

## MEMORANDUM OF UNDERSTANDING

### **Haina Patriot LLC-SIU-PD**

This Memorandum of Understanding (hereinafter this “MOU”) is made as of October 1, 2021, between Haina Patriot LLC (hereafter the “Company”), and the Seafarers’ International Union – Pacific District (“SIU-PD” or the “Union”), which Union is composed of the Sailors’ Union of the Pacific (“SUP”), Marine Firemen’s Union (“MFW”) and the Seafarers’ International Union – Atlantic, Gulf, Lakes and Inland Waters (“SIU-AGLIW”) regarding the terms and conditions of employment for the operation and maintenance of a commercial tanker HAINA PATRIOT, (the “Vessel”).

WHEREAS, the parties desire to have an agreement in place on the terms and conditions governing the employment of members of the Union on the Vessel;

NOW, THEREFORE, the parties hereto agree as follows:

#### **Section 1. Agreement**

This MOU shall continue in full force and effect from October 1, 2021 through September 30, 2026, and shall continue from year to year thereafter unless either party hereto shall give written notice to the other of its desire to terminate the MOU, of which shall be given at least sixty (60) days, but not sooner than ninety (90) days, prior to the expiration or anniversary date. Unless otherwise expressly indicated, the effective date of this MOU shall be October 1, 2021.

In the event that this Vessel is contracted to the U.S. Government the applicable terms and conditions, such as an RFP, will be specially incorporated herein.

This MOU applies to all Deck, Engine and Steward department unlicensed personnel hereinafter employed aboard the Vessel. Such crewmembers, unless otherwise indicated, shall be referred to herein as “Unlicensed Personnel.”

The Company recognizes the Union as the sole representative of the Unlicensed Personnel for the purpose of collective bargaining.

If there is a conflict or inconsistency between this MOU and any portions of a preexisting collective bargaining agreement, memorandum of understanding or arbitration award that has been made applicable to this work, this MOU shall govern.

#### **Section 2. Employment**

**(a) Right of Selection** The company shall have the right of selection for all applicants for unlicensed positions.

**(b) Qualifications**

All Unlicensed Personnel shall be trained, qualified, vetted, and medically, dentally and psychologically fit consistent with the Vessel's service and projected areas of operation in accordance with U.S. Coast Guard regulations as administered by the Seafarer's Medical Center. All Unlicensed Personnel shall be U.S. citizens holding valid passports for the full length of the assignment. All Unlicensed Personnel shall possess U.S. Coast Guard seaman documents and STCW endorsements and all other papers required to occupy their position. The Unlicensed Personnel must be literate in English. All Unlicensed Personnel shall have valid Transportation Worker ID Cards for the full length of the assignment.

**(c) Tour of Duty**

Unlicensed personnel accepting employment on the Vessel shall work for a minimum of four (4) months on but no more than six months (6) without a relief, subject to the operational requirements or unless they are reassigned, or their services are terminated at an earlier date by the Company. If the Vessel is assigned to domestic service unlicensed personnel shall work for a minimum of three (3) months on but no more than four (4) months without a relief subject to operational requirements. Except in case of family emergency such as the death of an immediate family member (mother, father, brother, sister, daughter, son, in-laws of foregoing, grandparents/children), the Company shall not be required to pay travel expenses for a crewmember who voluntarily quits the Vessel prior to the expiration of the dispatch period.

No crew member shall depart the Vessel without being properly relieved, unless specifically authorized to do so by the Master before the arrival of such relief.

**(d) Hours of Work and Overtime**

The ABs shall be watch standers in port and at sea. When necessary, overtime work may be required. The QMED/Pumpman shall be a day worker, working under the authority of the 1st A/Engineer for normal maintenance and under the Chief Officer for cargo operations. The Oilers shall be watchstanders or dayworkers, depending on the operational requirements of the Vessel. Steward department personnel shall be dayworkers and work eight (8) hours in a spread of twelve (12) hours beginning at 0600 and ending at 1800.

Overtime shall be paid at the rates stated in the Appendices for all hours worked in excess of eight (8) hours on any day, and for day workers, all hours worked on Saturdays, Sundays, and Holidays. The parties acknowledge that the vessel's schedule will be such that it may workday and/or night.

Overtime work shall be in accordance with the requirements for the Vessel as determined by the Master, and there is no guaranteed amount of overtime. Overtime shall be paid in ½ hour increments after the first full hour.

When the Vessel is in port the Company may put Unlicensed Personnel on a watch rotation, such that the watch will be compensated at the normal daily rate and any other hours will be paid at the overtime rate.

**(e) Employment Status and Discharge**

All Unlicensed Personnel shall be considered probationary employees for the first sixty (60) days of their initial employment on Vessel. During this probationary period, employment may be terminated by the Company. If employment is terminated during the probationary period, there shall be no recourse through the grievance procedure. All Unlicensed Personnel shall be subject to corrective action as may be required under the principles of just cause and progressive discipline.

A crewmember who is discharged for cause shall be given, at the time of payoff, a written statement advising of the discharge, and a detailed explanation of the reason for the discharge.

**(f) Crew Rotation**

The parties agree to work together to minimize turnover among the Vessel's Unlicensed Crewmembers. The company and the Union agree to work together to identify and dispatch mariners who are qualified to be assigned to this Vessel, and they shall seek to augment that qualified list as appropriate to ensure timely filling of all positions. The Company shall have the right to stagger the times at which Unlicensed Personnel are relieved, and the Company shall have the right to require that an Unlicensed Crewmember stay on the Vessel longer than his assignment or depart the Vessel at the end of his assignment to meet continuity goals.

All Unlicensed Personnel shall be permitted to return to work after period of vacation, sick leave, or other authorized leaves, mutually agreed to by the Union and the Company, including time spent in training.

\*Entry rated personnel after having attained enough sea time to upgrade for a rating in their particular department shall not be able to maintain a permanent entry position.

The Company shall have the right to promote qualified personnel aboard ship. Transfer of personnel from one department to another shall only be permitted if agreed to by the crewmember involved, and such transfer is necessary for the efficient operation of the Vessel.

**(g) Crew Size**

The Company anticipates crewing the Vessel with the number and ratings of personnel shown on the attached Appendices. However, the Company shall have the right at any time to modify the Vessel's manning, either to add positions or reduce positions as it deems necessary to meet the requirements of the Vessel's mission efficiently; provided that the manning shall never be reduced below the level required by the Vessel's Certificate of Inspection.

**(h) Failure to Provide Unlicensed Personnel**

If the Union is unable to provide acceptable and qualified Unlicensed Personnel within a reasonable time, or in any event in time to avoid a potential delay in the operation of the Vessel or a penalty to the Company, the Company may obtain the required ratings from whatever source is available, including another union. In that situation, the benefit contribution associated with the work done by such replacement personnel shall be paid to the union that provided the replacement personnel rather than to the union that was unable to supply the required personnel.

## **(i) Shipping Articles**

The Parties agree that the provisions of the MOU shall be, and be deemed to be, incorporated in and part of the Shipping Articles covering voyages of the Vessel covered by the MOU when applicable, and further agree that appropriate notation thereof be made on the Shipping Articles. No Shipping Articles shall be for a duration in excess of twelve (12) months without prior written consent of the Union.

## **Section 3. Exclusions**

Without limiting the provisions of Section 1 of this MOU, the following provisions of the Agreement (however entitled) shall explicitly be deemed waived and have no application to this MOU:

- (a) Sales and Transfers
- (b) Severance
- (c) Delayed Sailings
- (d) Restriction to Ship\*
- (e) Penalty work

\*Note: If shore leave is permitted by foreign or local governments, or other competent and authorized regulatory agency, any such restrictions after arrival extending beyond a 24-hour period beginning at 0800 and ending at 0759 the following day shall receive four (4) hours of overtime as compensation.

## **Section 4. Union Membership**

### **(a) Joining the Union**

All Unlicensed personnel who are not members of the Union at the commencement of their employment must become and remain a member in good standing or agency fee payer on the thirty-first (31<sup>st</sup>) day of employment as a condition of continued employment, unless the individual has been hired as a result of the union failing to provide qualified crewmembers and the individual is a member of another union.

All Unlicensed Personnel who are presently or become members of the union or up to date agency fee payers shall be required to remain members or agency fee payers during the term of this MOU as a condition of continued employment, provided, however, that the company has no obligation to take action under this Section until first notified by the Union that any of its unlicensed crew has lost his membership or is not up to date in payment of the payment of agency fee and that such crewmember has been afforded an opportunity to regain his membership.

Notwithstanding the requirements of this Subsection (a), the Company shall not be required to discharge any employee prior to the completion of the term of his shipboard employment.

If the company at the Union's request terminates or takes action against an unlicensed crewmember as a result of his failure to remain in good standing with the union or up to date agency fee payer, the Union will hold harmless, defend and indemnify the Company for any losses, expenses, claims, suits, actions and/or legal fees which the company may incur in connection with

terminating and/or taking such other action against the employee.

(b) Dues Deduction

The Company will deduct basic dues or applicable agency or service fees from the employees' paycheck, but will not deduct initiation fees, special assessments, fines, or any other Union deductions, except for dues or applicable agency or service fees as aforementioned. The Union will defend and hold the company harmless against any claims made and against any suit instituted against the Company on account of payroll deductions of Union dues or applicable service fees. Union members or agency fee payers shall pay their dues or applicable service fees through a payroll deduction or directly to the Union. Union Members shall fill out the proper authorization card stating their preference. If applicable, tender of the Union's periodic dues and initiation fees or applicable service fee uniformly required as a condition of acquiring or retaining such membership shall, for the purpose of the MOU, be considered membership in the Union.

(c) Passes for Union Representatives

The company agrees to issue passes to Union representatives for the purpose of contacting its members aboard the Vessel and shall arrange, if possible, for clearance at all military installations where the Vessel may be located. Union representatives agree to timely provide the company with personal data required for obtaining Government issued badges at Government facilities.

Representatives of the Union shall be allowed on board at any time during normal working hours when the Vessel is in port. Representatives shall not interfere with crewmembers at work unless said crewmembers are properly relieved. (Such relief shall receive no extra compensation.)

**Section 5. Compensation**

(a) Monetary Matters

There shall be an agreed upon Total Labor Cost (herein "TLC") increase as specified in Appendix 1, 2 and 3. TLC is defined to include all rates of pay, base wages, overtime, and all other forms of compensation paid and all benefit contributions. TLC excludes feeding, transportation, overlap costs and taxes.

Additional manning, compensation and work rules shall be as specified in Appendix 1 (applicable to the SUP only), Appendix 2 (applicable to the MFOW only), and Appendix 3 (applicable to the SIU-AGLIW only). The Company shall have no obligation to pay any wages, fringe benefits contributions, benefit plan contributions or other compensation that are not expressly stated in this MOU or on Appendices 1, 2, or 3.

Wages and benefits shall commence on the day the Unlicensed Personnel actually "turns to" aboard the Vessel; provided, however, that Unlicensed Personnel, when traveling from one Company ship directly to another Company ship, shall be paid the daily base wage and full benefit plan contributions.

Unlicensed personnel shall be entitled to War Risk Second Seaman's coverage and any bonuses provide to MSC civilian mariners.

(b) Money Draws and Allotments

Monies tendered for draws in foreign ports shall be made in United States currency, failing which traveler's checks shall be issued at the Company's expense, except where currency laws established in foreign countries prohibit such issuance.

When United States currency is aboard, advances shall be put out the day before arrival in port.

Procedures shall be established on the Vessel on foreign or intercoastal articles whereby allotments or remittance may be made at the behest of the crewmember, not less than once every thirty (30) days if so requested by the crewmember.

(c) Holidays

The contracted holidays shall be as follows:

New Year's Day	Columbus Day
Martin Luther King, Jr.'s Birthday	Labor Day
President's Day	Veteran's Day
Memorial Day	Thanksgiving Day
Independence Day	Christmas Day

Recognized holidays shall be observed on the day proclaimed by the Federal Government, otherwise on the day that they occur or on the subsequent Monday if occurrence is on a Saturday or Sunday.

**Section 6. Physical Condition**

The Union shall supply medically fit personnel in accordance Coast Guard regulation.

Unlicensed Personnel joining the Vessel shall comply with all medical requirements of the Agreement and the Union's Shipping Rules and must present or show evidence of the following prior to travel or boarding the Vessel (or, if traveling overseas, the aircraft):

(a) Documentation of current physical examination with a statement certifying fitness for duty in accordance with requirements of Coast Guard regulation.

(b) Immunization record (if required);

(c) Sufficient prescribed medications for the duration of the crewmember's assignment to the vessel and prescription glasses; and

(d) The medical history form provided by the Company.

Personnel not in possession of the above items will not be permitted to travel to or board the Vessel or aircraft. The company and the Union shall assist Unlicensed Personnel in the acquisition, reproduction, and maintenance of these records.

Maintenance and cure shall be paid at the rate of \$ \$16 per day.

## **Section 7. Training, Drills & Exercises**

Unlicensed Personnel shall at their expense obtain and maintain all STCW training and other training required by federal or state regulations. Unlicensed Personnel shall become familiar with and participate in the company Quality Management Programs (ISO/ISM/SQMS). Unlicensed Personnel shall participate in all drills required, and in all training reasonably necessary for the effective implementation and maintenance of the Company's safety and quality management systems and for security of the Vessel.

## **Section 8. Crew Requirements and Duties**

### **(a) Duties**

Members of all departments shall perform the necessary duties for the continuance of the operations of the Vessel, to ensure continuity of maintenance and repair and that the equipment is well preserved and in a high state of readiness at all times. Work schedules for each Unlicensed Personnel shall be consistent with the Vessel's service and the terms and condition of the MOU. Duties aboard the Vessel may differ significantly from standard mariner operations.

Members of the Deck department may be assigned to do any maintenance work outside of the engine room space if qualified to perform the specific work assigned to them.

When it is necessary to shift a man to fill a vacancy, the man so shifted shall perform the duties of the rating which he is assigned.

Nothing contained in the MOU is intended to limit the authority of the Master and/or ship's officers to ensure the obedience of the Unlicensed Personnel to any lawful order.

### **(b) Uniforms and Appearance**

The appearance, dress and behavior of the crew shall be a credit to the Company. If Unlicensed Personnel are required to wear uniforms, the cost shall be for the Company's account.

### **(c) Personal Emergencies**

Personal emergencies arising while the Vessel is operationally employed will not be considered justification for aborting the mission or otherwise calling on any port solely to accommodate the emergency. The appropriate course of action for handling medical emergencies at sea will be decided on a case-by case basis by the Master in consultation with the Owner and medical services ashore.

### **(d) Prohibited Substances**

The Company will maintain a drug/alcohol free environment aboard the Vessel. The introduction, possession or use of alcoholic beverages by any person onboard these ships is prohibited. Similarly, the introduction, possession or use of narcotics, controlled substances, marijuana, or substances containing narcotics, or paraphernalia which are used to administer,

dispense or carry narcotics, except for authorized medical purposes, is prohibited onboard these ships. Each crewmember shall comply with all Government regulations as well as Company policy and rules relating to alcohol or substance abuse.

(d) Smoking Policy

There shall be no smoking in or on the Vessel except in areas specifically designated as smoking areas by the Master.

(e) Riding Crews

The company shall have the option of employing Unlicensed personnel as members of a “riding crew” consisting of such ratings as it deems necessary to conduct a viable maintenance and repair program aboard the Vessel.

(f) Weapons

Unlicensed Personnel are not allowed to bring firearms on board the Vessel, and knives with blades over six inches in length are not allowed.

(g) Ship Smartness

All living spaces, staterooms, passageways, and stairwells shall be maintained in a clean and sanitary condition.

**Section 9. Travel**

All air travel shall be economy class. There will be no reimbursement of any expenses without proper and complete receipts.

Return transportation, when payable, shall be to the location from which the crewmember received transportation to join the vessel unless the crewmember requests and the Company approves an alternate location. The Company shall not be required to pay the travel expenses of a crewmember who departs the Vessel without a discharge or fails to join the Vessel.

When sent from one vessel to another or from one port to another in the course of employment, the crewmember shall be paid regular wages and provided transportation and lodging, if required. Except for the forgoing, there shall be no payment of wages or benefits for travel days.

**Section 10. Launch Service and Shore Leave**

Launch service will be provided as required and only when safe conditions warrant.

While the Vessel is in port, selected Unlicensed Deck Personnel may be required to serve as a ‘gangway watch’. While serving as gangway watchmen unlicensed personnel shall receive the same compensation as if performing any customary watchstanding duty.

**Section 11. Benefits Plans**

It is agreed that the Company will remain a party to the benefit plans of the Union.

There shall not be any duplication of contributions for days when there is an overlap between an Unlicensed Personnel relieving another Unlicensed Personnel.

### **Section 12. No Work Stoppages or Lockouts**

The Union agrees that there shall be no work stoppage of any type including but not limited to: strikes, sympathy strikes, boycotts, slowdowns, sickouts, picketing, protests against unfair labor practices or contract violations, social or political protests or any other protest even though the underlying dispute does not concern the parties herein, or any other interruption or interference with work aboard the Vessel for any cause or reason whatsoever even though not expressly include herein, the company agrees that there shall be no lockouts due to any dispute with Union.

The company will notify the Union, and the Union shall notify the company of any such occurrence mentioned above by any form of communication whatsoever.

Upon notification of an attempt to induce a violation or of an actual violation of the provisions of this Section by any one or more of the Unlicensed personnel, the Union shall publicly disavow such action and instruct the unlicensed Personnel engaged in such activity to forthwith end such attempt of actual violation and return to work immediately, failing which the Company shall discharge forthwith the Unlicensed Personnel engaged in inducing or participating in any such violation and replacing same. Any member of the Unlicensed personnel so discharged shall have no recourse against the Company.

Whenever it is claimed that the Company or the Union has violated this section, either party may notify an impartial arbitrator in writing, by mail or by hand-delivery. A copy of such notice shall be sent or delivered simultaneously to the party who is alleged to have violated this section. This claim shall be submitted to arbitration no later than twenty-four (24) hours after receipt by the impartial arbitrator, and his award shall be issued no later than twelve (12) hours after conclusion of the hearing. If the impartial arbitrator cannot, for any reason conduct the hearing within the aforementioned twenty-four (24) hour period, the parties shall designate another person to act as arbitrator.

### **Section 13. Grievance Committee**

The Union and the Company shall endeavor to resolve any disputes relating to the interpretation or performance of the MOU without resort to arbitration.

Any labor dispute that cannot be resolved through the normal grievance procedure shall be subject to final and binding arbitration.

For the adjustment of any grievances arising in connection with performance of this MOU which cannot be satisfactorily resolved onboard the Vessel there shall be established a Grievance Committee, which shall meet at a mutually agreed location. The Grievance Committee shall meet within five (5) days of being notified of an unresolved grievance, Saturdays, Sundays and holidays excluded. In the event the Grievance Committee cannot agree, the dispute shall be submitted to final and binding arbitration before an arbitrator mutually selected by the Union and the Company.

In the event the Union and the Company cannot agree on the selection of an Impartial Arbitrator, then the Parties will select an Arbitrator pursuant to the procedures for the American Arbitration Association.

Expenses of an arbitrator shall be split. Each party shall pay its own attorney's fees.

All shipboard grievances must be filed by the unlicensed crewmember or his designated representative at the time of pay-off, or if incapacitated, within fifteen (15) days of pay-off (Saturdays, Sundays and Holidays excluded).

**Section 14. No Discrimination**

The company agrees not to discriminate against any member of the Union for legitimate union activities, and such Company further agrees that no person shall be discriminated against because of race, creed color, sex, age national or geographic origin, or status as a Vietnam veteran, when the same is required by Federal regulation. The company agrees that it shall not unlawfully discriminate against employees on the basis of a physical or mental disability. The Union agrees that employees dispatched from the hiring halls will be qualified to perform shipboard duties in accordance with the MOU.

**Section 15. Separability**

The provisions hereof are subject to Federal and State law and if any part hereof is in conflict therewith, such part shall be deemed inapplicable and to the extent thereof, shall be deemed severed from this MOU the remainder of which shall remain in full force and effect.

**Section 16. Duration**

The parties agree that , to the maximum extent permitted by law, no obligations on the part of the Company created by this MOU shall carry forward or in any way extend beyond the termination of this MOU, with the sole exception of benefits earned prior to the termination of this MOU.

Except as specially provided for herein, the work rules and employment conditions shall conform with the customary and traditional jurisdiction working environment.

**Haina Patriot, LLC**

BF

By: \_\_\_\_\_

**Sailors' Union of the Pacific**



By: \_\_\_\_\_

Date: October 1, 2021

Date: October 1, 2021

**Seafarers' International Union of North America, Atlantic, Gulf, Lakes and Inland Waters, AFL-CIO**

**Marine Firemen's Union**

By: Nicholas J. Manone

Date: October 1, 2021

By: Christ L. Poppe

Date: October 1, 2021