to Walking Foreman or Employer, either party may file a complaint to Committee of Walking Foremen and their representatives or to Employers' Committee as the case may be. Such complaints shall be acted on in three (3) days.

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4. A regular Walking Foreman shall be relieved at his request, if there is a competent extra Walking Foreman available. (That is, at the end of the day's work.)
5. No Walking Foreman on forty (40) hour guarantee will be substituted in any other position of employment other than Ship Foreman and/or Superintendent to maintain his forty (40) hour guarantee.
6. A Walking Foreman will receive one hour's pay for any part of an hour worked.
7. A Walking Foreman will be employed for all ILA Stevedore work, whenever deepsea gangs or men are employed.

It shall be the responsibility of the Walking Foreman to direct all Deep Sea Labor and to perform such other additional duties traditionally performed by Walking Foremen as directed by the Employer.

8. Each Employer will supply each Local and the Maritime Association a list of their regular Walking Foremen.

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9. When four (4) or more gangs are furnished on a vessel or on a barge operation covered under item #19 of this Agreement to work general cargo then an additional Walking Foreman will be employed.
10. All Walking Foremen will be ordered without discrimination when being used in a supervisory capacity.
11. When the Employer and the Walking Foremen's representative have determined that the volume of heavy lifts or other cargo such as project cargo being loaded by gang or gangs on a vessel, including containers which must be dragged to a point of stowage in the hold of a vessel, which requires constant attendance, an additional Walking Foreman will be employed.
12. (a) The number of Walking Foremen to be employed when working Roll on-Roll off vessels shall be as follows:
- (b) One Walking Foreman will be employed when working a single deck vessel.
- (c) One Walking Foreman will be employed on the ramp end of a multi-deck vessel

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with a maximum stowage capacity of below seventy-five (75) forty foot (40') units or the equivalent thereof.

- (d) Two Walking Foremen will be employed on the ramp end of a multi-deck vessel with a maximum stowage capacity of over seventy-five (75) forty foot (40') units or the equivalent thereof.
- (e) Two Walking Foremen will be employed on the weather deck of a RO/RO vessel whenever two cranes are being used in the weather deck operation.
13. On a fully automated container vessel loading or discharging containers, one Walking Foreman will be employed with each gang working with a Paceco type crane.
14. Whenever a multiple number of barges is being worked, the number of barges actually being worked must be within the confines of six hundred (600') feet (Example: if a string of ten (10) barges is to be worked 1 2 3 4 5 6 7 8 9 10 barges 1 thru 5 or 2 thru 6 or 3 thru 7, etc. can be worked. In other words, the limit of 600' is a

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'floating' 600'.) If the 600' is exceeded a second Walking Foreman must be employed.

15. Walking Foremen are required to wear approved hard hats on all jobs.
- Walking Foremen shall utilize all safety equipment as directed by the Employer and shall return all safety equipment issued by the Employer as directed by the Employer.
16. Walking Foremen are to comply with and make all reasonable efforts to enforce Employer policies designed to achieve compliance with the Occupational Safety and Health Act of 1970, as amended, and other applicable rules and regulations on safety and health.
17. Should two present Walking Foremen Employers merge in a covered port then those Walking Foremen who previously were employed will be given first consideration on a non-discriminatory basis for Walking Foremen positions.
18. Walking Foremen shall work as directed by the Employer during inclement weather on

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any operation which meets applicable safety and health standards. Walking Foreman required to work in the rain will be furnished protective rain gear by the Employer.

19. Anyone found guilty of possession, use of, or other dealings in narcotics or other illegal substances (other than drugs which have been prescribed by a licensed physician) while employed under the terms of this Agreement or any Memorandum of Understanding, or any other Agreement between the Parties shall be immediately suspended from employment for a period of sixty (60) days. A second offense shall result in permanent suspension from employment.

Anyone employed under the terms of this Agreement or any Memorandum of Understanding or any other Agreement between the Parties shall be subject to all of the provisions of the SOUTH ATLANTIC AND GULF COAST DISTRICT, INTERNATIONAL LONGSHOREMEN'S ASSOCIATION AND ITS AFFILIATED LOCALS IN ALL PORTS IN TEXAS, EXCLUDING THE PORT OF

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BROWNSVILLE, TEXAS, AND INCLUDING THE PORT OF LAKE CHARLES, LOUISIANA AND THE WEST GULF MARITIME ASSOCIATION POLICY ON DRUGS.

A refusal to be tested shall be grounds for immediate discharge for a period of sixty (60) days. A second violation or offense shall result in permanent suspension from employment.

If an individual(s) is sent to a laboratory for drug testing by the direct employer and tests negative, the direct employer will pay the individual(s) for the time his operation worked not to exceed six (6) hours or the actual time involved in the drug test.

It is understood and agreed that all of those actively working under the terms of this Agreement or any Memorandum of Understanding or any other Agreement between the Parties shall have the right to request referral to an approved program for treatment or to be tested and any employee whose test results thereof are positive shall be required to immediately report to an approved program for treatment. If such

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employee participates in and successfully completes the required approved rehabilitation program, that employee may be reinstated. Any additional positive test shall be grounds for immediate and permanent discharge.

Those who are permanently suspended from employment through any and all I.L.A. Hiring Hall(s) during the life of this Agreement as set forth above shall be provided a sixty (60) day window from the date of their permanent suspension in which to make written application for reinstatement. Those seeking reinstatement must complete a West Gulf Maritime Association approved and accredited twelve (12) month rehabilitation program and must not work in the industry and must remain drug free throughout the twelve (12) month period. Those seeking reinstatement shall be required to agree to take random drug screening test(s) upon reasonable notice made through the West Gulf Maritime Association during the twelve (12) month rehabilitation period and for the remainder of their time in the industry.

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Any further violation shall result in permanent suspension from employment in the industry for life.

20. All previous precedent "setting Arbitrations or Step II decisions and all Memoranda of Understanding between the Parties, including the current "Me, Too" and "Subscription" requirements to continue in full force and effect unless specifically modified or set aside by joint agreement between the Parties.
21. The term of the Agreement(s) shall be from October 1, 1996 through September 30, 2001 subject to the right of the Walking Foremen or WGMA to re-open negotiations on the subject of wages at the end of the second year of the Agreement(s). In the event the Walking Foremen or the WGMA chooses to exercise its right to re-open negotiations on wages, it must give written notice of a desire to do so at least sixty (60) days prior to October 1, 1998. If such notice is given and the parties are unable to reach agreement on the subject of wages by October 1, 1998, the no-strike, no-lockout provisions of this Agreement shall be suspended.

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22. The Parties to this Agreement hereby recognize the terms and conditions of the revised Port of Houston - Attraction and Retention of Work - Memorandum of Understanding and agree it will continue to cover working conditions in the Port of Houston. It is further agreed that the parties in other ports in the West Gulf shall have the option to adopt all or part of the revised Memorandum of Understanding in their port with the understanding that any language adopted shall cover all current and future similar operations in that port and that the "Me, Too" clause shall not automatically require the acceptance of the revised Memorandum of Understanding in any port where the local parties are unwilling to exercise their option and this revised Memorandum of Understanding will continue as a "floor".

23. Any entity conducting operation(s) under any part of the Agreement(s) shall be bound to all of the Agreement(s) terms and conditions.

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CONTAINERIZATION AGREEMENT

- (A.) The West Gulf Maritime Association and ILA Local union agreement shall set forth the work jurisdiction of employees covered by the West Gulf Maritime Association- ILA Local Union Agreements in the following terms:

The West Gulf Maritime Association recognizes the existing work jurisdiction of ILA employees covered by their agreements with ILA locals over all container work which historically has been performed by longshoremen and all other ILA crafts at container waterfront facilities. The Employers and their agents covered by such agreements agree to employ employees covered by their agreements to perform such work which includes but is not limited:

1. The loading and discharging of containers on and off ships
2. the receipt of cargo
3. the delivery of cargo

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4. the loading and discharging of cargo into and out of containers
5. the maintenance and repair of containers
6. the inspection of containers at waterfront facilities

(B.) The Employers and their agents shall not contract out any work covered by this agreement. Any violations of this provision shall be considered a breach of this agreement.

(C.) The amounts payable into Maritime-I.L.A. No. 1 Royalty Trust Fund, as provided for in the Container Royalty clause of Rule 19 of the contract which expired as of Sept. 30, 1977, will be doubled effective Oct. 1, 1977. Such additional container royalty payment shall be used exclusively for supplemental cash payments to employees covered by the West Gulf Maritime Association-ILA Local Union Agreements, and for no other purpose.

The payment of all Container Royalty amounts shall be the responsibility of the

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Carrier involved unless the Container Royalty contributions involved have been paid by the Carrier involved to the direct employer involved in which case the direct employer shall also be held liable.

(D.) It is agreed that the JSP program was discontinued as of October 1, 1986 except for the purpose of meeting any obligations of the Fund under the existing agreement. Any surplus, after all such obligations have been satisfied, shall be discussed with the I.L.A.

(E.) The minimum number of longshoremen in a "fully automated" container gang, when such gang is loading and/or discharging "fully automated" container ships is sixteen (16) longshoremen including foreman and two (2) Paceco or similar type crane operators will be reduced by one (1) basic longshoreman effective October 1, 1998 making the minimum gang size fifteen (15) longshoremen. A minimum of two (2) lashers will be ordered with the basic gang if lashing or unlashng is to be performed by the gang with additional lashers to be ordered if needed. These lashers will remain with the gang and assist the gang

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with all basic longshore work while the gang is working.

(F.) When loading or unloading cargo to or from containers (stuffing and stripping) when required, at container terminals, and/or waterfront facilities, the parties agree to follow and respect past practices regarding gang size and assignment of work.

The Parties agree that any chance of reacquiring the work of stuffing and stripping containers requires a dedicated work force of trained, productive workers hired at compensation commensurate with the local competition and without any restrictive rules. The Parties should examine into this subject and all of its conditions.

(G.) The West Gulf Maritime Association and the South Atlantic and Gulf Coast District and its affected affiliated locals in the State of Texas, excluding the Port of Brownsville, Texas and including the Port of Lake Charles, Louisiana agree to defend the "Management-ILA" Rules on Containers as may become necessary. It is fully understood that nothing contained in any

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agreement shall be construed in any way as any waiver by the ILA of its position that the current "Management-ILA" Rules on Containers are valid work preservation rules. The current "Management-ILA" Rules on Containers shall be enforced to the extent permitted by law.

(H.) If any article, section, paragraph, clause or phrase of this Agreement shall, by any state, Federal or other law, or by any decision of any Court or Administrative Agency, be declared or held illegal, void or unenforceable, this entire Agreement shall terminate upon sixty (60) days written notice to the other party hereto and the parties agree to enter into negotiations in an attempt to renegotiate that provision of the Agreement which was nullified. If no agreement is reached within the sixty (60) day notice period, the ILA shall have the right to strike and the West Gulf Maritime Association shall have the right to refuse to hire employees under this Agreement. The negotiations referred to above shall, under no condition, be subject to the grievance or arbitration provisions of the West Gulf Maritime Association agreements with the ILA Locals.

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- (I.) It is agreed that the jurisdiction of the ILA shall cover the maintenance of containers (which term includes chassis) at waterfront container facilities, and/or off-pier premises used for servicing and repair of containers and chassis, covered by this agreement, by ILA Maintenance in accordance with the Containerization Agreement.

Major damaged containers must be repaired in the port where the major damage is discovered provided, however, that where a carrier needs to reposition empties or where it is otherwise necessary to its operations, a carrier shall notify the ILA maintenance local of the repositioning and the container numbers of the major damage containers. Thereafter, it shall also report the time, place and nature of the repairs performed by ILA labor in an ILA port on such damaged containers. Such notification shall be subject to the audit procedure.

In fulfilling the above objectives, it is agreed that:

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1. No damaged container shall be loaded aboard ship for export except under the procedures provided below.
2. No employer or carrier shall permit a damaged container to leave the compound except under the procedures provided herein.
3. The employers and carriers shall not enter into any leasing agreement that circumvents the work jurisdiction of the ILA covered under this Agreement.

(J.) Determination Procedure

1. An ILA/Carrier Master Contract Committee has established the following criteria for a container with major damage in accordance with uniform criteria which relate to safety, structural, soundness, roadability and seaworthiness of the various types of containers. These criteria shall be distributed to the ILA maintenance employees in the inspection (or roadability) lanes at each container terminal.

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2. In accordance with the criteria established, ILA employees may designate a container or chassis which they examine and find damaged (as defined in such paragraph 1 criteria) as out of service on a T.I.R. form and such container shall be placed in a deadline status in accordance with the procedures of the terminal involved.
3. The carrier shall be notified of such designation as soon as possible and shall have the right to determine that such container or chassis shall either be repaired (in an ILA port of its choosing) or if it disagrees with the ILA determination that such container was damaged within the paragraph 1 criteria, the container in question shall be placed back into service or repositioned as an empty.

Grievance and Audit

The ILA shall have the right to be informed of the action so taken and to grieve the matter, it so desires, under the terms of the grievance procedures agreed to by the parties in the Master Agreement. If it is

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determined under such grievance procedure that the container in question should have been repaired, the carrier shall pay liquidated damages of \$1,000 per container (\$2,000 per container for willful violations), as ruled in such determination.

Fact finding and audit under the grievance procedure shall be provided by an independent auditor selected by the parties who shall have the right to audit all applicable documentation of a carrier to determine compliance with this agreement. Such audit shall be available to the grievance procedure and may be used to establish compliance or the lack thereof.

MAJOR DAMAGE CRITERIA FOR CONTAINERS

As provided in paragraph 13 of the Master Agreement, the following is a definition of the criteria adopted by the ILA/Carrier Master Contract Committee for a container with major damage. Nothing herein contained shall be deemed to limit the work jurisdiction of the ILA in accordance with the Containerization Agreement.

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The definition of a container having a major damage shall be any container or container component which causes the loss of structural integrity to a point in which it creates an unsafe condition.

Major damage to the following critical component connections shall constitute loss of structural integrity and shall be considered an unsafe condition:

1. Bottom rail to corner post severed
2. Top rail to corner post severed
3. Top corner fitting to corner post severed
4. Bottom corner fitting to corner post severed

The above discernible major damage is supplemented by the following, any of which is considered major damage.

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Connection

Description

Top rail to corner post	Torn or cut so as not to fit into a container cell or so it cannot be lifted by a container spreader
Bottom rail to corner post	Torn or cut or bent out of alignment to the extent that it cannot fit into a container cell
Top corner fitting	Cracked weld, cracked fitting
Bottom corner fitting	Cracked weld, cracked fitting
Sidepost to top rail (aluminum)	3 or more adjacent posts cut or missing from bottom rail, provided that posts are clear cut
Sidepost to bottom rail (aluminum)	3 or more adjacent posts cut or missing from bottom rail, provided that posts are clear cut

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Connection

Description

Sidewall to bottom rail (steel)	Horizontal cut more than 22" at one point or more than 15" at endframes
Sidewall to top rail (steel)	Horizontal cut more than 22" at one point or more than 15" at endframes
Sidewall to corner post	Cut more than 10" at any point, and out of alignment so as not to fit in a container cell
Crossmember to tee clip	4 or more adjacent severed at any point
Tee clip to bottom rail	4 or more adjacent severed at any point
Front wall to endframes	Cut more than 25" at any point
Door lock rods	Only if door cannot close and stay closed properly

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Connection

Description

Door hinges to endframes	Severely cracked or or damaged preventing the door from closing properly
Roof top to top rail	Cut or severed more than 48"
Roof to headers	Cut more than 15"
Roof bow to top rail	4 or more adjacent bows disconnected
Corner posts	Dent at corner radius more than 2" deep by more than 10" long
Top rails	Any vertical tears or cuts that are greater than 30% of the rails section
Bottom rails	Any vertical tears or dents that are greater than 30% of the rail section

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ConnectionDescription

Major structural damage Container out of cube so as not to fit in slot or cannot be lifted by a container spreader

Normal wear and tear, holes and dents or compression lines do not cause a loss of structural integrity and, therefore, do not constitute major damage or an unsafe condition.

However, the above does not constitute the removal of roadability and FWA inspections presently performed by ILA maintenance men or otherwise limit the work jurisdiction of the ILA in accordance with the Containerization Agreement or the Master Agreement.

MAJOR DAMAGE CRITERIA TO CHASSISComponent PartType Damage

Brakes

Missing components including air lines and chambers, lining worn less than 1/4" at centers

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Component PartType Damage

Broken wheel studs

More than one stud broken or missing

Oil seals

Leaking

Sevenway Plug

Receptacle missing, broken or inoperative

Landing Legs

Bent or bowed to the point of being inoperative

Suspension

Components missing or damage beyond useful function

Axles

So far out of alignment as to cause unsafe tracking

Twistlocks

Inoperative or missing handles

Front lockpins

Inoperative or missing handles

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Component PartType Damage

Bolsters

Bent to the point of not accepting a container and allowing the container to be locked down

Frame

Cracked welds at critical points such as gooseneck to frame rails, frame to bolsters, frame to leg mounting boxes and frame to suspension points

ICC Bumper

Missing, if required by original equipment manufacturer, or so severely damaged or bent so as not to function as a bumper. To comply with Federal regulations

All deadline chassis must have deadlining reason clearly stated on the TIR and the unit clearly tagged before the carrier will accept it as a deadline.

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SIGNATORIES

If any carrier does not subscribe to this Agreement and the Master Contract considered as a part of this Agreement, the ILA shall have the right not to work on the loading and discharging of its ships or any work ancillary thereto. Any entity conducting operation(s) under any part of the Agreement(s) shall be bound to all of the Agreement(s) terms and conditions.

No direct employer will work non-signatory Carrier(s) container vessel(s) unless they obtain a letter of commitment to pay Container Royalty tonnage assessment(s) from the Carrier(s) involved.

The parties agree that all previous precedent setting Arbitrations or Step II decisions, and all Memoranda of Understanding between the Parties, including the current "Me Too" and "Subscription" requirements, continue in full force and effect unless specifically modified or set aside by joint agreement between the Parties.

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MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is made and entered into by and between the West Gulf Maritime Association and the South Atlantic and Gulf Coast District, International Longshoremen's Association, and all its affiliated Locals in all ports in Texas, excluding the Port of Brownsville, Texas, and including the Port of Lake Charles, Louisiana.

It is hereby agreed and understood that the attached SOUTH ATLANTIC AND GULF COAST DISTRICT, INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AND THE WEST GULF MARITIME ASSOCIATION POLICY ON DRUGS shall continue in full force and effect subject to modifications which may become necessary pursuant to any final decisions made by a court of competent jurisdiction. All provisions of the Policy shall be enforced to the extent permitted by law and if any article, section, paragraph, clause or phrase of this Policy on Drugs shall be finally determined by any State, Federal or other law or by any decision of any Court or Administrative Agency to be illegal, void or unenforceable, that article, section, paragraph, clause or phrase shall be modified to the extent necessary to comply with the final determination. The remainder of the

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Policy on Drugs shall be left in full force and effect.

It is hereby agreed and understood that the attached SOUTH ATLANTIC AND GULF COAST DISTRICT, INTERNATIONAL LONGSHOREMEN'S ASSOCIATION AND THE WEST GULF MARITIME ASSOCIATION POLICY ON DRUGS will be distributed for posting.

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SOUTH ATLANTIC AND GULF COAST DISTRICT INTERNATIONAL LONGSHOREMEN'S ASSOCIATION AND THE WEST GULF MARITIME ASSOCIATION POLICY ON DRUGS

PURPOSE: The West Gulf Maritime Association and the South Atlantic and Gulf Coast District, International Longshoremen's Association, and its affiliated locals in all Ports in Texas, excluding the Port of Brownsville, Texas, and including the Port of Lake Charles, Louisiana recognize that the state of an employee's health affects his job performance, the kind of work he can perform, as well as an individual's opportunity for continued employment. The Parties also recognize that drug abuse ranks as one of the major health problems in the world. It is the intent of this policy to provide guidelines for consistent handling of drug situations throughout the West Gulf.

POLICY: The Parties are concerned with those situations where use of drugs interferes with an employee's health and job performance, adversely affects the job performance of others, or is considered to be detrimental to the marine cargo

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handling business. There is no intent to intrude upon the private lives of employees.

Early recognition and treatment of chemical dependency problems is important for successful rehabilitation; economic return to the industry, and reduced job disruption. The Parties support sound drug abuse treatment and rehabilitation efforts, and it is agreed that constructive disciplinary measures may be utilized to provide motivation to seek assistance. Normal industry benefits, such as the group medical plan, in many cases are available to give help in the rehabilitation process.

Legal Drugs

The use of any legally obtained drug to the point where such use adversely affects the employee's job performance, is prohibited. This prohibition covers arriving on the work premises with detectable levels of any drug which adversely affects the employee's job performance, including the use of prescribed drugs under medical direction. Where the physician directed use of drugs adversely affects job performance, it is in the best general interest of the employee, co-workers, and the industry that employees stay home.

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It is hereby specifically understood that violations involving alcohol shall continue to be handled in accordance with the "Misconduct Rules", Section E. INTOXICATION.

Illegal Drugs

Illegal drugs, for the purpose of this policy, include (a) drugs which are not legally obtainable and (b) drugs which are legally obtainable but have been obtained illegally.

The sale, purchase, transfer, use or possession of illegal drugs as defined above, by employees on the work premises or while on Employer business is prohibited. Arriving on the work premises with detectable levels of any illegal or illegally obtained drugs is prohibited. This prohibition applies to any and all forms of narcotics, depressants, stimulants, or hallucinogens whose sale, purchase, transfer, use, or possession is prohibited or restricted by law.

Policy Enforcement

A drug test may be required upon reasonable notice made through the West Gulf Maritime Association whenever work place factors

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give good faith reason to question the ability of an employee to properly and safely perform his job and whether drugs may be a factor. These factors may include physical appearance, behavior, or other job-related circumstances. It is further agreed and understood that any employee on the work premises may be required by the West Gulf Maritime Association to take a drug test. Tests shall also be required for new employees (e.g., Stabilization and Decasualization Criteria), employees with safety sensitive jobs (e.g., Manpower Development), after on the job accidents and after evaluation or treatment for substance abuse.

If an individual(s) is sent to a laboratory for drug testing by the direct employer and tests negative, the direct employer will pay the individual(s) for the time worked by his gang not to exceed six (6) hours or the actual time involved in the drug test.

Penalties for Violating Policy

Any person found in violation of this policy regarding illegal drugs or who refuses to submit to a drug test or take the test within the required time frame, refuses to sign the required Notification of Drug Screen, the laboratory

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requisition-chain of custody form, the consent form or the post treatment agreement shall be removed from the job and shall be suspended from employment through any and all I.L.A. Hiring Halls for a period of sixty (60) days. Any second offense shall result in permanent suspension from employment through any and all I.L.A. Hiring Halls.

Those who are permanently suspended from employment through any and all I.L.A. Hiring Hall(s) during the life of WGMA/ILA Agreement(s) as set forth above shall be provided with a sixty (60) day window from the date of their permanent suspension in which to make written application for reinstatement. Those seeking reinstatement must complete a West Gulf Maritime Association approved and accredited twelve (12) month rehabilitation program and must not work in the industry and must remain drug-free throughout the twelve (12) month period. Those seeking reinstatement shall be required to agree to take random drug screening test(s) upon reasonable notice made through the West Gulf Maritime Association during the twelve (12) month rehabilitation period and for the remainder of their time in the industry.

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Any further violation shall result in permanent suspension from the industry for life.

When it is determined that an employee is suffering from a drug abuse problem, efforts will be made to assist the employee in seeking proper treatment and rehabilitation using available resources.

Anyone found guilty of possession, use of, or other dealings in narcotics or other illegal substances (other than drugs which have been prescribed by a licensed physician) while employed under the terms of any Collective Bargaining Agreement between the Parties or any Memorandum of Understanding, or any other Agreement between the Parties shall be immediately suspended from employment through any and all I.L.A. Hiring Halls for a period of sixty (60) days. Any second offense shall result in permanent suspension from employment through any and all I.L.A. Hiring Halls.

A refusal to be tested shall be grounds for immediate discharge and immediate suspension from employment through any and all I.L.A. Hiring Halls for a period of sixty (60) days. Any second violation or offense shall result in permanent

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DRUG SCREEN CONSENT FORM

I understand that according to the South Atlantic and Gulf Coast District, International Longshoremen's Association, and the West Gulf Maritime Association Policy on Drugs, I am required to submit a sample of my blood/urine for chemical analysis. I understand that this sample will be collected at

(Name of Medical Facility)
and will be processed by qualified laboratory personnel. I have received a copy of the South Atlantic and Gulf Coast District, International Longshoremen's Association, and the West Gulf Maritime Association Policy on Drugs.

I understand and agree that using or attempting to use a sample for the purpose of evading or causing deceitful results on chemical analysis shall be considered to be a violation of the ILA-WGMA Policy on Drugs and shall be subject to the Penalties for Violating the Policy.

The purpose of this analysis is to determine or rule out the presence of alcohol, drugs, prohibited dangerous controlled substances or other mind altering substances in my body. I consent freely and voluntarily to this request for a

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blood/ urine specimen. I give my permission for the release of the results of the analysis of my specimen(s) to

(Name of Medical Facility)
West Gulf Maritime Association, and the I.L.A. Local # _____ President or his designee. I hereby and herewith agree that I will not bring or cause to be brought any action whatsoever arising from this request to furnish this sample, the testing of the blood/ urine sample and the decision made concerning my employment or my continued employment based on the results of the analysis.

It is understood and agreed that any and all disputes involving this Policy and/or Program, including interpretation or application, shall be resolved solely under the Grievance Procedure and Arbitration clauses in the various Collective Bargaining Agreements. Resolutions reached on any and all disputes under the Grievance Procedure and Arbitration clauses in the various Collective Bargaining Agreements shall be binding on all parties.

I have taken the following prescription or non-prescription drugs within the past 30 days.

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Name of Drug Condition for Which Taken Prescribing M.D.

Applicant/Employee Signature

Witness

Date _____ Time _____

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suspension from employment through any and all I.L.A. Hiring Halls.

It is understood and agreed that all of those actively working under the terms of any Collective Bargaining Agreement between the Parties or any Memorandum of Understanding or any other Agreement between the Parties shall have the right to request referral to an approved program for treatment or to be tested and any employee whose test results thereof are positive shall be required to immediately report to an approved program for treatment. If such employee participates in and successfully completes the required rehabilitation program, that employee may be reinstated. Any additional positive test shall be grounds for immediate and permanent discharge and permanent suspension from employment through any and all I.L.A. Hiring Halls.

Any individual seeking reinstatement following suspension from employment through any and all I.L.A. Hiring Halls shall be required to sign a written agreement that individual will agree to take random drug screen tests upon reasonable notice made through the West Gulf Maritime Association for a period of three (3) years from the date of reinstatement before they

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can again be considered eligible for employment through any and all I.L.A. Hiring Halls.

Grievance Procedure

It is understood and agreed that any and all disputes involving this Policy and/or Program, including interpretation or application, shall be resolved solely under the Grievance Procedure and Arbitration clauses in the various Collective Bargaining Agreements. Resolutions reached on any and all disputes under the Grievance Procedure and Arbitration clauses in the various Collective Bargaining Agreements shall be binding on all parties.

Procedure of Examination

The drug test blood/urine specimen will be tested for the following classes of drugs, among others:

Amphetamines	Methadone
Bartotirates	Methaqualone
Benzodiazepines	Opiates
Cocaine	Phencyclidine
Cannabinoids	Propoxyphene
Ethanol	

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Scientifically recognized chemically distinct analytical methods will be used by qualified laboratories selected by the West Gulf Maritime Association for specimen testing.

Current values as set by the Substance Abuse and Mental Health Services Administration, U.S. Department of Health and Human Services or as accepted by the scientific community based on testing methodology approved by the Food and Drug Administration or State Motor Vehicle Laws shall be used for all covered drugs in determining whether a test is considered "positive" or "negative".

Upon proper written request made within thirty (30) days of the original date of drug testing, a sample of the original urine specimen shall be split and part will be sent to another qualified laboratory with comparable certification. A proper interlab chain of custody will be initiated for any additional test of the specimen to determine scientifically if detectable amounts of drug(s) are present. Applicable Substance Abuse and Mental Health Services Administration, U.S. Department of Health and Human Services reporting guidelines and procedures shall be utilized on additional testing and reporting on specimens.

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Employees will sign a written consent to the drug test and release of information form. Urine samples may be taken in view of collection personnel and the employee and collection personnel will sign the requisition-chain of custody form. Using or attempting to use a sample for the purpose of evading or causing deceitful results on chemical analysis shall be considered to be a violation of the ILA-WGMA Policy on Drugs and shall be subject to the Penalties for Violating the Policy. The results of drug tests will remain confidential and discussed only on a "need to know" basis. Persons testing positive shall agree to be periodically tested to insure compliance with the above policy. Results of drug tests, positive or negative, will be kept in a file separate from personnel files at the WGMA for three (3) years and will then be destroyed.

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