

HAMPTON ROADS

Longshoremen's Agreement

Gearmen and Mechanics'

Miscellaneous Workers'
Agreement

October 1, 2004 - September 30, 2010

**Hampton Roads Shipping Association
236 East Plume Street
Norfolk, Virginia 23510**

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HAMPTON ROADS SHIPPING ASSOCIATION

*Hampton Roads Longshoremen's Agreement
Hampton Roads Garmen and Mechanics' Agreement
Hampton Roads Miscellaneous Workers' Agreement*

This is an agreement dated as of October 1, 2004 and between the employer members of the Hampton Roads Shipping Association, (hereinafter called "Employers"), and the International Longshoremen's Association, AFL-CIO, (hereinafter called "ILA"), and its affiliated Locals in the Port of Hampton Roads, Virginia, including Norfolk, Newport News, Hampton, Chesapeake and Portsmouth as follows:

PREAMBLE

WHEREAS, the parties hereto have heretofore entered into certain collective bargaining agreements now expired for all or part of the period October 3, 1996 through September 30, 2001, with an extension from October 1, 2001 to September 30, 2004, called:

Hampton Roads Longshoremen's Agreement

**Hampton Roads
Garmen and Mechanics' Agreement**

**Hampton Roads
Miscellaneous Workers' Agreement**

WHEREAS, the parties hereto, along with the carriers and direct employer members of the port associations and the Atlantic Coast District, International Longshoremen's Association, and all affiliated locals of the ILA in said ports, have heretofore entered into a Master Contract with respect to wages, hours, the amount of contributions for certain welfare and pension benefits, container and LASH, and the

duration of the term for the collective agreements, which Master Contract expired on September 30, 2001, with an extension to September 30, 2004.

WHEREAS, the parties hereto have agreed to a new Master Contract with respect to wages, hours, and the amount of contributions for certain welfare and pension benefits, container and LASH, and the duration of the term for the collective agreements, as well as a clause with respect to the signatories hereto, as set forth above, for a term of six (6) years, commencing October 1, 2004 to September 30, 2010.

NOW, THEREFORE, IT IS AGREED by and between the parties hereto as follows as to respective changes, amendments and modifications to the various working agreements, between the employer members of the Hampton Roads Shipping Association and the International Longshoremen's Association, AFL-CIO, and its affiliated locals in Hampton Roads.

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**MEMORANDUM OF AGREEMENT
HAMPTON ROADS
LONGSHOREMEN'S AGREEMENT**

October 1, 2004 - September 30, 2010

PREAMBLE

This is an Agreement between various signatory employer interests of the Hampton Roads Shipping Association, hereinafter referred to as HRSA or employers, and the International Longshoremen's Association, AFL-CIO, jointly with its affiliated Locals Nos. 846, 970, 1248, 1784, also identified by their signatures hereto and hereinafter referred to as the ILA or Employees, intended to cover the loading and discharging of deepwater ships in the general Hampton Roads port area.

SECTION 1

Scope of Work of ILA

The ILA shall have, insofar as it is compatible with the laws of the United States of America and the Commonwealth of Virginia, all work of rigging and unrigging of cargo and passenger vessels, ramping and de-ramping of containers on the rail on the marine facility, and the loading and discharging of their cargoes, including all carpentry and lashing required in securing cargo while vessel is alongside pier, including vessels loading at coal piers when required by signatory employers, including mail, baggage and dunnage used in connection with the cargo being handled, including all stuffing and stripping, handling the movement of containers, lashing of containers on vessels at waterfront facilities, and off terminal installations owned or leased by signatory employers, excluding movements of containers for repairs from point of rest and return, which shall be performed by members of ILA Local 1970, and the loading

and discharging of LASH ships and barges of their cargoes under the following terms and conditions:

- (a) It is understood that this agreement does not apply to ships loading and/or discharging bulk liquids at oil installations, which work the employers have no legal or contractual right to give to the ILA during the term of this agreement.

To the extent permitted by law, the employer members of the Association agree they will not directly perform work or contract out such work which historically and regularly has been and currently is performed by employees covered by this Agreement or employees covered by ILA craft agreements unless such work is performed by employees covered by ILA agreements.

SECTION 2

Contract Term

This contract shall be dated from October 1, 2004 - September 30, 2010.

SECTION 3

Scope of Agreement

The parties agree that the terms and conditions of the Master Contract are incorporated herein by reference. It is recognized that the Employer Associations and the ILA Locals operating in each of the different ports (together with the ILA in those ports where both ILA Locals and the ILA customarily have been parties to the collective agreements) have the exclusive power to negotiate contracts fully and completely on local conditions and other terms except for wages, hours, pension contributions and welfare contributions and term of the agreements, container and LASH.

SECTION 4

Basic Work Day and Basic Work Week

The basic work day shall be one of eight (8) hours, and the work week one of forty (40) hours, the latter comprising those hours between 8:00 a.m. and 12:00 noon, and 1:00 p.m. to 5:00 p.m., Monday through Friday, inclusive, to which hours the agreed straight time rates hereinafter provided will apply.

SECTION 5

Meal Hours and Governing Rates of Pay

Meal hours and the basic rates of pay for said hours will be outlined below, any part of a meal hour worked to count as a full hour.

Gangs which have worked through the noon meal hour and are relieved at 1:00 p.m. shall be notified prior to 1:00 p.m. that they are finished for the day, or if ordered back at 2:00 p.m., shall receive three (3) hours pay at the prevailing rate, EXCEPT upon the completion of a hatch or ship, or shifting to drydock or another terminal, when they will receive a minimum of two (2) hours pay.

Gangs that work through 6:00 p.m.-7:00 p.m. and are ordered back at 8:00 p.m. will receive four (4) hours guarantee between 8:00 p.m. and 12:00 midnight except for finishing of a ship or hatch or shifting of a ship, when gangs will receive two (2) hours pay.

Meal Hours	Rates of Pay	Further Conditions
12:00 noon-1:00 p.m. Monday-Friday	Regular Overtime (Time and one-half)	Continued until relieved for a full meal hour IF not worked before hour commenced
12:00 noon-1:00 p.m. Saturdays, Sundays and Holidays	Double Straight Time	Until relieved
6:00 p.m.-7:00 p.m.	Double Straight Time	Until relieved
12:00 midnight- 1:00 a.m.	Double Straight Time	Until relieved
6:00 a.m.-7:00 a.m.	Double Straight Time	Until relieved

SECTION 6

Maximum Work Period

Except while working ships under distress conditions, or handling baggage, or mail, or working container ships, LASH ships, Ro-Ro ships, breakbulk cargo on automated vessels, or free dumping bulk cargo ships, employees will not work more than six (6) hours without being relieved a full hour for meals. All pay guarantees as per contract to be observed.

SECTION 7

Application of Overtime Rates

Overtime rates, as hereinafter set forth, will apply to all working hours not enumerated in Sections 4 and 5 above, including work on Saturdays, Sundays and the agreed Holidays, and employees are to work any night of the week, or Saturdays and Sundays, and non-excepted holidays, when required.

When employees are ordered for 5:00 a.m. start on a straight time day, they shall receive the overtime rate for all time worked excluding the meal hour when they shall receive the meal hour rate, resuming overtime until finished or relieved.

That is, overtime from 5:00 a.m. to 6:00 a.m., meal hour 6:00 a.m. to 7:00 a.m., overtime 7:00 a.m. until relieved or finished.

SECTION 8

Effective Date of Agreement, Wage Increase and Wage Scale

A. This Agreement shall be effective October 1, 2004 and shall remain in full force and effect up to and including September 30, 2010.

B. Wage Increase

Employees whose straight-time basic wage rate in effect on September 30, 2004 is more than \$21.00 per hour shall receive the following increases in their straight-time basic wage rate:

Effective Date	Increase
October 1, 2004	\$1.00 per hour
October 1, 2006	\$1.00 per hour
October 1, 2008	\$1.00 per hour
October 1, 2009	\$1.00 per hour

Employees whose straight-time basic wage rate in effect on September 30, 2004 is \$21.00 per hour or less shall receive the following increases in their straight-time basic wage rate:

Effective Date	Increase
October 1, 2004	\$2.00 per hour
October 1, 2006	\$2.00 per hour
October 1, 2008	\$1.50 per hour
October 1, 2009	\$1.50 per hour

The starting straight-time basic wage rate for new employees who enter the industry on or after October 1, 2004 shall be \$16.00 per hour.

C. Wage Scale – Effective October 1, 2004

	10/1/04	10/1/06	10/1/08	10/1/09
Prior to 10/1/86	\$28.00	\$29.00	\$30.00	\$31.00
After 10/1/86 to 12/1/90	\$27.00	\$28.00	\$29.00	\$30.00
After 12/1/90 to 9/30/96	\$23.00	\$25.00	\$26.50	\$28.00
After 10/1/96 to 9/30/02	\$19.00	\$21.00	\$22.50	\$24.00
After 10/1/02 to 9/30/04	\$17.00	\$19.00	\$20.50	\$22.00
After 10/1/04 to 9/30/06	\$16.00	\$18.00	\$19.50	\$21.00
After 10/1/06 to 9/30/08	—	\$16.00	\$17.50	\$19.00
After 10/1/08 to 9/30/10	—	—	\$16.00	\$17.50

SECTION 8A

New Employees

Any employees being hired for the first time shall be required to pass a mandatory physical examination and drug test as established by management and the ILA after they are offered employment and before they engage in any employment services. Such new employees shall also be required to pass eligibility and proficiency tests approved by management and the ILA and shall also be required to be re-certified as per the Master Contract.

Employees who entered the industry from February 1994 through October 1, 2010 shall be required to accept jobs offered to them and must work with their gang. Three (3) job refusals at the Hiring Center, or unexcused absences, per year will result in the loss of their port number.

All employees who work ten hundred (1000) hours or more in five (5) out of six (6) years and working ten hundred (1000) hours or more in the qualifying year shall be eligible to accept any job offered by a header without penalty. Failure to accept a job through the Hiring Center will result in a debit.

Temporary or new employees who test positive for drugs during their first calendar year will be permanently terminated.

Re-Entering the Industry

Those employees who have lost their port numbers for any reason, other than for drugs or contract violations, must petition the Contract Board to be re-instated.

- Individual must request re-instatement within three (3) years of loss of port number.
- Individual must have valid reason for leaving industry.

- (c) Must pass a physical and drug screen at their cost by Doctor selected by HRSA/ILA.
- (d) Pass all required driving, safety, hazardous cargo test, etc.
- (e) The ILA Seniority Board will review and make proper assignment of seniority.

SECTION 8B

Commodities

(a) Ore.

Ore will be worked under the terms of the Breakbulk Agreement.

(b) Pay differentials for class commodities are as follows:

General cargo, all kinds including Barrel Oil, Ballast and Rubber, in Bales

(See Note 1) Basic Wage

Coal cargoes - when worked at other than coal piers, Bulk Cargoes, Lime in bags 5 cents

Wet Hides, Cashew Oil, Kerosene, Caustic Soda,

Steel Dust and Cement in bags, Pitch and

Sulphur, in bulk or bags, Barbasco Root, Fish

Meal and Bone Meals, all Hides, Meat Meal,

all Oxide and Umber, bagged Magnesite,

and Tapioca Flour, Caprolactam, Flake

and Acids, required to be deck stowage,

all dyes in bags 15 cents

Chilled cargo, when worked by hand 10 cents

Refrigerated cargo, all kinds, if carried at

freezing or lower temperature when worked

by hand (applicable to full gang), all Creosoted

Products and Soda Ash, in bags. (This includes

the Pier 3 Agreement) 20 cents

Explosives, in stream and/or pier, Damaged Cargo handled under distress conditions, and Castor Bean Pomace, in bags, (See notes 2, 3, and 4) Double Wage Rate

Oxidizer, Falco Maleic Anhydride, highly toxic insecticides, Monazite Ore Double Wage Rate

NOTES:

- (1) When rubber, in bales, is powdered, worked by hand the pay differential shall be ten (10) cents per straight time hour and fifteen (15) cents per overtime hour.
 - (2) When 1.1 and/or 1.2 explosives or ammunition are being worked at the pier or in the stream and when 1.3 explosives or ammunition that are designated dangerous cargo or of a particular danger are being worked at the pier or in the stream, all employees working on the ship involved shall receive the explosive rate, regardless of whether they are part of the gang that is actually doing the handling.
 - (2a) When employees are working in a hatch or on deck where 1.1 or 1.2 explosives and where 1.3 explosives or ammunition that are designated dangerous cargo or of a particular danger are stowed, all men working the ship at the pier or in the stream shall receive the explosives rate. Vessels having explosives stowed in magazines expressly approved by an authorized governmental agency shall be excluded from the coverage of this paragraph.
- The joint Productivity Committee shall immediately review with the authorized governmental agency the definition of area of potential danger, in order to determine when the explosive rate shall be paid.
- (3) If dispute arises as to whether explosives are of such nature as to create an unusual hazard or danger to the employees, the question shall be settled by the

Arbitration Committee, within thirty (30) days, whose decision shall be final and binding.

- (4) Any cargo which has been damaged, not limited to fire, water or fuel oil, which is handled under distress conditions, to be paid for at rate specified for Class F, but sound cargo in the same compartment, or a separate compartment, is to be handled at rates under A, B, C, D or E, as the case may be. It is understood and agreed that upon notification, examination will be made by Arbitration Committee while vessel is discharging, to determine conditions under which sound cargo is being handled in compartments containing damaged cargo, or whether distress handling conditions exist, and a prompt decision will be rendered as to their finding and as to proper rate applicable.

It is mutually understood that distress cargo is that cargo which has been in distress, through any perils of the sea, the result of which precludes the handling of cargo by usual and conventional methods. This may be caused by shifting or escape of substance from its packaging due to heavy weather or water in the hold due to leaks or breached hatches. In the case of rain, the cargo is not distressed if it is wet only, however, if the cargo is soluble in nature, then distress would apply.

- (5) When employees shift from working general cargo to frozen and/or chilled cargo they shall be allowed thirty (30) minutes to adjust for temperature change. This excludes the Pier 3 Agreement.

When employees have been working chilled cargo and they shift to working frozen cargo and vice versa, no time shall be allowed nor shall stand by time be allowed to work either chilled or frozen cargo at beginning of period.

Reverting to general cargo no time allowance will be granted.

When employer fails to notify the IILA that frozen and/or chilled cargo is to be worked, the employees will be granted one (1) hour in which to prepare themselves to work this type of cargo.

- (6) All radioactive materials that are packaged, marked, labeled, certified and transported in accordance with mandatory and strictly enforced safety standards of the U.S. Department of Transportation and U.S. Coast Guard will be handled in Hampton Roads.

Any radioactive materials shipments that present some special or unreasonable risk to the safety or health of any Hampton Roads employee will not be worked. Any dispute that may arise to the handling of hazardous radioactive materials will be resolved by the authorized governmental agency.

- (7) All pure car carriers (automobiles only) shall be worked at a wage and fringe benefit rate not to exceed \$30.00 per hour.

Wages	Contributions	Total
\$28.00	\$2.00	\$30.00
27.00	3.00	30.00
23.00	7.00	30.00
19.00	11.00	30.00
17.00	13.00	30.00
16.00	14.00	30.00

\$28.00 and \$27.00 per hour employees will receive one (1) MILA credit for every 2 hours worked.

\$23.00, \$19.00, \$17.00 and \$16.00 per hour employees will receive (1) MILA credit for every hour worked.

- (8) All passenger vessels shall be worked at wages and fringe benefits not to exceed \$30.00 per hour. (See table above.)

SECTION 9

Differential Pay

Additional rates of pay for the classifications listed when handling all categories of cargo, will be as follows:

CLASSIFICATION	Increase	Straight Time	Overtime
Hatch Bosses	\$.65	1.65	2.475
Gangwaymen	\$.25	0.75	1.125
Dock Headers	\$.25	0.75	1.125
Hold Drivers (Including Hold Bulldozer & Hold Payloader Drivers)	Same	0.40	0.60
Tractor Drivers (Bulldozer & Payloader Drivers)	Same	0.50	0.75
Portainer Operators	\$1.00	2.00	3.00
Transtainer Operators	\$1.00	2.00	3.00
Operators of forklifts used for stacking containers	Same	0.40	0.60
Gantry Crane	Same	1.00	1.50
Super Stackers	Same	1.00	1.50
Chassis Stacker	\$.20	0.60	0.90
Winchmen	\$.25	0.75	1.125
Straddle Carrier Operators	\$1.00	2.00	3.00
Top Loader Operators	\$.20	0.70	1.05
Lashers when handling containers	\$.30	0.60	0.90
Slinger/Container Spotter (Container Ships Only)	\$.20	0.65	0.975
Shop Steward	\$1.00	3.50	5.25

SECTION 10

Differential Pay for Crane, Portainer, Transtainer, Straddle Carriers, Gantry Crane and Top Loader Operators

When an employer is operating its floating or gantry crane, Kone, LASH type cranes, Portainer or Transtainer, or LASH type cranes aboard ship, the equipment being either owned or under long-term lease by signatory to this Agreement, or is operating a floating or gantry crane on a long-term lease by signatory to this Agreement, the stevedore must use ILA operators and will pay a \$1.00 differential above the longshore rate

Should the stevedore operate its own top loader or use any of this equipment under long-term lease, it must use ILA operators and will pay a seventy (\$.70) cents differential. Straddle carrier operators will be paid a \$2.00 differential.

It is understood that this clause shall not apply in the event of another union's jurisdiction. During regular working hours staging of transtainers will be done by transtainer operators.

All crane operators will be properly trained and qualified to operate all equipment so they may be employed by all employers.

SECTION 11

Holidays

(a) Holidays to be observed during the year are agreed to be:

New Year's Day, January 1st

Martin Luther King's Birthday, January 15th

Lee's Birthday, Third Monday in January

Washington's Birthday, Third Monday in February

Thomas W. Gleason's Birthday, March 17th
Good Friday, Friday immediately preceding Easter
Sunday

Memorial Day, Last Monday in May

Jefferson Davis Day, June 3rd

Independence Day, July 4th

Labor Day, First Monday in September

Columbus Day, Second Monday in October

Election Day, Tuesday next following first Monday in
November

Veterans' Day, November 11

Thanksgiving Day, Fourth Thursday in November

Christmas Eve, December 24th

Christmas Day, December 25th

- (b) **Restricted Holidays** - Thanksgiving Day, Christmas
Eve, Christmas Day, New Year's Day, Independence Day
and Labor Day.

It is understood that only mail, baggage, ships in distress,
containerized perishable cargo and damaged cargo of
hazardous nature are to be worked on Thanksgiving Day,
Christmas Eve, Christmas Day, New Year's Day,
Independence Day and Labor Day. Employees will return
to work no earlier than 6:00 a.m. on any day following a
restricted holiday.

- (c) When an ILA holiday falls on Saturday or Sunday, the
following Monday will be observed as an overtime day it
being understood that the ILA employees will accept
orders for gangs up to 5:00 p.m. on Friday for work on
Saturday, Sunday or Monday.

It is further understood that the ILA Hall will be open up
to 5:00 p.m. Friday to accept such orders EXCEPT
Christmas Eve, Christmas Day, New Year's Day and July
4th.

The Tuesday following any Monday observed as a
holiday will be a cancellation day or set back at 8:00 a.m.

(d) **Christmas Holiday**

It is agreed that employees will work until 12:00
midnight on December 23, returning to work at 6:00 a.m.
on December 26. It is also agreed that the ILA will accept
orders at the ILA Hall up to 5:00 p.m. on December 23
for work on December 26. Employees will work until
6:00 p.m. on December 31, New Year's Eve.

(e) **Paid Holidays**

New Year's Day, January 1st

Martin Luther King's Birthday, January 15th

Lee's Birthday, Third Monday in January

Washington's Birthday, Third Monday in February

Thomas W. Gleason's Birthday, March 17th

Good Friday, Friday immediately preceding Easter
Sunday

Memorial Day, Last Monday in May

Jefferson Davis Day, June 3rd

Independence Day, July 4th

Labor Day, First Monday in September

Columbus Day, Second Monday in October

Election Day, Tuesday next following first Monday in
November

Veterans' Day, November 11th

Thanksgiving Day, Fourth Thursday in November

Christmas Eve, December 24th

Christmas Day, December 25th

It is understood that paid holidays are straight time days.

SECTION 12

Working Conditions on Vessels in Stream

Work on any vessel anchored in stream will be carried out under the following conditions:

- (a) Employer will give advance notice to permit employees to carry lunches, or, otherwise supply meals at actual cost.
- (b) Employer will allow employees only one-half hour for meals during noon or midnight meal hours and require them to work remaining half-hour by allowing them a full hour's pay at prevailing rate.
- (c) Employees' time will count from time of leaving pier until time of return to pier.
- (d) The prevailing general cargo rate shall apply to actual time used in going and returning, unless employees are transported on lighters carrying explosives, in which case the prevailing explosive rates will apply.
- (e) Transportation will be furnished by the employer.

SECTION 13

Payroll Week

The payroll week will end at 7:00 a.m., on Monday of each week and employees will be paid on Thursday afternoon at the Union Hall. Pay windows will be opened as near to 11:00 a.m. as possible and remain open to 7:00 p.m., if necessary. The time for opening and closing of pay windows may be varied by mutual consent.

SECTION 14

Initial Employment and Reemployment Pay Guarantees

There are two (2) types of employment: initial or new employment, and reemployment or employment in a period following the completion of an initial period or periods of employment. The following provisions of this section will govern all pay guarantees to employees upon initial employment and later reemployment, if any, in continuation of work previously commenced.

- (a) In every case of initial weekday employment, the pay guarantee is for four (4) hours and the periods thus covered are 8:00 a.m. to 12:00 noon, or 1:00 p.m. to 5:00 p.m., Monday through Friday.
- (b) In every case of initial employment during night hours, on all seven (7) days of the week, the minimum pay guarantee shall be four (4) hours. Pay begins at 7:00 p.m. for any work started at any time between 7:00 p.m. and 6:00 a.m.
- (c) In the case of initial employment on a Saturday, Sunday or holiday, between 8:00 a.m. and 12:00 noon, the pay guarantee shall be for four (4) hours. In the case of initial employment on a Saturday, Sunday or holiday between 1:00 p.m. and 5:00 p.m., the pay guarantee shall be for four (4) hours.
- (d) In every instance where the gang has completed a period or periods of initial employment, and has fully complied with the original employment outlined in the preceding paragraphs, the employees shall, upon reemployment in a further period, receive a guarantee of four (4) hours additional pay, except upon completion of a hatch or ship, or shifting to drydock or another terminal, when they receive minimum of two (2) hours pay. When employees

reemployed at 8:00 a.m. of the following day, they will receive a minimum of four (4) hours additional pay beginning at 8:00 a.m.

- (d-l) When two (2) hours or less work remains in a hatch, after employees have completed two (2) guarantee periods, and employees knock off of their own volition, upon returning to work the following period or day, they will receive a guarantee of two (2) hours. This means any day of the week including Saturdays and Sundays.
- (e) This guarantee of two (2) hours to be increased to one (1) guarantee of four (4) hours, regardless of weather conditions, in event of reemployment between the hours of 8:00 a.m. and 12:00 noon, or between the hours of 1:00 p.m. and 5:00 pm. on Saturdays, Sundays or holidays. When this one (1) guarantee of four (4) hours has been complied with, employees shall, upon reemployment in a further period, receive a guarantee of two (2) additional hours pay, provided in the preceding paragraph.
- (f) In every instance where a gang is working during the afternoon hours of 1:00 p.m. to 5:00 p.m., and is desired to work on the same ship at 7:00 p.m., they shall be notified prior to 6:00 p.m. and be paid for the one (1) hour between 5:00 p.m. and 6:00 p.m. Otherwise, if not utilized and/or paid between 5:00 p.m. and 6:00 p.m. the gang would assume the status of a new gang at 7:00 p.m., subject to four (4) hours pay, minimum, regardless of finishing in less time.

SECTION 15

Reemployment of Night Gangs and Pay Guarantees

When it becomes necessary to reemploy employees at 8:00 a.m. on a straight time day, who have previously worked

all night, these employees will receive the overtime rate or pay for such continuous work until relieved, with a minimum guarantee of two (2) hours, except that in order to receive the latter two (2) hour guarantee the employees will be required to work either from 6:00 a.m. to 7:00 a.m. or from 7:00 a.m. to 8:00 a.m. on such days as it may be necessary to reemploy employees at 8:00 a.m. When the employees work through the night and the following 12:00 noon meal hour, the double straight time meal rate will apply. Guarantee will be computed from beginning to normal work period.

SECTION 16

Reporting of Gangs for Work

When gangs are ordered, full gangs shall report for work at the designated hour. Employees replacing members of gangs failing to return to work will receive only such pay as provided for under reemployment terms. Employees failing to return to work will be entitled to pay for actual time worked only.

SECTION 17

Shifting of Gangs

The employer shall have the right to shift gangs between containers, hatches or ships at the same terminal at his discretion, in accordance with agreed work guarantee. It is understood that such shifting of gangs is for the purpose of finishing out work guarantee periods and will not be employed to bring about cancellation of new gang or gangs that may have been ordered, or to displace gangs presently working where such gangs have four (4) or more hours of work left to be performed. The gang must remain intact, however, employees within the gang may be shifted.

SECTION 18

Hiring and Laying Off of Gangs and/or Employees and Unavailability of ILA Employees

The employer is under no obligation to hire employees by gangs or through the office of the Union. The stevedore employer or his representative reserves the right to hire from available members of the Union, all employees, including hatch foremen, gangwaymen, winchmen and slingers and to lay off any and all employees whenever such action in his judgment is warranted. The Union will be immediately notified when such action is taken and the employer requests a replacement.

When the ILA cannot furnish a sufficient number of qualified employees to perform the required work as provided for in this Agreement in a satisfactory manner, the employer may hire needed employees at his discretion and will notify the Hiring Center of such.

It is understood and agreed that the signatory employer when hiring supervisory personnel will give consideration to the employment of experienced ILA employees from Locals covered by this Agreement for such vacancies as may exist.

SECTION 19

Header's Duties

Headers shall be fully responsible for their employees and perform such duties as are required of them by the employer.

SECTION 20

Pay Guarantees for Employees Knocked Off

When employees are knocked off five (5) minutes after the hour or later, they shall be paid for one-half (1/2) hour and when knocked off thirty-five (35) minutes after the hour or later, they are to be paid for one (1) hour.

SECTION 21

Replacement of Hatch Covers

When necessary, gangs are to be knocked off ten (10) minutes before quitting time to replace hatch covers. It is specifically understood that the ILA undertakes to see that under no circumstances do employees leave a ship or fail to return, if ordered back, without replacing hatch covers, if instructed to do so. The ILA further specifically agrees that the employer's representatives shall have the right to discipline any employees found guilty of a violation of this rule.

When a dockman or tractor driver is required by the employer to return gear to the Gear Room beyond the finishing time, he shall be paid for such excess time at the applicable rate.

All transportation or hauling of stevedore tow motors, trucks, hustlers, spreader hars and gear from terminal to terminal will be performed by ILA employees if the transporting vehicles are owned by an employer of ILA employees.

SECTION 22

Shelter for Employees in Bad Weather

The ship is to supply suitable shelter for employees working on deck in bad weather. Adequate shelter will be

provided for gangs working on container vessels and appropriate shelter will be provided in the parking area for employees to only change clothes.

Rain gear has been furnished the employees, but will be replaced only when loss or damage is directly attributed to employment conditions.

Employees will be expected to work in light rain or snow and will not be required to work in a continuous downpour where to do so would create a safety hazard.

Suitable and safe transportation will be provided employees to the work site during inclement weather, and employees will ensure that vehicles are kept clean.

SECTION 23

Prohibited Activities and Discipline

1. Incompetence, insubordination, use of abusive language, pilfering, shirking of work, absence from the job without permission, or making a false claim of injury to receive workers' compensation insurance payments when no job-related injury has occurred, or wrongful receipt of wages, shall not be tolerated. Smoking shall not be permitted on vessels, piers, or in restricted terminal areas. Firearms, alcoholic beverages and illegal drugs shall not be brought on any waterfront facility. Waterfront facility shall mean the premises of all waterfront terminals as well as vessels berthed at such terminals and other work sites.
2. Violations of the above which occur on or after October 1, 2004 shall result in the penalties for the specific prohibited activities enumerated below:
 - (a) Shirking of work; abusive language; or smoking in a restricted area.

First Offense: Written reprimand with a copy sent to the worker's local.

Second Offense: Suspension by the employer for two (2) weeks.

Third Offense: Suspension by the employer for one (1) month.

Fourth Offense: Permanent discharge by the employer.

(b) Pilferage.

First Offense: Suspension by the employer for three (3) months and by the industry for thirty (30) days.

Second Offense: Suspension by the employer for six (6) months and by the industry for sixty (60) days.

Third Offense: Permanent discharge from the industry.

In each case where it is deemed that the worker is guilty of pilferage, it is understood and agreed that he will make full restitution.

- (c) Incompetence (failing to meet requirements resulting in unsatisfactory job performance) or insubordination (failure to follow supervisor's direction and/or company policy).

First Offense: Immediate suspension by the employer for two (2) weeks.

Second Offense: Immediate suspension by the employer for (30) days.

Third Offense: Immediate and permanent discharge by the employer.

If an employer determines that an employee is incompetent, the employer shall notify the union in order to allow the union an opportunity to review the employee's performance prior to the employee's permanent discharge from the job.

(d) Absence from the job without permission.

No personnel are allowed to leave the waterfront facility or job site while on the payroll for any purpose whatsoever except with the express permission of the employer's representative, when requested by Hatch Boss or Dock Header.

Only employers, union representatives and authorized personnel of signatory employers are permitted on the job site.

First Offense: Suspension by the employer for three (3) months and by the industry for thirty (30) days.

Second Offense: Suspension by the employer for six (6) months and by the industry for sixty (60) days.

Third Offense: Permanent discharge from the industry.

(e) Possession of a firearm.

The possession of a firearm, in vehicle or on person, will result in a six (6) months suspension from the industry for the first offense and immediate and permanent discharge from the industry for the second offense.

(f) Illegal drugs or alcoholic beverages; false claim of injury to receive workers' compensation.

No individual shall sell, distribute or possess illegal drugs or alcohol on a waterfront facility, or make a false claim of injury to receive workers' compensation insurance payments and/or credit hours for other benefits. Violations shall result in immediate and permanent discharge from the industry, and full restitution will be made.

(g) Wrongful receipt of wages.

No employee shall be included on two (2) payrolls at the same time ("double dipping"), unless previously

approved by Management, not to include approval by a header. No employee shall be included on a payroll without being present at the job site ("ghosting").

Violations shall result in immediate and permanent discharge from the industry, and full restitution will be made.

3. Notwithstanding the above, an employer may impose a lesser penalty in his discretion.
4. If an individual is convicted of a felony involving his/her work in any way, the Contract Board shall have the jurisdiction to impose any punishment as it may deem fair and proper in the circumstances and such decision shall be final and binding on all parties to the contract.
5. Offenses under Section 2 (a) through 2 (d) will be removed after four (4) years from date of occurrence.
6. When an accident occurs, the Union Official can call a meeting with the employer within forty-eight (48) hours.
7. When an employee is terminated, the Union Official may grieve the termination within thirty (30) days, before the person's position is permanently replaced.
8. It is further understood and agreed that only employers, union representatives and authorized personnel of signatory employers are permitted on the job site.

SECTION 24

No Discrimination

There shall be no discrimination by the ILA against any employer, nor shall the employer discriminate against the ILA. No arbitrary assignment of a gang or gangs shall be made by the ILA without prior discussion and mutual agreement between the employers and the ILA.

SECTION 25

Reordering or Releasing Employees Prior to Meal Hour

When employees have worked at any pier and are stopped for designated meal hours, irrespective of whether on weekdays, Saturdays, Sundays, holidays or nights, the employer shall give notice at least ten (10) minutes before the beginning of the meal hour, either an order to continue to work, release the employees, or reorder the employees for a subsequent hour.

When employees are ordered to go to lunch, they shall be permitted to stop work five (5) minutes prior to the meal hour.

SECTION 26

Improperly Packed Chemicals

No chemicals that are improperly packed or in any but first class shipping condition are to be accepted or loaded on board ship. If any question arises regarding the condition of this class of cargo, the matter is to be left to the Safety Committee, whose decision shall be final.

SECTION 27

Rubber Boots, Leather Gloves, Life Preservers

When rubber boots for wet or damaged cargo or leather hand pads or leather palm gloves for barbed wire are required, they shall be provided by the employers. When employees are working offshore barges and lighters, they shall be furnished life preservers.

SECTION 28

Orders for Gangs

- (a) No gang orders, once placed with the ILA are subject to later cancellation or set back. All night orders for 7:00 p.m. are definite orders and cannot be cancelled or set back to a later hour of the same day.

It is understood that in the event it becomes necessary to set back an order as provided herein information will be supplied to the ILA by the employer at or before the appropriate shaping hour as provided in following subparagraph "d" with time tolerance state therein.

The exception to the rule as above stated is that all orders for 8:00 a.m. Monday can be cancelled outright or set back to 1:00 p.m., if the employer so desires, and the same exception applies to 8:00 a.m. Tuesday if Monday is a holiday.

The above cancellation right shall also be applicable as to 8:00 a.m. Tuesday in the event of any Saturday or Sunday holiday which is observed on the following Monday.

When the ILA office accepting labor orders is closed during four (4) consecutive overtime days, orders for labor the following regular work day may be cancelled or setback for either 8:00 a.m. or 1:00 p.m., but not for both shape times. Once setback, it becomes a definite order.

In order to have the gangs completely filled out at 8:00 a.m. on cancellation days employers must cancel orders for gangs by 6:30 a.m. or it will be a firm order. Additionally, all known fill-ins must be reported to the dispatchers prior to 7:00 a.m. for an 8:00 a.m. start Monday through Friday.

- (b) **Placing of Orders**

Orders for gangs for Tuesday through Friday must be placed by 4:00 p.m. of the previous business day.

Orders for Saturday, Sunday and Monday must be placed by 5:00 p.m. on the preceding Friday.

Orders for gangs to work at 7:00 p.m. Monday through Friday must be given by 3:00 p.m. of the day involved.

Orders for 5:00 p.m. or 6:00 p.m. must be given by 4:00 p.m. the previous business day.

(c) Shipline Orders and Work Guarantees.

Shipline orders may be given to gangs when the ILA Hall is normally closed to return to work at 7:00 p.m. of the same day or for 7:00 a.m. or 8:00 a.m. of the following working day, upon completion of their initial period.

A gang with a 7:00 p.m. start may be given a 7:00 p.m. shipline order for the following night provided a day gang is employed on the same vessel at 7:00 a.m. or 8:00 a.m. between the two 7:00 p.m. night shapes.

Shipline orders are not intended to replace standard ordering procedures.

Such gangs are to receive a guarantee of four (4) hours pay regardless of any condition. Guarantee to commence at 8:00 a.m. or 7:00 p.m. Gangs refusing to continue working after 5:00 p.m. upon the employer's request (when such gangs could have finished a hatch or ship by 7:00 or 9:00 p.m.) shall be entitled to a two (2) hour guarantee when such gangs are given a shipline order for a later period.

Any gang with a 1:00 p.m. prior day order that stops work at 5:00 p.m. or 6:00 p.m. and refuses to work a second period shall be penalized by removal from rotation and the ILA shall be notified accordingly. Fill-ins that are dispatched shall be paid for four (4) hours minimum if the vessel does not work.

(d) Shaping Hours

In order to provide an appropriate time for necessary final confirmation or for cancellation or setback on Monday for previously placed orders, the following shaping hours will be observed:

NORFOLK

7:00 a.m.; 12:00 noon; and 6:00 p.m.

NEWPORT NEWS

7:00 a.m.; 12:00 noon; and 6:00 p.m.

and, if necessary in order to obtain information upon which to base final orders on Monday, employees are to remain at Hall fifteen (15) minutes after said shaping hours.

(e) Midnight Start

In addition to the existing start times, an 11:00 p.m. shape for a midnight start for container, LASH and Ro-Ro operations shall become effective December 1, 1990 on a voluntary basis. It is understood that an order for a midnight start must be given to the hiring center by 4:00 p.m. the day prior to the start. The eight (8) hour pay guarantee commences midnight to 1:00 a.m., at the meal hour rate of pay; 1:00 a.m. to 6:00 a.m. at the overtime rate; 6:00 a.m. to 7:00 a.m. at the meal hour rate of pay; and 7:00 a.m. to 8:00 a.m., at overtime rate unless work continues after 7:00 a.m. which pay rate continues at the meal hour rate. If work continues beyond 8:00 a.m., previously established guarantees shall prevail. Section 17, Shifting of Gangs, does not apply to the midnight start. Gangs accepting a midnight start will not have that job count in their rotation, unless subsequently agreed to change this provision by labor and management.

(f) The provisions of Section 28 will be superceded by the implementation of the electronic, telephonic hiring system throughout the Port of Hampton Roads.

The Hampton Roads Shipping Association shall continue to operate a hiring center in Norfolk and Newport News until the establishment of an electronic hiring system. It is mutually agreed by the parties that HRSA shall establish an electronic, telephonic hiring system, at which time the Hiring Centers will be eliminated in Norfolk and Newport News.

SECTION 29

Policing Ordering Procedures

The employers agree to supply name of vessels for which gangs are ordered, excluding ships at bulk cargo piers.

SECTION 30

Gang Size and Pay Guarantees on Rigging and Unrigging of Ship

Employer to have the right to designate the method of rigging ship and agrees to use a minimum of seven (7) employees for this purpose, during a period of not more than one (1) hour prior to time for which gangs have been ordered out for work, paying such employees as are used a minimum of four (4) hours pay at the prevailing rate of straight or overtime pay. Unrigging upon finishing of work to be performed with a full ship gang, provided minimum employment periods have already been worked. Both rigging and unrigging will include any and all work necessary to readying hatch or ship for handling cargo, but no cargo or dunnage will be loaded or discharged until employees performing in rigging are made part of a gang.

SECTION 31

Draft Sizes

- (a) The size of drafts of truck loads to be at discretion of employer or his proper representatives, making the best

use of the skill and aptitudes of the men and applying available mechanical and motor power to minimize wasteful and manual labor.

SECTION 31A

Safety Committee

- (a) The employer agrees to the appointment of a joint Safety Committee comprised of employer and ILA representatives, whose sole function it will be to handle any complaints under the foregoing paragraph. The criteria shall be in accordance with that which may be determined by duly appointed representatives of the U.S. Department of Labor.
- (b) All safety issues are local issues and are to be decided by the HRSA-ILA Safety Committee.

SECTION 32

Size of Gangs

Preamble

Labor and management will continue to seek measures that will reduce the cost of handling break-bulk cargo, including methods to improve productivity, to reduce manning and to enhance the performance of all crafts.

(a) General Cargo

Gang Size (breakbulk):

Heavy lift - twelve (12) employees

Project Cargo - fifteen (15)

Unitized - fifteen (15)

Plywood - seventeen (17)

Hand freight - twenty-one (21)

Special Project

In all cases when an outside crane is utilized, the winchmen shall be excluded from the gang size.

When there is an obstruction of the signal man's view, a second gangwayman shall be employed.

(b) Logs

When discharging logs, the minimum number of employees shall be ten (10) men inclusive of hatch boss and exclusive of drivers.

1-9

When loading logs from the dock, sixteen (16) employees, excluding the hatch boss and drivers shall be used.

Ship gang 1-11

Dock gang 1-4+2

In all cases when an outside crane is utilized the winchmen shall be excluded from the gang size.

When there is an obstruction of the signal man's view, a second gangwayman shall be employed.

(c) Wheeled Vehicles

When handling wheeled vehicles to or from the dock, the minimum number of employees shall be nineteen (19), inclusive of hatch boss, dock employees and drivers as below:

Ship gang 1-13

Dock gang 1-2+2

In all cases when an outside crane is utilized the winchmen shall be excluded from the gang size.

When there is an obstruction of the signal man's view, a second gangwayman shall be employed.

(d) Steel Coils, Structural, Bundle Wire Rods, Slabs, etc.

The minimum number of employees in a gang when working steel cargo shall be fourteen (14) employees,

inclusive of hatch boss and drivers, utilized at the employer's discretion.

In all cases when an outside crane is utilized the winchmen shall be excluded from the gang size.

When there is an obstruction of the signal man's view, a second gangwayman shall be employed.

(e) Cork

When handling cork to dock, the minimum number of employees shall be twenty-two (22) inclusive of hatch boss and dock employees and exclusive of drivers as shown:

Ship gang 1-11

Dock gang 1-9

In all cases when an outside crane is utilized the winchmen shall be excluded from the gang size.

When there is an obstruction of the signal man's view, a second gangwayman shall be employed.

(f) Bulk Cargo

When bulk cargo, excluding ore, grain and scrap iron is handled, either loading or discharging, with shore or floating cranes and/or mechanical equipment, it is agreed that not less than seven (7) employees, inclusive of hatch boss and exclusive of drivers, will be employed throughout the operation. It is understood that this means seven (7) employees per ship and that they may be distributed and utilized at the employer's discretion. When two cranes are utilized, it is agreed that nine (9) employees, inclusive of hatch boss and exclusive of drivers, will be utilized. All bulldozer and pay loader drivers shall receive fifty (50) cents per hour above the prevailing rate when handling bulk cargo.

When gangs are only topping off, the minimum gang size will be a hatch boss and three (3) longshoremen.

When ship's gear is used, together with mechanical equipment, the number of employees will be a minimum of seven (7) employees inclusive of hatch boss per gang per hatch.

Hand tubbing gangs shall consist of a minimum of thirteen (13) employees inclusive of hatch boss

When handling scrap iron with a free dumping operation, four (4) employees, inclusive of hatch boss and exclusive of drivers will be used for one (1) gang, and six (6) employees, inclusive of hatch boss and exclusive of drivers will be used when two (2) cranes are utilized. When there is a trimming operation being performed, and when a crane is being utilized, a gang of seven (7) employees inclusive of hatch boss and driver will be used, but where two (2) cranes are being utilized, a gang of nine (9) employees exclusive of hatch boss and driver will be used.

(g) Customs and practices will prevail.

SECTION 33

Grain Agreements

(a) Gang Size When Loading Grain

When free dumping bulk carriers, a gang of four (4) employees inclusive of hatch boss shall be used. If trimming with mechanical equipment is required, one (1) extra employee shall be ordered. The gang will receive radio communications in order to safely order grain.

(b) Dumping Grain and Trimming with Mechanical Equipment

Dumping grain and trimming with mechanical equipment will not be performed at the same time in the same hold except in common holds which have two hatch openings. This procedure also applies to soybean meal.

(c) Bagging Grain and Hand Trimming Grain in Tankers

If bagging grain or hand trimming tankers is required, a minimum gang of 11 employees inclusive of hatch boss shall be used.

It is understood that should it become necessary to bag or hand trim during a guarantee period, the gang would commence working and be filled out to an eleven (11) employee gang at the next regular work period.

(d) When Free Dumping and/or Topping off Bulk Carriers

Two loaders may be used simultaneously in one hatch or two separate hatches.

(e) Dumping Limitation

A gang having finished one vessel may be retained to start another vessel, but a new gang must be ordered at the next shaping period.

(Example: A gang finished a vessel at 2:30 p.m., having worked 8:00 a.m. to 12:00 noon and 1:00 p.m. to 2:30 p.m. and is paid to 3:00 p.m. Gang is retained for another vessel and would be paid from 3:00 p.m. to 5:00 p.m. or 6:00 p.m. or 7:00 p.m.)

(Example: A vessel finishes during the night that is expected to finish the next day. The gang ordered for 8:00 a.m. would start a new vessel and load until 5:00 p.m., 6:00 p.m. or 7:00 p.m. A new gang would have to be ordered for 7:00 p.m. and 8:00 a.m. the next day.)

(f) Meal Hours and Governing Rates of Pay

If the employees are required to work the meal hour when free dumping bulk carriers, the prevailing overtime rate of pay will apply. At the end of the meal hour if the employees continue to work, the pay rate will revert to the straight time rate. If employees are already on the overtime rate, then double time would be paid the meal

hour and revert to the overtime rate at the end of the meal hour.

When finishing a bulk carrier and the employees work through the meal hour without the opportunity for a meal break, the meal hour rate of pay will prevail until the vessel finishes.

(g) Basic Wage Rate

Wages and fringe benefits contributions not to exceed \$30.00 per hour.

Wages	Contributions	Total
\$28.00	\$2.00	\$30.00
27.00	3.00	30.00
23.00	7.00	30.00
19.00	11.00	30.00
17.00	11.00	28.00
16.00	12.00	28.00

\$28.00 and \$27.00 per hour employees will receive one (1) MILA credit for every two (2) hours worked.

\$23.00, \$19.00, \$17.00, and \$16.00 per hour employees will receive one (1) MILA credit for every hour worked.

SECTION 34

Carpenters and Lashing Gang

When work requires the ordering of carpenter and/or lashing gang, such gang shall consist of a minimum of six (6) employees, and a maximum of ten (10) employees, exclusive of hatch boss, and all lashing gangs will remain intact. It is understood and agreed that carpenters or lashers will not work below deck when the hatches are closed.

SECTION 35

Closure of Port

Employees ordered out to work the initial four (4) hour guarantee period will be guaranteed four (4) hours pay.

When the commencement of work is delayed by bad weather or work during the initial period is interrupted by bad weather, the employees will stand by pending orders from the employer.

The employer reserves the right to order the employees to work during the subsequent period the same day and if they take it upon themselves not to work they shall not be paid. It is understood that if the employer sends the employees home then they will not be debited.

In case of rain, snow, sleet or hail, when employers request employees to work on container vessels, RoRo vessels or LASH vessels, and if the employees work, they shall receive \$2.00 per hour premium, this premium to be paid for the full four-hour period and all further guarantee periods, as provided in the basic agreement providing the same inclement weather continues.

Employees will work in light rain or snow but may not be required to work in a downpour that would create a safety hazard.

When the United States Coast Guard, or other agency of the Department of Homeland Security, by written order, interrupts or delays the working of a vessel, the ILA will allow the cancellation of work orders.

SECTION 36

Prohibition of Lockouts, Strikes or Work Stoppages

There shall be no lockouts or work stoppages by the employers, but this shall not be construed to mean a layoff of employees due to business conditions. There shall be no strikes or work stoppages by the employees. The right of the employees not to cross a bona fide picket line is recognized by the employers.

SECTION 37

Arbitration Clause

Any grievance, dispute, complaint or claim arising out of or relating to this agreement shall be handled and disposed of in the manner hereinafter provided, and all the parties hereto agree to abide by any decision made in accordance therewith.

(a) Initial Procedure - Job Site

When a dispute occurs, either the employer representative (Stevedore, Pier Superintendent or appropriate designate of the employer) or Hatch Foreman or the ILA representative shall immediately call the problem to the attention of the other party. Meanwhile, work must continue. Every effort shall be made to reach a settlement consistent with the contract. If there be a failure to reach agreement, either party may immediately call for a member of the Arbitration Committee of the Hampton Roads Shipping Association and the International Vice President of ILA, AFL-CIO for the Port of Hampton Roads or their designated representative to come at once to the place of the dispute and attempt to resolve the problem.

(b) Arbitration Committee

- (1) If a dispute cannot be resolved at the job site within four (4) hours then it shall be referred in writing to an Arbitration Committee of six (6), three (3) of whom shall be representatives of the Hampton Roads Shipping Association and three (3) who shall be representatives of the ILA, it being understood that HRSA and ILA have appointed a standing permanent Arbitration Committee with three (3) alternates each authorized to act in the absence of a regular member. It is further understood and agreed that in the event that either management or labor is short of its requisite members, then those members present shall be authorized to vote for those members absent. Copies of the notice of the request for arbitration in writing together with details of the dispute and specific contract violations shall be sent by the charging parties concerned in the dispute in question.

It is further understood and agreed that where any dispute arises concerning a deepsea ILA member employed by a terminal, at least one (1) individual of the three (3) person arbitration panel appointed by the HRSA shall be a terminal operator or his representative.

- (2) It is agreed that unresolved disputes shall be automatically referred to the combined Arbitration Committee which shall meet within 24 hours from the time there has been a failure to resolve the dispute at the job site. The 24-hour period shall be exclusive of Saturday, Sunday and holidays, and the time shall commence to run from 8:00 a.m. of the first working day following the dispute. Meetings may be continued by mutual consent. A dispute may be resolved or settled only upon the decision of the

majority of the members of the combined Arbitration Committee of the HRSA and ILA. The decision of the Arbitration Committee shall be made in writing and shall contain the finding, conclusions, and reasons of the committee and copies thereof forwarded to the ILA and to the Hampton Roads Shipping Association and such decision shall be final, conclusive and binding on both sides with no right of appeal.

**(c) Application To Federal Mediation
Conciliation Service**

In the event of the failure on the part of the Arbitration Committee to reach a final decision within seven (7) working days disposing of the dispute and either side desires a Federal Arbitrator, then either side may immediately make application directly to the National Office of the Federal Mediation and Conciliation Service in Washington, D.C., to submit a panel of seven (7) names from which an arbitrator is to be selected. Notice of the application shall be given in writing to the other party. Each side shall strike off the panel three (3) of the arbitrators submitted and the remaining one shall be the arbitrator selected by the parties to hear and settle the dispute. The decision of the arbitrator shall be final and binding on both parties. Both parties shall bear equally any expenses incurred in connection with the administration of this paragraph.

SECTION 38

Contract Board

There is hereby created a special Board, which shall have an equal number of ILA officials and HRSA member representatives, which shall be the joint contractual body with respect to administering and interpreting all local contract provisions. This Board shall develop all necessary

standards and policy with respect to the administration and implementation of the applicable contractual provisions.

The representatives of each party shall have an equal number of votes. The board shall promulgate rules of procedures and bylaws to guide their proceedings. The board shall meet at least once bi-weekly unless agreed otherwise by mutual consent or shall have special meetings upon five (5) days written notice by either party. Any decisions made by the Contract Board shall be final and binding.

If, after such notice, a quorum of either side, without proper cause, fails to attend a meeting, the other party may proceed to act upon the business set forth in the notice of the meeting as if the other party were present in quorum. The actions taken by such party shall be deemed to have resulted in deadlock vote. Any and all matters which result in a deadlock vote of the board may be referred to arbitration in accordance with the above clause

The HRSA appointees to the contract board shall consist of eleven (11) members. The ILA appointees and alternates shall consist of eleven (11) members as may be appointed by the ILA District Council

It is understood that a study group shall be appointed of equal members from the ILA and management to review the feasibility of a central hiring center.

**Rules of Procedure and
ByLaws for Contract Board**

1. Purpose.

The HRSA-ILA Contract Board is the joint contractual body with respect to administering and interpreting all Local Contract provisions.

2. Membership.

The Contract Board shall have an equal number of ILA officials and HRSA member representatives. HRSA shall have eleven (11) members, plus observers as appointed. The ILA shall have eleven (11) members, plus alternates as appointed by the Hampton Roads District Council. The co-chairmen of the Board shall be the International Vice President of the ILA, and the President of the HRSA. The co-chairmen may select, at their discretion, respective alternates when regular Contract Board members are absent.

3. Meetings.

The Contract Board shall meet at least bi-monthly unless agreed otherwise by mutual consent. Except as modified by these Rules, meetings shall be conducted in accordance with the most current edition of *Robert's Rules of Order*.

4. Special Meetings.

Within five (5) days written notice, special Contract Board meetings may be called by mutual consent of the chairmen.

5. Notice of meetings.

Written notice of meetings will be sent to members and the co-chairmen five (5) working days prior to the meeting. Notice shall include the agenda of the meeting, minutes approved by the co-chairmen, and decisions of the prior Contract Board. However, this procedure shall not delay implementation of the Contract Board's rulings.

6. Issues.

Any matter in dispute shall be first considered by the employer and by the union for resolution. If the matter cannot be resolved, the dispute must be submitted in

writing citing the specific contract provision in issue, signed by an official of the local or by management and sent to the Executive Vice President of the Hampton Roads Shipping Association. All matters to be considered by the Board must be received by the Executive Vice President of HRSA five (5) working days prior to the next Contract Board meeting.

7. Agenda of meetings.

The Executive Vice President of HRSA shall send an agenda of issues to be considered prior to the date of the meeting of the Contract Board. An agenda item may be postponed until the next meeting if the interested party is not present or one of the parties requests an extension. He will be notified that the Contract Board will rule on the matter at the next Contract Board meeting whether or not he is present. The Contract Board may delay a decision in its discretion.

8. Minutes.

Minutes of the Contract Board shall be taken by the Executive Vice President of HRSA or a designated replacement. Once transcribed, the minutes shall be submitted to the co-chairmen for review and presented to the Board for approval. Once approved, the Minutes will be provided to the Contract Board members.

9. Quorum.

To constitute a quorum, there must be present at least six (6) HRSA members and at least six (6) ILA members.

10. Persons in attendance.

The only persons who shall be present at a Contract Board meeting shall be Contract Board members, alternates, observers, persons presenting issues and their union representatives. A grievant shall be represented by a union official, or in the case of management, by a

company employee. No other persons may be present, except by special invitation of the co-chairmen. If approved by the co-chairman, witnesses shall be permitted to attend upon three (3) days advance notice. Persons invited pursuant to this provision, including witnesses, shall enter the meeting only when called by the co-chairmen. The Board may call its own witnesses.

11. Executive Session.

Any board member may request the meeting room be cleared of invitees by asking the chair for an Executive Session. If a witness is called to testify in Executive Session, the grievant, if in attendance, his representative, and the employer may be present. Only voting members will be allowed in Executive Session. When matters that involve a voting member are being heard, that member will be asked to leave the room.

12. Motions.

Motions shall be made and voted on only during Executive Session of the Board. Discussions on such motion shall be limited to the Executive Session, except where otherwise necessary to obtain special information from any invitee.

13. Voting.

Voting by the Board will be done by a "yes" or "no" vote. Votes will be recorded. The majority rules. Those HRSA and ILA members present shall be entitled to cast all eleven (11) votes for their respective side.

14. Contract Board Decisions.

Decisions of the Contract Board shall be final and binding on all parties.

15. Deadlock.

Any and all matters which result in a deadlock vote of the Board shall be referred to arbitration in accordance with the provisions of the applicable Local Contract.

16. Committees.

The Board may appoint committees as necessary.

17. Amendment.

Amendment of these rules shall require an affirmative vote of a majority of HRSA members, and an affirmative vote of a majority of the ILA members at a meeting after advance notification of such amendments shall have been given in writing to all members of the Board.

SECTION 39

Contract Changes

It is agreed that no employer, official, district council, nor local of the International Longshoremen's Association has the right to make any changes in this Agreement and that all interpretations of same must be made in accordance with arbitration procedures set up in Clause 37.

SECTION 40

Vacation and Holiday Benefits

It is stipulated and agreed by the parties hereto that there has been heretofore created a Trust Fund, designated and known as the "HRSA-ILA Vacation/Holiday Fund", which is administered by fourteen (14) trustees, seven (7) of whom are appointed by the Association and seven (7) of whom are appointed by the ILA. The Board of Trustees shall develop all necessary standards and policy for the administration of the fund.

Employees are entitled to receive pay for Paid Holidays who have worked nine hundred (900) hours or more in the eligibility year.

An employee is entitled to receive one (1) week's vacation with pay annually who has worked seven hundred (700) hours or more in the eligibility year but under nine hundred (900) hours.

An employee is entitled to receive two (2) weeks vacation with pay annually who has worked nine hundred (900) hours or more in the eligibility year.

A third week of vacation will be given to any employee covered by this agreement for each year of the contract, provided they work 1100 hours or more in the eligibility year and provided they have worked each of the immediate preceding six (6) years prior to the year of eligibility, and further provided they have worked not less than (700) hours in five (5) of the aforesaid six (6) years, regardless of whether the hours made were at the straight time or overtime rate.

Six (6) weeks of vacation shall be given any employee covered by this agreement for each year of the contract, provided they work 1300 hours or more in the eligibility year, and provided they have worked in each of the immediate preceding twelve (12) years prior to the year of eligibility, and provided he has worked not less than 700 hours in ten (10) of the aforesaid twelve (12) years, regardless of whether the hours were at the straight time or overtime rate.

Vacation pay payments will be made on basis of records maintained by the Trustees of the HRSA-ILA Vacation-Holiday Fund.

An employee who would have qualified except for absence due to disability within provisions of the HRSA-ILA Fund Eligibility from Worker's Compensation pursuant to the Hampton Roads Working Agreements for the period

October 1, 2004 through September 30, 2010, credit hours, as a result of an employee's receipt of Worker's Compensation, will be provided to qualify an individual for benefits equal to those qualified for in the immediate prior year. By mutual agreement of the parties, Compensation Unit (CU's) will be generated from an employee's receipt of Worker's Compensation and allotted to individual employees for purposes of determining HRSA-ILA Benefit eligibility and for no other purpose. Weekly CU's will be applied, and will not exceed the duration of the period during which the employee receives Temporary Total or Temporary Partial Worker's Compensation benefits. The application of CU's are restricted to eligibility for HRSA-ILA Fund benefits with the exception of the Annuity & Savings Plan as detailed below in such weekly amounts as are calculated to enable an individual receiving Temporary Total or Temporary Partial Worker's Compensation to qualify for the level of previous benefits while not exceeding the time on Worker's Compensation. The CU's apply to occupational disability for which the individual receives Worker's Compensation Benefits only and do not apply to any other form of disability or sickness. The Contract Board has appointed a committee to review the application of the CU's on an annual basis and to make such CU allotments as are warranted.

It is understood and agreed that where any permanent total or permanent partial disability award is made, an employee shall not receive any credit toward the computation of vacation and paid holiday benefits.

Notwithstanding the foregoing, the Trustees shall have the authority to review the substance of a settlement and their decision shall be final and binding.

The Trustees shall review the case of any employee who in the current contract year earned at least 650 hours but less than 700 hours and applies for one week's vacation pay, and

shall give consideration to the applicant's previous work record. The decision rendered by the Trustees shall be final. The same review shall be granted to any employee upon application who has failed by fifty (50) hours to have made the sufficient hours requisite for two (2) or more weeks of vacation

Participants will receive twenty (20) hours per week credit towards vacation eligibility while in attendance for their two weeks (14 days) military reserve active duty training, provided that the employee submits an original copy of his military orders to the Hiring Center within five (5) working days at the end of their reserve duty.

It is understood that Vacation checks will be issued between December 1st and December 5th, or on a quarterly basis, of each contract year and paid holiday checks will be issued on June 1st of each contract year, unless there be some unforeseen circumstances over which the Employers have no control, in which case the ILA will be immediately notified.

Employees may elect to receive Vacation and Holiday checks on a quarterly basis based on qualifying hours earned.

Locals will be given the opportunity to make contributions on a quarterly basis to the vacation account for members working as delegates, excluding salaried officers, on Union business.

Contributions may be allocated initially to the HRSA-ILA fringe benefit escrow funds as agreed.

If a participant earns their vacation in a differential category, their vacation and holiday pay will be at the differential pay rate for that category, else prorate all work categories. Pay rates of less than the basic longshore straight time rate will only be used for proration if the participant needed those hours to qualify for their vacation level. 40-hour

guarantee employees must work the day before and the day after a holiday to receive holiday pay.

SECTION 41

Welfare Benefits

- (a) It is stipulated and agreed by the parties hereto that there has been heretofore created a Trust Fund, designated and known as the HRSA-ILA Welfare Fund, which is administered by a board of fourteen (14) trustees, seven (7) of whom are appointed by the Association and seven (7) of whom are appointed by the ILA. The Board of Trustees shall develop all necessary standards and policy for the administration of the fund. It is distinctly understood that the benefits to be paid are limited to those which can be secured for the sum realized under this Section through Employer contributions, minus necessary administrative costs.

Pursuant to the Hampton Roads Working Agreements for the period October 1, 2004 through September 30, 2010, credit hours, as a result of an employee's receipt of Worker's Compensation, will be provided to qualify an individual for benefits equal to those qualified for in the immediate prior year. By mutual agreement of the parties, Compensation Unit (CU's) will be generated from an employee's receipt of Worker's Compensation and allotted to individual employees for purposes of determining HRSA-ILA Benefit eligibility and for no other purpose. Weekly CU's will be applied, and will not exceed the duration of the period during which the employee receives Temporary Total or Temporary Partial Worker's Compensation benefits. The application of CU's are restricted to eligibility for HRSA-ILA Fund benefits with the exception of the Annuity & Savings Plan as detailed below in such weekly amounts as are

calculated to enable an individual receiving Temporary Total or Temporary Partial Worker's Compensation to qualify for the level of previous benefits while not exceeding the time on Worker's Compensation. The CU's apply to occupational disability for which the individual receives Worker's Compensation Benefits only and do not apply to any other form of disability or sickness. The Contract Board has appointed a committee to review the application of the CU's on an annual basis and to make such CU allotments as are warranted.

Notwithstanding the foregoing, the Trustees shall have the authority to review the substance of a settlement and their decision shall be final and binding.

During the term of this contract, Welfare contributions together with pension contributions shall be paid by HRSA members who employ ILA labor, as follows:

Effective October 1, 2004, the amount of welfare and pension contribution for the agreement shall be as follows:

Effective Date	Increase
October 1, 2004	\$1.00 per hour, raising the total rate from \$11.00 to \$12.00 per hour, of which \$5.00 per hour shall be paid to MILA.
October 1, 2006	\$0.50 per hour, raising the total rate 2006 from \$12.00 to \$12.50 per hour, of which \$5.00 per hour shall be paid to MILA
October 1, 2008	\$0.50 per hour, raising the total rate from \$12.50 to \$13.00 per hour, of which \$5.00 per hour shall be paid to MILA.

The amounts above may be allocated, not only to pension and welfare, but also to any other fringe benefits, as agreed by HRSA and ILA. The intent of this clause is that said contributions shall be paid by the Employers initially into the HRSA-ILA Fringe Benefit Escrow Fund and then to be allocated by the Trustees of said Fund on an as needed basis for welfare and pension.

It is agreed that eligibility for local Welfare benefits will be one thousand (1,000) hours, and for MILA-ILA Welfare benefits, eligibility will be in accordance with Master Contract.

- (b) No other change is to be made in the hourly rate to be contributed by the Employers through September 30, 2010, during which time both Employers and ILA agree to waive their right to bargain with respect to the Fund, and further agree not to resort to strike, lockout, or other economic force or threat of force to change or add to the Fund during the life of this Agreement.

(c) Supplemental Insurance

The HRSA-ILA Trustees will continue to study ways and means to provide health insurance coverage for those members who elect to retire after March 31, 2005, under the rules of the pension program.

HRSA and ILA will pursue MILA to recognize Welfare Retirement Eligibility Standards that existed in Hampton Roads prior to September 30, 1996.

FRINGE BENEFIT PROGRAMS

A. Managed Health Care Trust Fund

The parties hereto hereby agree to the creation of a Managed Health Care Trust Fund which shall be administered by an equal number of Management and ILA Trustees with five (5) Trustees appointed by CCC,

one (1) Trustee appointed by New York, two (2) Trustees from a group including Boston, Philadelphia, Baltimore, and/or Hampton Roads, one (1) Trustee by the South Atlantic, one (1) by Southeast Florida, one (1) Trustee by New Orleans and one (1) Trustee by the West Gulf as employer representatives and an equal number of 12 Trustees appointed by the ILA.

B. Funding

The parties shall amend the Agreement and Declaration of Trust of the Carrier-ILA Container Royalty Fund ("CR-4 Fund") to provide that the sole and exclusive purpose of the CR-4 Fund shall be to provide funding for MILA.

During the term of this Agreement, tonnage contributions to the CR-4 Fund for the funding of MILA shall be increased as follows:

Effective Date	Increase
October 1, 2004	\$0.25 per ton, raising the contribution rate from \$0.20 to \$0.45 per ton
October 1, 2005	\$0.75 per ton, raising the contribution rate from \$0.45 to \$1.20 per ton
October 1, 2009	\$0.25 per ton, raising the contribution rate from \$1.20 to \$1.45 per ton

SECTION 42

Pension Benefits

- (a) It is stipulated and agreed by the parties hereto that there has been heretofore created a Trust Fund, designated and

known as the HRSA-ILA Pension Plan, which is administered by a board of fourteen (14) trustees, seven (7) of whom are appointed by the Association and seven (7) of whom are appointed by the ILA. The Board of Trustees shall develop all necessary standards and policy for the administration of the plan.

Pursuant to the Hampton Roads Working Agreements for the period October 1, 2004 through September 30, 2010, credit hours, as a result of an employee's receipt of Worker's Compensation, will be provided to qualify an individual for benefits equal to those qualified for in the immediate prior year. By mutual agreement of the parties, Compensation Unit (CU's) will be generated from an employee's receipt of Worker's Compensation and allotted to individual employees for purposes of determining HRSA-ILA Benefit eligibility and for no other purpose. Weekly CU's will be applied, and will not exceed the duration of the period during which the employee receives Temporary Total or Temporary Partial Worker's Compensation benefits. The application of CU's are restricted to eligibility for HRSA-ILA Fund benefits with the exception of the Annuity & Savings Plan as detailed below in such weekly amounts as are calculated to enable an individual receiving Temporary Total or Temporary Partial Worker's Compensation to qualify for the level of previous benefits while not exceeding the time on Worker's Compensation. The CU's apply to occupational disability for which the individual receives Worker's Compensation Benefits only and do not apply to any other form of disability or sickness. The Contract Board has appointed a committee to review the application of the CU's on an annual basis and to make such CU allotments as are warranted.

Notwithstanding the foregoing, the Trustees shall have the authority to review the substance of a settlement and their decision shall be final and binding.

During the term of this contract, Welfare contributions together with pension contributions shall be paid by HRSA members who employ ILA labor, as follows:

Effective October 1, 2004, the amount of welfare and pension contribution for the agreement shall be as follows:

Effective Date	Increase
October 1, 2004	\$1.00 per hour, raising the total rate from \$11.00 to \$12.00 per hour, of which \$5.00 per hour shall be paid to MILA.
October 1, 2006	\$0.50 per hour, raising the total rate from \$12.00 to \$12.50 per hour, of which \$5.00 per hour shall be paid to MILA
October 1, 2008	\$0.50 per hour, raising the total rate from \$12.50 to \$13.00 per hour, of which \$5.00 per hour shall be paid to MILA.

The amounts above may be allocated, not only to pension and welfare, but also to any other fringe benefits, as agreed by HRSA and ILA. The intent of this clause is that said contributions shall be paid by the Employers initially into the HRSA-ILA Fringe Benefit Escrow Fund and then to be allocated by the Trustees of said Fund on an as needed basis for welfare and pension.

It is agreed that eligibility for local Welfare benefits will be one thousand (1000) hours, and for MILA-ILA Welfare benefits, eligibility will be in accordance with Master Contract.

- (b) No other change is to be made in the hourly rate to be contributed by the Employers through September 30, 2010 during which time both Employers and ILA agree to waive their right to bargain with respect to the Fund, and further agree not to resort to strike, lockout, or other economic force or threat of force to change or add to the Fund during the life of this Agreement.
- (c) All Pension benefit contributions shall be paid no later than the 60th day following the end of the quarterly period for which such contributions are due.
- In any case where an employer fails to remit the proper and full amount of contributions due to the Trustees of the Fund, said employer shall be individually liable to the Trustees for such amounts. Where any payments remain due and unpaid following the 60 days referred to above, the ILA may withhold labor from the delinquent member.
- (d) It is understood and agreed that the level of hourly contributions specified above shall be applicable to the total contributions made on all hours paid, except where the HRSA and ILA have mutually agreed. This clause will apply as to all agreements entered into with the same force and effect as if repeated word for word in the contract. Excluded from the coverage of this covenant, however, are the Freight Handlers' and Terminal Checkers' Contracts.
- (e) In the sole discretion of the employer, when an employee is short of the number of requisite hours to qualify for pension benefits for the final year, the employer may contribute the necessary money to the HRSA-ILA Pension Plan based on the current contribution rate to

make up the deficit in hours to enable the employee to retire.

It is not the intent of the parties hereto in any way to change or alter the vesting or service requirements for retirement as set forth in the HRSA-ILA Pension Plan.

SECTION 43

Employer Welfare and Pension Plans

In the event an employer now individually provides insurance, pensions or other welfare benefits for their own employees, an employee concerned shall choose either the benefits so provided or the benefits of a generally similar nature available under the agreed Welfare Plan or the Pension Plan. The intent of this provision is to eliminate duplication of coverage.

SECTION 44

Time Calculation for Benefits Under Welfare, Pension, Vacation and Holiday Funds

The ILA agrees it will supply no employees to perform labor under this contract to any employer not signatory hereto and who has not prior to the ordering of labor posted adequate cash or surety bond or irrevocable letter of credit guaranteeing said employer to make periodic and full contributions to the HRSA-ILA funds. It is further understood and agreed that if the ILA furnishes labor to any employer not signatory to this agreement and who has failed or refused to post adequate bond or given satisfactory Irrevocable Letter of Credit as requested, that other signatories, the HRSA and the various fringe plans and their respective trustees and managers shall not be held responsible in any form or fashion for such deficit payments and the ILA labor involved with be given no credits under said plan for such hours which were in fact worked.

To secure payments of assessments to the HRSA-ILA Funds, each member of the HRSA who employs ILA labor shall post a cash or surety bond or letter of credit payable to the benefit of the trustees. The amount of the cash, surety bond or letter of credit shall be computed at five (5) times the monthly average of the number of man-hours of labor paid by said member, multiplied by the current hourly contribution of each HRSA-ILA fund.

In lieu thereof, should such a member elect to make weekly payment of assessments directly to the funds, then they shall post a cash or surety bond or letter of credit equivalent to three (3) times the average weekly number of man-hours of labor paid by said member multiplied by the current hourly contribution of each HRSA-ILA fund.

All fund contributions shall be paid no later than the 60th day following the end of the quarterly period for which such contributions are due or three (3) weeks following the end of the work week if weekly payments have been elected. In any case where an employer fails to remit the proper and full amount of the contributions due to the trustees of the fund, said employer shall be individually liable to the trustees for such amounts. Where any payments remain due and unpaid following the 60 days, the ILA may withhold labor from the delinquent member.

Pay guaranteed salaries, pay period guarantees and work hours for employer signatories of the HRSA to this agreement shall be computed in calculating the above benefits and are to be reported during the regular time period for the payment of contributions for fringe benefits which are guaranteed the employees under this agreement. All exceptions to monies paid employees must be approved by the HRSA-ILA Contract Board.

SECTION 45

Report of Violations of Agreement

The ILA will report in writing to the Hampton Roads Shipping Association any employer or its representative who violates this agreement.

Conversely, the employer will report in writing through the HRSA to the ILA any ILA local, member or representative who violates this agreement.

SECTION 46

New Operations

In the event of a new operation, the employer, where possible, will give the ILA advance information as to any proposed new operations.

However, should objection to such operation be made by the ILA, the work shall continue pending settlement of the matter by a joint committee of both employers and the ILA.

SECTION 47

Checkoff of Union Dues

The employers agree to deduct dues for each hour worked from the pay of all persons covered by this agreement and for whom a written assignment of such dues has been furnished to employers. Such assignments shall be in full force and effect for a period of one year, subject to the renewal provisions of such assignments.

It is agreed that there shall be a checkoff of union dues on all sums paid for paid holidays, paid vacation, and container royalty payments.

The ILA shall indemnify and save the signatory employers harmless against any and all claims, demands,

suits or other forms of liability that shall arise out of or by reason of action taken or not taken by the employers for the purpose of complying with any of the provisions of this section.

LOCAL 846

For the period beginning October 1, 2004 through September 30, 2010, the percentage of dues to be so deducted shall be eight percent (8%) for each hour paid multiplied by the straight time rate. Of that amount one and two-fifths percent (1²/₅%) shall be remitted to the District Council of the ILA in Hampton Roads on a quarterly basis, and six and one-half percent (6¹/₂%) shall be remitted to the employee's local.

LOCAL 970

For the period beginning October 1, 2004 through September 30, 2010, the percentage of dues to be so deducted shall be four percent (4%) for each hour paid multiplied by the straight time rate. Of that amount one and two-fifths percent (1²/₅%) shall be remitted to the District Council of the ILA in Hampton Roads on a quarterly basis, and two and one-half percent (2¹/₂%) shall be remitted to the employee's local.

LOCAL 1248

For the period beginning October 1, 2004 through September 30, 2010, the percentage of dues to be so deducted shall be six and one-half percent (6¹/₂%) for each hour paid multiplied by the straight time rate. Of that amount, one and two-fifths percent (1²/₅%) shall be remitted to the District Council of the ILA in Hampton Roads on a quarterly basis, and five percent (5%) shall be remitted to the employee's local.

LOCAL 1784

For the period beginning October 1, 2004 through September 30, 2010, the percentage of dues to be so deducted shall be six percent (6%) for each hour paid multiplied by the straight time rate. Of that amount, one and two-fifths percent (12/5%) shall be remitted to the District Council of the ILA in Hampton Roads on a quarterly basis, and four and one-half percent (4 1/2%) shall be remitted to the employee's local.

COPE VOLUNTARY DEDUCTION

The employer agrees to deduct and transmit to the Treasurer of the International Longshoremen's Association, AFL-CIO, Committee on Political Education 1/10 of one percent for each hour paid from the wages of those employees who voluntarily authorize such contributions on the forms provided for that purpose by the International Longshoremen's Association, AFL-CIO, Committee on Political Education.

All monies so deducted shall be paid to the International Longshoremen's Association, AFL-CIO, Committee on Political Education as promptly as possible after the end of each quarter for which the deductions are made. The administrative procedures to be followed are those mutually agreed upon by the parties.

The ILA shall indemnify and save the HRSA and its employer members harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken or not taken by the employers for the purpose of complying with any of the provisions of this section.

SECTION 48

Registration

1. There shall be an annual registration with the signatory employers of the employees for the purpose of effecting a concentrated stable and skilled work force.

Such registration to be completed and submitted not later than September 1 of the year preceding the contract year. The list to be effective as of October 1 of the contract year.

Each employee must be assigned an "L" (Longshoreman) job category.

A job category may not be assigned to any employee that has never been the employee's registered category with the exception of the longshoreman category "L".

2. The ILA agrees to provide the signatory employers and to keep current a list of employees by gang, giving the full names of the employees, port number and job categories. Each eligible employee may be qualified and registered by the Union for more than one (1) category but no more than three (3) categories, and they may not be required to accept any assignment for work for which they are not qualified.

The job categories consist of:

Bosses
Slingers
Operators (deckmen, registered drivers, crane operators)
Longshoremen
Clerks and Checkers
Carpenters and Longshoremen (for only Local 1784)
Timekeepers and Interchange Writers
Miscellaneous Workers
Container Maintenance and Repair
Gearmen and Mechanics

3. An identification card will be issued which shall be a means of identification. The first card shall be issued without any cost, but the cost of duplicate replacement cards shall be assessed to the employees at \$5.00 each.

Any fraudulent use or misuse of identification cards, excuses or any documents will automatically result in the user and/or owner being suspended and/or penalized at the sole discretion of the Contract Board.

Availability of Labor

1. No employer will hire any longshoremen not included in the above described work force until all available employees of the registered work force have been hired and then only as temporary fill-ins to complete gangs. The foregoing does not apply to employees assigned to regular gangs. Hatch Bosses and Dockheaders will be required to hire all employees by category and seniority at all shaping periods, seven (7) days a week including Saturdays, Sundays, holidays and nights.
2. Gangs ordered on a prior day order shall be posted at the Union Hall. Men shall report as ordered to join their respective gangs.
3. Hatch Bosses and Dockheaders shall order through the Hiring System fill-ins and replacements for absentees. All fill-ins must receive a gang assignment slip (paper or electronic). Timekeepers shall not check in any fill-ins without assignment slips (paper or electronic). When fill-ins and replacements are ordered, the bosses shall report names and numbers of the members of the gang who failed to report to work.

Timekeepers must not check in any fill-ins or replacements without assignment slips (paper or electronic). Timekeepers or persons acting as timekeepers found in violation of this Section shall be

subject to disciplinary action as set forth by agreement of the Contract Board.

4. When employees are needed to fill out a gang at the pier, the Hatch Foreman or Dockheader shall notify the timekeeper or a company representative of the shortage and the category or employees needed. The company representative shall hire the employees needed and the job category.
5. Employees reporting at the Hiring Center shall register and wait for job assignments until 9:00 a.m. Employees shall be required to check in between 6:00 a.m. and 7:00 a.m. and remain at the Hall until 9:00 a.m. If no jobs are available, the employees shall return to the hall at 12:00 noon for assignment. New employees must adhere to the above rules and, in addition, must register Monday through Friday. Such new employees are required to accept jobs offered to them and must work with their gang.
6. When all members have been assigned and additional employees are required, replacements shall be ordered from Newport News and vice versa. Allowable time for the trip from Newport News to the Norfolk piers shall be one (1) hour and vice versa.

From Newport News to Cheatham Annex the allowable time shall be one (1) hour. From Norfolk to Cheatham Annex the allowable time shall be one and one-half (1 1/2) hours. Those employees exceeding the allowable time shall be paid only the time worked.
7. The employer shall call the ILA Union office for any and all gangs needed over the regular gangs assigned to his company so that extra gang assignments can be made from the gangs available with deficient hours. The intent of this clause is to balance the work load at the discretion of the Employers.

8. All fill-in employees accepting jobs through regular channels shall receive an assignment slip. Employees shall not be shaped without an assignment slip (paper or electronic) and shall not be checked in by the timekeeper.

The above provisions shall remain in effect until the full implementation of the electronic, telephonic hiring system.

9. Additional clerks and checkers when needed for replacement of PDO clerks and checkers or for non-preposted jobs shall first be obtained from eligible, registered, and available clerks and checkers at the Hiring Hall.

When all available checkers are employed through the Norfolk Hiring Hall and additional checkers are required, then available checkers from the Newport News Hiring Hall must be employed prior to dispatching employees outside the checker category and vice versa.

When the supply of available ILA checkers has been exhausted and additional checkers are needed, the clerks shall call for fill-ins from the Hiring Halls between 7:00 a.m. and 9:00 a.m. Any additional checkers reporting to the job without an assignment slip shall not be checked in and will not be permitted to check, unless there are no qualified ILA members available in the Hiring Halls. Only members of Locals 862 and 1624 shall be hired in either Norfolk or Newport News unless the members of those locals are unavailable in either city.

10. Additional timekeepers and interchange writers when needed for replacement of PDO timekeepers and interchange writers or for non-posted jobs shall first be obtained from eligible, registered and available timekeepers and interchange writers at the Hiring Halls.

When all available timekeepers and interchange writers are employed through the Norfolk Hiring Center and

additional timekeepers and interchange writers are required, then additional timekeepers and interchange writers from Newport News Hiring Center must be employed prior to dispatching employees outside of the timekeepers and interchange writers category and vice versa.

When the supply of available ILA timekeepers and interchange writers has been exhausted and additional timekeepers and interchange writers are needed, the clerks shall call for fill-ins from the hiring centers between 7:00 a.m. and 9:00 a.m. Any additional timekeepers and interchange writers reporting to the job without an assignment slip shall not be checked in and will not be permitted to check, unless there are no qualified ILA members available in the hiring centers. Only members of Locals 862 and 1624 shall be hired in either Norfolk or Newport News unless the members of those locals are unavailable in either city.

11. Additional container maintenance and repair employees when needed for replacement of PDO container maintenance and repair employees or for non-preposted jobs shall first be obtained from eligible, registered and available container maintenance and repair employees at the hiring center.

When all available container maintenance and repair employees are employed through the Norfolk Hiring Center and additional container maintenance and repair employees are required, then available container maintenance and repair employees from Newport News Hiring Center must be employed prior to dispatching employees outside of the container maintenance and repair category and vice versa.

When the supply of available container maintenance and repair employees has been exhausted and additional container maintenance and repair employees are needed,

the clerks shall call for fill-ins from the hiring centers between 7:00 a.m. and 9:00 a.m. Any additional container maintenance and repair employees reporting to the job without an assignment slip shall not be checked in and will not be permitted to work, unless there are no qualified ILA members available in the hiring centers. Only members of Local 1970 shall be hired in either Norfolk or Newport News unless the members of that local are unavailable in either city.

Excuses

1. It is mutually agreed that automatic excuses will be provided employees while attending the funeral of a spouse, brother, sister, mother, father, grandmother, grandfather and child. There shall be three (3) days allowed for an employee to attend a family funeral locally. Five (5) days shall be allowed an employee for travel to an out-of-town funeral.
2. It is mutually agreed that all members of a gang shall be excused to attend the funeral of a member of that gang if they so desire and upon 24 hours prior notice.
3. Under no circumstances shall the late registrant be dispatched ahead of those members who registered on time.
4. Night orders automatically excuse employees from registering the next day.

Night Orders:

7:00 a.m. or 8:00 a.m. until at least 12:00 midnight

1:00 p.m. until at least 1:00 a.m.

7:00 p.m. until at least 3:00 a.m.

15.0 hours or more worked during the period 7:00 a.m. to 6:59 a.m. the following day.

Any employee who has a prior day order for a 5:00 p.m. or 6:00 p.m. start is excused from registering that day.

5. All illness which prevents an employee from working which is not covered under compensation or welfare reports must be covered by a doctor's certificate.

Vacations

1. No more than 10% of the entire work force shall be on leave simultaneously.
2. Vacations shall be granted only in seven (7) consecutive calendar-day increments.

SECTION 49

Electronic, Telephonic Hiring System

The Hampton Roads Shipping Association shall continue to operate a hiring center in Norfolk and in Newport News until the establishment of an electronic hiring system. It is mutually agreed by the parties that HRSA shall establish an electronic, telephonic hiring system to be utilized portwide at which time the Hiring Center will be eliminated in both Norfolk and Newport News.

SECTION 50

Rules on Containers

This section covers all container work at a waterfront facility 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 such 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 provision, the following rules and regulations 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 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 1-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 or 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.

While batching and overland movement of containers shall remain in the contract, it is agreed that enforcement of the batching rule shall be stayed until January 1, 1991 and all violations prior thereto shall be forgiven.

Rule 2-Overland Movement of Containers from Management Port to Non-Management Port

If a carrier moves containers from a management port to a non-management port for the purpose of evading the Rules on Containers, the carrier is in violation of the Management-ILA agreement. If the cargo is being moved to a non-management-ILA port in the normal course of business, and not for the purpose of evasion, then such movement is not a violation.

Rule 3-Container Royalty Fund

- (a) 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 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 pension, retirement or supplemental cash benefits, which purposes are to be determined locally on a port-by-port basis. Management and the Carriers agree that the payment of container royalties as provided in their agreements is 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.

- (b) Every port or district Container Royalty Fund or other funds to which container royalty shall be paid, will supply periodically a report as to the use and distribution of said fund including an annual audited statement to the CCC Service Corporation ("CCC") and the ILA.
- (c) Effective December 1, 1990, the Carrier-ILA Container Royalty Fund is created to cover the Master Contract Region from Maine to Texas. All carriers signatory to this Agreement, shall be required to pay to such Fund, effective December 1, 1990, the sum of up to \$.30 per weight ton. Effective October 1, 1991, the carriers shall contribute an additional \$.10 per weight ton to said Fund. Effective October 1, 1992, the carriers shall contribute an additional \$.10 per weight ton and effective October 1, 1993, the carriers shall contribute an additional \$.25 per weight ton for a total of \$.75 per weight ton. All of these monies shall be used exclusively for fringe benefits, except for pension, retirement or supplemental cash benefits.

- (d) The periodic distributions of the amounts so paid would be determined solely by the CCC-ILA Trustees who would consist of an equal number of representatives appointed by the ILA and CCC.
- (e) Any dispute arising among the Trustees would be referred to the Arbitration Procedure provided in the Trust Agreement. The determination of the CCC-ILA Trustees or the determination reached under such arbitration procedure shall be final and binding on the CCC-ILA Trustees, the parties to this Agreement, all port associations or district associations, all beneficiaries and any and all persons claiming any benefits or rights under said Fund.
- (f) No person or entity shall have any right to any part of such royalty unless they, or any entity or local union which represents them, has subscribed to and agreed to be bound by this agreement with the joint consent of the CCC and ILA.
- (g) The CCC-ILA CFS Fund shall be continued for the life of this agreement with the carriers contributing \$.30 per weight ton as now provided. The Trust Agreement shall be amended to provide for additional use of such fund including retraining and any and all other fringe benefit purposes other than supplemental cash benefits.

GRIEVANCE PROCEDURE FOR MASTER CONTRACT ISSUES

(A) Local Level

All disputes under the Master Agreement involving Containerization, and Ro-Ro, including interpretations of the said Master Agreement, shall be heard initially by the Local Industry Grievance Committee ("LIGC") which shall consist of the following: three (3) Management representatives: (i) a representative of the Carriers

Container Council; (ii) a representative of the local port association where the dispute arose; and (iii) a local stevedore/or terminal operator; and three (3) representatives appointed by the ILA. Requests for interpretations may be brought at any time. The LIGC shall reach a decision within ten (10) days after either a charge has been filed of an alleged violation, or a request filed seeking an interpretation.

(B) Appellate Level

Where there is a failure to render a decision on the local level or where a party desires to appeal any decision rendered on the local level, such cases may be referred to the Industry Appellate Committee ("IAC").

(C) Appeals From a Decision of the LIGC

Appeals from the decision of the LIGC must be taken within twenty (20) days after a decision has been reached and the parties notified or within twenty (20) days from the deadline referred to in Paragraph 15(A) for the LIGC to reach a decision.

(D) Appeals Form

All appeals must be taken on an appellate form prepared by Management and the ILA.

(E) IAC

The IAC shall be comprised of sixteen (16) representatives of Management and sixteen (16) representatives of the ILA.

(F) The President of the ILA shall be Co-Chairman of the Union members of the IAC and the Chairman of the CCC shall be the Co-Chairman of the Management members of the IAC.

(G) Either Co-Chairman may call the IAC into session on short notice by telephone with fax confirmation to the other Co-Chairman and Executive Secretary.

(H) The Co-Chairmen may agree between themselves in special cases to call into session an IAC meeting with less than sixteen (16) members on each side provided that not less than six (6) such members on each side including the Co-Chairmen are convened to hear and determine a dispute. The IAC may hear and determine a dispute by telephone or video-telephone conference on the request of either Co-Chairman.

(I) Decisions by the LIGC and the IAC shall be rendered by a majority vote thereof. Decisions by the IAC shall be final and binding and shall constitute an enforceable award.

(J) Charges of alleged violations of this Agreement involving more than one port shall be referred directly to the IAC for a final determination.

(K) If after due and timely notice, either party fails to appear at a meeting of the LIGC or IAC, then the other party may proceed and hear the matter and issue a decision unilaterally.

(L) Arbitration

(i) Regular

If the IAC shall be unable to resolve matters referred to it, the Co-Chairmen shall seek to select an arbitrator immediately after the IAC deadlocks. If no such selection is made immediately (on the same day as the deadlock), within a ten (10) day period either party may refer the matter to the arbitrator next in line who is available (in accordance with the selection system).

Within thirty (30) days after this Agreement is effective, the Co-Chairmen shall seek to provide for a panel of at least five (5) and no more than ten (10) named arbitrators who shall serve as the permanent

arbitrators of the IAC during the term of this contract. The Volunteer Labor Dispute Procedures of the American Arbitration Association then in effect shall be utilized in such selection process.

An arbitrator shall be selected by the Executive Secretary pulling the name of the arbitrator by lottery. The first available arbitrator shall hear and determine the first dispute. After the first selection and thereafter, the lottery shall only include the names of the remaining arbitrators until all arbitrators have been selected in order of their being drawn. For each selection, arbitrators shall be listed in the order of drawing so that the arbitrator first indicating his availability shall be given the assignment. The Co-Chairmen are hereby authorized to oversee such selection and to exercise their discretion in such selection process.

(ii) Expedited

- (a) Any party to this agreement may, with respect to any grievance, dispute, complaint or claim arising out of or relating to the agreement at any point waive any and all preliminary steps of the grievance machinery and submit the matter to arbitration ("expedited arbitration") at any time after a matter has been considered by the Co-Chairmen. Such requests shall be made in writing by the President of the ILA or the Chairman of CCC, as the case may be, or their designees. Such writing may be by telegram or a letter hand delivered to the office of the other party. Telephonic or telephonic notice shall be given at the same time to a member of the panel who shall immediately thereafter (and not later than 24 hours after receipt of such notice) convene an arbitration

hearing at such place as he shall determine, including the work place where the dispute arose.

- (b) In the event any party fails to appear at any arbitration including an expedited arbitration hearing, the party failing to appear shall be deemed to have waived its right to contest its non-participation, and the arbitrator shall proceed forthwith to determine the issue.

- (c) In an expedited arbitration the arbitrator shall issue a short form award at the end of the hearing unless the time to render an award is extended by mutual consent. The arbitrator shall have the right to issue a more detailed decision within 30 days after the rendition of such short form award setting forth the reasons for his award. As to all other arbitrations, the arbitrator shall issue his award as expeditiously as possible. If an award is not rendered within 30 days (unless both parties agree to extend such time period) either party shall have the right to terminate the services of that arbitrator and he shall be replaced in accordance with the procedures set forth in the arbitration article. If the arbitrator is disabled and is thereby prevented from rendering a decision within 30 days, or if he fails to render a decision within 30 days, the parties shall refer the record and briefs to the next arbitrator for decision unless either party objects to such procedure, in which event a new and expedited hearing shall be held.

(M)(i) Regular Meetings

The IAC also shall meet regularly at least three (3) times per year to review the implementation of the Master Agreement and the objectives of both parties to develop a dynamic growth-oriented industry that addresses job

opportunities for the work force through competitive and efficient utilization of manpower to meet the needs of the industry. The Co-Chairmen shall fix the date, place, and time of such meetings.

(M)(ii) Industry Resource Committee

The Management-ILA Industry Resource Committee consisting of six (6) representatives on each side appointed by each Co-Chairman shall continue in effect for the purpose of considering major industry problems which require consideration for the benefit of Management, the ILA and the employees and which shall serve as a Master Contract planning committee to perform the same functions heretofore performed by the Resource Committee and to consider such agendas as may be brought before them by an agreement of the Co-Chairmen.

(N) Right to Strike

The ILA shall have the right to refuse to render service to any carrier or direct employer who fails or refuses to abide by the final decisions of the LIGC (if not appealed) or IAC after having been found to have violated any provisions of the Master Contract until said carrier or direct employer comes into full compliance with said decision. The provisions of any "no-strike" clause shall not be applicable in any such situation.

SECTION 50A

Rules and Conditions Covering Handling of Containers in Hampton Roads

1. Gang Size For Handling of Containers

When handling containers, sixteen (16) employees will be used. the utilization and placement of the employees in the gang to be at the Employers' discretion. Crane

operators, whether hired by the terminal company or by the stevedore, will be counted as part of the sixteen (16) ¹⁵ employee gang. The operation of the dual-hoist cranes with respect to utilization and manning will be reviewed on a regular basis by the joint Productivity Committee to determine such improvements of the cranes operations and to eliminate any undue hardship on the employees who operate them.

The container gang will perform no lashing. When lashing or unlashng is required, each lashing gang required, with a header and six (6) employees, will be utilized. This clause does not apply to barges. When working container or combo ships, lashing gangs will receive a 30 cents differential.

It is understood that the composition, size and utilization of the container gang in Hampton Roads shall continue as per the local agreements.

- (a) When holdmen are being used to stuff or unstuff containers on the dock or on deck there will be no simultaneous loading or discharging in the hatch by the gang.
- (b) When carpenters are required for securing cargo, a minimum gang of a header and three (3) employees shall be employed.
- (c) The Feeder Barge Agreement of January 1987 shall be vigorously enforced.

2. Small Container Ship Contract

- (a) For container vessels with a capacity of 500 TEU's, or less, the gang size shall be ten (10) employees which shall include a foreman.
- (b) For Ro-Ro vessels having a capacity of 150 TEU's or less, the gang size shall be seven (7) employees which shall include a foreman.

(c) The above gang sizes are minimums only. If more than one gang is employed at the same time, one (1) additional employee to be utilized as needed depending on local port customs, will be employed.

(d) 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 two-hour guarantee. All lashing shall be performed by the gang.

3. Gang Size For RO-RO Vessels

It is agreed that the gang size in a Ro-Ro vessel operation, excluding automobiles, shall consist of sixteen ~~16~~^{16 1/2} employees to be utilized and placed at the discretion of the Employer.

It is understood and agreed that when containers are stuffed (loaded) or unstuffed (unloaded) in any port by ILA longshoremen at longshore's rates, the payment of royalties shown above will not apply. This clause is also applicable to the additional Container Royalty to be paid over to the Trustees of the HRSA-ILA Pension Plan and Welfare Fund.

4. Non-Payment of Royalties

It is understood and agreed that when containers are stuffed (loaded) or unstuffed (unloaded) in any port by ILA longshoremen at longshoremen's rates, the payment of royalties shown above will not apply.

5. Fifth Wheel Driver

When a fifth wheel is required to move a container and/or chassis from the vessel to the place of rest or from the place of rest to the vessel within the terminal area, a member of the sixteen (16) employee longshore gang will be used in accordance with Paragraph 1.

Effective October 1, 2007, a Straddle Carrier driver may be counted as part of the dock gang as follows: *

One (1) October 1, 2007

6. Payment of Container Royalties

The Container Royalty payment is:

- (a) On conventional ships, thirty-five (35) cents per gross ton.
- (b) On partially-automated ships (conventional ships converted for handling vans and containers) where not more than two hatches have been converted for handling of containers, seventy (70) cents per gross ton.
- (c) On partially-automated ships (conventional ships converted for handling vans and containers), where not more than forty (40%) percent of the ship's bale cube has been fitted for containers, seventy (\$.70) cents per gross ton.
- (d) On ships where more than two hatches have been converted or fitted for the handling of containers, one dollar (\$1.00) per gross ton.

The applicable payments as described above shall be made to each of the Container Royalty Funds No. 1 and 3.

A premium of \$1.00 per long ton on containerized cargo is paid directly to M.I.A.

7. Eligibility Requirements For Supplemental Cash Payments

- (a) All employees who qualified prior to October 1, 2004 will continue to receive this Supplemental Cash Payment.
- (b) All employees who made seven hundred (700) hours per year prior to October 1, 2004 will receive credit to

qualify for the Supplemental Cash Payment, but must qualify in the remaining years as per paragraph "c" below.

- (c) All employees on or after October 1, 2004 to qualify for the Supplemental Cash Payment by working one thousand (1000) hours or more in five (5) of the next six (6) years and working one thousand (1000) hours or more in the qualifying year.
- (d) Any employee, eligible to receive container royalty supplemental cash payments, retiring during the term of the agreement, shall be eligible to receive the applicable supplemental cash payment for each of three (3) additional years following the last supplemental cash payment he would have otherwise received.

SECTION 51

Containerization Agreement

1. The Agreements of "Management" shall set forth the work jurisdiction of employees covered by the said Agreements in the following terms:

Management and the Carriers recognize the existing work jurisdiction of ILA employees covered by their agreements with the ILA over all container work which historically has been performed by longshoremen and all other ILA crafts at container waterfront facilities. Carriers, direct 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 to:

- (a) the loading and discharging of containers on and off ships
- (b) the receipt of cargo

(c) the delivery of cargo

(d) the loading and discharging of cargo into and out of containers

(e) the maintenance and repair of containers

(f) the inspection of containers at waterfront facilities (TIR employees).

2. Management, the Carriers, the direct 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.
3. 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 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 pension, retirement or supplemental cash benefits, which purposes are to be determined locally on a port-by-port basis. This assessment applies only to cargo not handled into or out of a container by the I.L.A. 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, the 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.
4. The minimum size of the container gang used in loading or unloading containers to or from container ships shall consist of fourteen (14) employees plus two crane operators.

5. LTL Manning. The minimum stuffing and stripping gang shall consist of one (1) longshoreman and one (1) checker in loading and unloading containers who shall work as directed on one or more containers at any one time.
6. Management, the Carriers and the ILA agree that the legal fight in defense of the Rules on Containers shall continue with full vigor. It is fully understood that nothing contained in any agreement shall be construed in any way as any waiver by the ILA of its position that the Rules on Containers are valid work preservation rules. Pending such legal appeals, the Rules in said contracts shall be enforced to the extent permitted by law. If the present appeals on the Rules on Containers are successful and the Rules are held to be valid, then the Rules shall be enforced in all ports covered by this agreement.
7. 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, the 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. The said notice shall not be given prior to December 1, 1980. If no agreement is reached within the sixty (60) day notice period, the ILA shall have the right to strike and Management shall have the right to refuse to hire employees under this Agreement. The negotiations referred to above shall, under no condition, be subject to grievance or arbitration under this agreement or under any Local Agreement.

SECTION 52

LASH

This Agreement covers all LASH work at a waterfront facility which includes but is not limited to the receiving and delivery of cargo, the loading and discharging of said cargo into and out of barges, the maintenance of barges at a waterfront facility, except where shipyard maintenance is required and the loading and discharging of barges on and off LASH and SEABEE ships

(a) All LASH and SEABEE ships shall be loaded and unloaded exclusively by longshore labor, checked by deepsea checkers, maintained by the ILA cooper, carpenter and maintenance locals, all of whom are employed under the terms of this Agreement at a waterfront facility (meaning a pier or dock, marshalling area, roadstead or other facility or location where LASH vessels are normally and usually loaded and discharged). All barges shall be loaded and unloaded by longshore labor, employed under terms of this Agreement. The employer shall use the gang system in the loading and unloading of the barges.

(b) LASH Barges.

1. Wages and benefits not to exceed \$30.00 per hour.

Wages	Contributions	Total
\$28.00	\$2.00	\$30.00
27.00	3.00	30.00
23.00	7.00	30.00
19.00	11.00	30.00
17.00	11.00	28.00
16.00	12.00	28.00

\$28.00 and \$27.00 per hour employees will receive one (1) hour credit for every two (2) hours worked for MILA. All others will receive one (1) hour credit for one (1) hour worked.

2. Gang size.
 - a. A header and the required number of employees, as determined by the employer, shall be ordered.
3. Delivery clerk to create plan, if required. Small quantities of cargo to be reviewed by the Productivity Committee, all others will be performed by the plan clerk.

(c) LASH (Mother Vessel).

1. Wages and benefits not to exceed \$30.00 per hour.

Wages	Contributions	Total
\$28.00	\$2.00	\$30.00
27.00	3.00	30.00
23.00	7.00	30.00
19.00	11.00	30.00
17.00	12.00	29.00
16.00	12.00	28.00

\$28.00 and \$27.00 per hour employees will receive one (1) hour credit for every two (2) hours worked for MILA. All others will receive one (1) hour credit for one (1) hour worked.

SECTION 53

Commencement of Coverage for Compensation Because of Injury or Illness on the Job

When employees have been ordered to work at a waterfront facility and have checked in with their employer's

timekeeper, they shall be covered by the applicable compensation law.

SECTION 54

Education Fund

There shall be created an HRSA-ILA David D. Alston Scholarship Fund for the purpose of assisting dependents of employees to obtain college level educations. The Coastwise and Intercostal Fund surplus and income shall be used for such purposes and is to be administered by the HRSA-ILA Trustees.

SECTION 55

Seniority

Management agrees that it will jointly administer a Seniority Program with the ILA through the establishment of a joint Management/ILA Seniority Committee. The Seniority Committee shall be comprised of equal members of the ILA and Management, and the Committee shall begin to administer the Seniority Program on April 1, 1997. The details of the administration of the Seniority Program shall be reviewed and agreed upon by the Seniority Committee between the effective date of this Agreement and its implementation by the Committee on April 1, 1997. Management shall have no liability for any issues arising out of the administration of the ILA's seniority system prior to the implementation of the Program on April 1, 1997.

Requests for labor shall be made by the signatory employer or his representative by calling the ILA union office.

It is mutually agreed that when a reduction in force occurs where an employee is terminated that the policy shall be that the last employee hired shall be the first to be terminated unless cause is shown.

Port of Hampton Roads Seniority Program

A joint Management/ILA Seniority Committee (Committee) shall be established pursuant to the following Agreements dated October 1, 1996 between ILA Locals 862, 846, 970, 1248, 1784, 1458, 1624, 1840, 1736, 1819 and 1970 and the HRSA (Hampton Roads Shipping Association):

Longshoremen's Agreement
Gearmen and Mechanics' Agreement
Miscellaneous Workers' Agreement
Clerks', Checkers' and Weighers' Agreement
Timekeepers' and Interchange Writers' Agreement
Container Maintenance and Repair Agreement
Freight Handlers' Agreement
Terminal Checkers' Agreement
Line Handlers' Agreement

Each Local listed above has previously established Seniority Rules either individually or collectively. The following Seniority Rules are attached hereto and made part of this Memorandum:

- (a) Ex. #A Seniority Rules for ILA Local 862's work jurisdiction.
- (b) Ex. #B Seniority Rules for ILA Locals 846, 970, 1248, 1784's work jurisdiction.
- (c) Ex. #C Seniority Rules for ILA Local 1458's work jurisdiction.
- (d) Ex. #D Seniority Rules for ILA Local 1624's (ILA Local 1840) work jurisdiction.

- (e) Ex. #E Seniority Rules for ILA Local 1736's work jurisdiction.
- (f) Ex. #F Seniority Rules for ILA Local 1819's work jurisdiction.
- (g) Ex. #G Seniority Rules for ILA Local 1970's work jurisdiction.

The Rules as outlined in the above Exhibits #A through #G shall be the Seniority Rules of the various work jurisdictions.

Pursuant to the Agreements listed above, the joint Management/ILA Seniority Committee will hear disputes and grievances involving Seniority Rules which have not been resolved at the Local level. The Joint Management/ILA Seniority Committee composition and rules will be as follows:

1. The Committee shall consist of an equal number of ILA officials and HRSA member representatives not to exceed four (4) members for each side. Each side shall have four (4) votes without regard to how many members are present at any given meeting.
2. Three (3) members present at a Committee meeting shall constitute a quorum provided there is at least one member from Management and one member from the ILA.
3. The HRSA management members shall be selected by Management. The Hampton Roads District Council (HRDC) shall select the ILA members. Each ILA Local and any HRSA member may send an observer to all of the Committee's meetings who may express their opinions but shall have no vote and may not be present in executive sessions.
4. If a dispute or grievance arises that involves a voting member of the Committee or the Local or Employer he/she is affiliated with, then the voting member of the

Committee shall be excused from the deliberations and may not cast a vote.

5. The Committee shall act by majority vote. The Committee's recommendations for resolution of a dispute or grievance will be submitted to the Contract Board and the decision of the Contract Board to accept, reject, or amend the recommendation of the Committee shall be final and binding. If the Committee deadlocks, then the Contract Board shall decide the issue and its decision shall be final and binding. If the Contract Board deadlocks, then the issue shall be decided pursuant to the arbitration clause of the applicable Agreements.
6. The Committee shall be the sole judge of the sufficiency of the evidence to be considered in the resolution of any dispute brought before them. The Committee may establish such procedural rules as appropriate.
7. Any person appearing before the Committee because of a grievance may be represented by a union official that he or she selects and may bring witnesses.
8. All disputes or grievances that are not resolved by the Local must be submitted in writing citing the specific rule violated, signed by the grievant and an official of the Local, and mailed to the Executive Vice President of the Hampton Roads Shipping Association. Within fifteen (15) working days from the receipt of said notice, the Executive Vice President of the Hampton Roads Shipping Association shall convene a meeting of the Committee.
9. Seniority will be reviewed at least once per year by the Committee and it will adjust seniority where appropriate.
10. Any provision in the Local Seniority Rules which conflict with the Agreements listed on page 1 or with the rules of the joint seniority program shall have no effect.

11. Any change in the Local Seniority Rules must be approved by the Joint Management/ILA Seniority Committee.

12. Nothing contained in this Seniority Agreement shall alter the existing local collective bargaining Agreements listed on page 1.

13. It is understood and agreed that HRSA and its members shall have no liability or responsibility for any matter arising out of the administration of the ILA's seniority system prior to the date of this Memorandum.

SECTION 56

Retraining of Employees

The ILA recognizes the right of Management to change methods of production and install new labor saving devices. It is understood and agreed that any technological changes will be discussed in advance with the ILA. It is agreed that affected employees, whose historical and traditional job positions have become modified as a result of technological change will be afforded the opportunity for retraining to acquire the necessary skills for employment in the same classification.

It is further understood and agreed that the retraining of employees will be for specific jobs enjoyed by the ILA under the existing contract at the employers' expense.

It is further understood and agreed that the Contract Board shall determine and interpret the contract as to what constitutes a traditional job which has been modified because of technological change and for which position displaced ILA personnel may request retraining. It is also understood and agreed that Management will not be compelled to accept any employee who has been retrained unless such employee exhibits sufficient competence in the modified job position.

SECTION 57

Terminal Operations

1. Longshore Stuffing and Stripping Gangs.

Stuffing and stripping containers at the waterfront facilities. The minimum stuffing and stripping gang shall consist of one longshoreman/driver and one checker in loading and unloading a container who shall work as directed by the Employer (cross docking). A working header will be employed for all stuffing and stripping operations.

2. Crane Operators

Applicable at VIT only. Crane operators must be brought in one-half (1/2) hour before the gang starts to boom the crane down. The rate of pay will be one-half (1/2) hour at the prevailing rate.

3. Guarantees

During the life of this contract, 40-hour guarantees to be mutually agreed upon.

4. Shop Stewards

Forty hour guarantee applicable at Norfolk International Terminals and Portsmouth Marine Terminal. Overtime at the discretion of the employer.

Two (2) working shop stewards shall be employed, one at (1) Norfolk International Terminals and one at Portsmouth Marine Terminal. The respective employer and the ILA shall mutually agree upon the individual to fill this job category and the duties of said shop steward. Employment of additional shop stewards at other container terminals is subject to mutual agreement by management and labor.

5. Landbridge

Operations to be performed by longshore labor only.

The HRSA and the ILA agree to immediate study and to observe other port rail operations for the implementation of competitive receiving and delivery of containers via rail in the Port of Hampton Roads.

6. Heavy Lifts

When handling heavy lifts in the terminals use only one (1) crane operator, if less than four (4) hours work and vessel is not on berth.

7. Flex Times. (Gate Only)

Flex-time starts begin at 6:00 a.m., 7:00 a.m. and 9:00 a.m. Such employees employed by 6:00 a.m., 7:00 a.m. and 9:00 a.m. flex-time starts will receive an eight-hour guarantee for the receipt and delivery of containers.

6:00 a.m. flex-time employees can be ordered in for a 5:00 a.m. start at time and a half, then revert to flex-time from 6:00 a.m. to 8:00 a.m. and after 8:00 a.m., revert to straight time.

8. CFS Stations

(a) Work force shall work as directed by the employer within the craft;

(b) Only ILA labor will perform all work historically performed by ILA as provide under ILA contracts.

The minimum work force shall consist of one (1) clerk and one (1) longshoreman. Regular employees shall receive a guarantee of forty hours per week. Extra employees may be hired as needed and shall be guaranteed only such hours as provided by the local agreement.

Container Freight Station employees shall be paid overtime only after 40 hours of work in any one week.

- (c) Starting times at the Container Freight Station shall be as determined by the employer, namely 7:00 a.m., 8:00 a.m. or 1:00 p.m. and shall continue for a work period not to exceed 12 hours in any one day.
- (d) The work week shall be Monday through Friday.
- (e) Commodity pay differentials prevail at CFS operations in accordance with the Working Agreements.
- (f) The CFS employees straight time guarantee will be reduced by eight (8) hours for each holiday worked. When not required to work, they will be paid eight (8) hours at the straight time rate. When required to work on a non-restricted holiday, employees shall receive eight (8) hours at time and a half for that day.

These rules only apply when the employee works the day before the holiday and the day after when requested. The five (5) restricted holidays shall be included in forty (40) hour weekly guarantee.

Starting time at the CFS shall be as determined by the employer, namely 7:00 a.m., 8:00 a.m., or 1:00 p.m. and shall continue for a work period not to exceed 12 hours in any one day. The work week shall be Monday through Friday.

- (g) All "K" job category longshoremen are guaranteed four (4) hours when ordered to work. All clerks and checkers are guaranteed eight (8) hours when ordered to work.
- (h) "K" category personnel may be relocated between Portsmouth Marine Terminal and Norfolk International Terminals only on a prior day order.

- (i) All CFS employees shall perform general house-keeping assignments in their working area.
- (j) It is mutually agreed that sampling of cargo at CFS operations is within the scope of work of this agreement.
- (k) It is mutually agreed that all cargo for containerization falls within the scope of this agreement. Carrier cargo and non-carrier cargo will be physically separated.

When consolidated truckloads or rail cargo are received on terminal, that cargo which would be containerized shall be discharged by Container Freight Station employees. In every instance where the truck or rail cargo is breakbulk, that cargo shall be handled exclusively by the Freight Handlers and Terminal Checkers. This has been the practice since the first day the Container Freight Station opened for business.

- (l) When a "K" job category employee requests time off, then the employer shall make the sole determination if a replacement is required.
- (m) All extra employees must be employed through a prior day order.
- (n) It is understood that all "K" job category employees may receive fill-in assignments only when all members of their craft have been assigned and additional employees are required.
- (o) "K" job category employees may be terminated by the employer upon two (2) weeks notice due to lesser job opportunities except no notice is required when discharging an employee with cause.
- (p) When extra employees or fill-ins are employed at CFS operations, then pay and guarantees under this

agreement shall prevail or per our local Longshoremen's Agreement and Checker's Agreement dated October 1, 2004 through September 30, 2010.

(q) Pay Guarantees

In every instance where the work period begins at 7:00 a.m. and breaks at 11:00 a.m. for meal hour and work resumes at 12:00 noon and work continues through the 6:00 p.m. to 7:00 p.m. meal hour and upon re-employment at 7:00 p.m., employees shall receive a minimum of two (2) additional hours of pay.

In order for CFS personnel to receive pay for a holiday, an employee must work the day prior and the day after that holiday and if requested to work, the employee is entitled for pay for work performed. If an employee refuses to work, pay shall not be credited for that day. Employees will be ordered to work on holidays as needed, based on a rotating system.

When loading or discharging a container at the end of a period and work remains, the same CFS employees shall be employed in the following period to complete that container.

- (r) The Productivity Committee shall meet with representatives from Virginia International Terminals to discuss the work rules and the operation of the C.F.S. in its entirety, with a foreman to be considered. The Productivity committee will also discuss with representatives from VIT a computerized tally.

9. Live Gate

A live gate shall be implemented at all terminals in the Port of Hampton Roads when determined appropriate by the terminal operator.

During terminal operations at Portsmouth Marine Terminal, a location checker will be utilized if the terminal requires numbers in or out of the chassis stacker.

At NIT and NNMT, if numbers are required, a checker will be utilized.

10. Straddle Carrier Relief Operators – Vessel Operations.

A Relief Operator will be employed for every three (3) machines ordered on all vessel operations involving loading and discharging operations except for the following listed exceptions:

- A. Ro-Ro Vessel
- B. Discharge only vessels.
- C. Barges involving less than 125 container moves per gang.
- D. Vessels berthed that load from more than one (1) container yard involving less than 125 container moves per gang.
- E. In each case, when a Relief Straddle Carrier Operator is ordered, they will start and finish with the other Straddle Carrier Operators ordered.

The above list is available for additional dialogue as operations change during the contract term.

SECTION 58

Collection and Enforcement of Payments or Fringe Benefit Fund Contributions

The Trustees of the various Fringe Benefit Funds created by this Agreement including but not limited to the HRSA-ILA Pension Plan, HRSA-ILA Welfare Fund, HRSA-ILA Container Royalty Fund, HRSA ILA Fringe Benefit Escrow Fund, HRSA-ILA David D. Alston Scholastic Fund, HRSA-

ILA Vacation and Holiday Fund, or the administrator of such fund or funds when directed by the Board of Trustees, shall have the power to demand, collect and receive employer payments and all other monies to which such Funds may be entitled. The Trustees may, in their sole discretion, take such steps including the institution and prosecution of or the intervention in such legal, arbitration and other proceedings as the Trustees in their sole discretion deem to be in the best interest of the Fund involved, for the purpose of collecting any delinquent payments.

The Trustees or their duly appointed representative may examine the pertinent employment and payroll records of each employer at the employer's place of business whenever such examination is deemed necessary or advisable by the Trustees in connection with the proper administration of the Funds involved. Trustees or their duly appointed representatives may examine all payroll records in order to verify manhour reports filed with the Funds including but not limited to such records as copies of I.R.S. W-2, IRS Form 941's, payroll journals, bank statements and cancelled checks.

Should any employer refuse to make the above-mentioned records available for examination and should the Trustees be required to take legal action to compel such examination, all costs of collection, including auditing fees, court costs, attorney's fees incurred by the Trustees and arising out of the collection of any delinquent contributions may be imposed by the Trustees of the Fund involved against any employer found to be in default.

SECTION 59

Annuity Contribution

The parties agree to an Annuity Program covering all employees in the Port of Hampton Roads.

Effective October 1, 1996, employees in the industry as of October 1, 1993, shall receive eighty cents (\$.80) per hour as an annuity.

Employees who entered the industry after October 1, 1993, and who earned eleven hundred (1100) hours in contract year 2003-2004 shall receive an annuity of fifty cents (\$.50) per hour worked commencing October 1, 2004. After October 1, 2004, any employee who earns eleven hundred (1100) hours in any successive contract year will qualify for the fifty cents (\$.50) per hour annuity commencing in the following contract year.

Effective October 1, 2004, employees who entered the industry after October 1, 1993, and who qualify for the supplemental cash payment, shall receive eighty cents (\$.80) per hour annuity commencing October 1 of the qualifying year. There will be no retroactive payments.

The HRSA-ILA Fringe Benefit Trustees shall administer this annuity program and establish all other rules and conditions that shall apply to this annuity program.

SECTION 60

Unlawful Discrimination And Harassment

1. The employer members of HRSA and the ILA agree that as required by all applicable laws, statutes and regulations, they will not discriminate against any employee because of race, color, sex, religion, national origin, age, physical or mental disability or veteran status or because of membership or non-membership in any union or any activity on behalf of any union, and will comply with all applicable laws prohibiting discrimination. Such laws include, but are not limited to, as applicable, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age

Discrimination in Employment Act, and all other state and federal non-discrimination laws, statutes and regulations.

2. The employer members of HRSA are Equal Employment Opportunity employers. It is their practice to recruit, hire, train and promote otherwise qualified persons in all segments of their work forces without regard to race, color, sex, religion, national origin, age, physical or mental disability, veteran status, or union membership or non-membership.
3. The employer members of HRSA, as required by all applicable laws, statutes and regulations, will not tolerate harassment based upon any legally protected status, including unlawful sexual harassment by employees, supervisors, clients, customers or visitors, against any employee, and will take appropriate action to prevent and promptly correct such conduct. Any employee or supervisor who unlawfully harasses another will be disciplined severely, up to and including discharge.

Sexual harassment prohibited by this section includes unwelcome sexual advances, requests for sexual favors or other spoken, written or physical conduct of a sexual nature (which includes jokes, language, gestures and the display of sexually suggestive materials):

- (a) when submission to such conduct is made a condition of employment; or
- (b) when submission to or rejection of such conduct is used as the basis for an employment decision; or
- (c) when such conduct unreasonably interferes with an employee's work performance; or
- (d) when such conduct creates an intimidating, hostile or offensive work environment.

Any employee who believes he or she is a victim of unlawful harassment must immediately report this to his or her union representative who must, in turn, immediately report this to an appropriate representative of the employee's employer. The employer will quickly investigate all such reports and resolve them as deemed appropriate under the circumstances. The employer will treat all such reports as confidentially as possible, disclosing such reports only to those with a need to know. The employer will not unlawfully retaliate against an employee for making such a report. Such a report is a precondition to proceeding as set forth in paragraph 5, below.

4. This Contract, including this Section, shall be administered in accordance with the applicable provisions of Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in Employment Act, and all other state and federal non-discrimination laws, statutes and regulations.
5. Any and all disputes, claims, charges or complaints arising under this Section, including those claiming a violation of Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in Employment Act, and all other state and federal non-discrimination laws, statutes and regulations, shall be brought before the Contract Board, in accordance with the provisions set forth in this Contract. Decisions rendered in accordance with the Contract Board provisions of this Contract, by the Contract Board or, if necessary, by an arbitrator, with respect to such disputes, claims, charges or complaints shall be final and binding upon the parties and the affected employees. The parties and the affected employees waive any rights they may otherwise have to pursue such disputes, claims, charges, or complaints in any judicial forum.

SECTION 61

Memorandums

MEMORANDUM OF AGREEMENT BARGE AND SHIP AGREEMENT

October 1, 2004

I. Barge Only.

- a. Gangs will work barges of the same line for the same stevedore at the same or multiple terminals. (This shall include NIT, PMT Sea-Land and LPD.)
- b. All labor will be paid for travel from terminal to terminal, not to exceed 60 minutes from stop time at the first terminal to start time at the second terminal (not to include meal hour). (Delivery clerk and crane operator shall notify superintendent of delay in order to receive full 60 minutes.)
- c. If and when transtainer and straddle carrier operators are interchangeable, the labor will travel between terminals.
- d. No travel time provided for movement of barge between berths at PMT and Sea-Land.
- e. The gang will lash and unlash during cargo operations when safety is not a factor.
- f. For a barge operation, the plan clerk will provide the plan, if required.
- g. Gang to consist of a hatch boss, gangwaymen and eight (8) driver L/S. Additional employees may be employed at the discretion of the employer.
- h. With 30 or more containers, a drybox mechanic will be assigned to the barge which will be reviewed by the Productivity Committee.

- i. A relief checker will be employed when one gang is working and there are 300 or more container moves. A relief checker will be employed when two or more gangs are working and there are 450 or more container moves. When a break in work exceeds 18 hours, the job will be considered a new operation for the purpose of determining the need for a relief checker and the above numbers apply.

II. Barge and Ship.

- a. One delivery clerk may be employed to work a simultaneous ship and barge operation, when less than 100 lifts are worked to the barge. Hatch checker will follow gang.
- b. Delivery clerk assigned to barge shall prepare the plan for the barge if required.
- c. Gang flexibility: A gang can be shifted from barge to ship or ship to barge when 100 or less containers are worked on a barge.

NOTE: A, B & C above shall be discussed by the Productivity Committee for resolution, however, pending resolution the functions will continue "as is" including item C above in Newport News.

- d. When there are 25 or more containers being discharged at Portsmouth Marine Terminal or Sea-Land for either terminal, a delivery clerk will be employed by each terminal, wherever the operation begins.
- e. A relief checker will be employed when one gang is working and there are 300 or more container moves. A relief checker will be employed when two or more gangs are working and there are 450 or more container moves. When a break in work exceeds 18 hours, the job will be considered a new operation for

the purpose of determining the need for a relief checker and the above numbers apply.

III. Ro-Ro.

- a. Delete: "A gang working on the weather deck may be shifted to work the Ro-Ro cargo if that cargo needs four (4) hours or less of work to finish and vice versa."

MEMORANDUM OF AGREEMENT BREAKBULK CARGO PORT OF HAMPTON ROADS, VIRGINIA

October 1, 2004

- (1) Contract term - October 1, 2004 - September 30, 2010.
- (2) Gang size.
 - A. Heavy lift - twelve (12) employees
 - B. Project Cargo - fifteen (15)
 - C. Unitized - fifteen (15)
 - D. Plywood - seventeen (17)
 - E. Hand freight - twenty-one (21)
 - F. Special Project
 1. When there is a special project, there will be discussion to determine the proper gang size.
- (3) If a plan clerk is required, one will be ordered. If a pier clerk is required, one will be ordered.
- (4) When there are ten (10) or more containers on a breakbulk vessel, a terminal delivery clerk will be utilized.
- (5) One (1) hatch checker per gang (no relief checker).

- (6) Wages and Contributions to the Funds: Total of \$30.00

Wages	Contribution to Funds	Total
\$28.00	\$2.00	\$30.00
27.00	3.00	30.00
23.00	7.00	30.00
19.00	11.00	30.00
17.00	13.00	30.00
16.00	14.00	30.00

\$28.00 and \$27.00 per hour employees will receive one (1) MILA credit for every 2 hours worked.

\$23.00, \$19.00, \$17.00 and \$16.00 per hour employees will receive one (1) MILA credit for every hour worked.

NOTE: Two-hour cancellation for weather for poultry.

MEMORANDUM OF AGREEMENT BREAKBULK FROZEN COMMODITIES PIER 3 PORT OF HAMPTON ROADS, VIRGINIA

October 1, 2004 - September 30, 2010

- (1) Gang size: 17-man gang, inclusive of hatch boss/dockheader, deckmen, slinger, drivers and holdmen.
- (2) One (1) delivery clerk per vessel.
- (3) One (1) hatch checker per gang (no relief checker).
- (4) Wages and contributions to the Funds.

Wage	Contribution
\$23.00	\$.80
\$22.00	\$.80
\$17.00	\$2.00
\$13.00	\$4.00

NOTE: Annuity for employees who qualify will be paid out of the above contributions.

(5) No penalty differential for freeze at Pier 3.

(6) Start times:

7:00 a.m., 8:00 a.m., 10:00 a.m. - Prior day order to be placed as per contract.

1:00 p.m. - May be placed by 10:00 a.m. the same day if not a prior day order.

5:00 p.m., 6:00 p.m., 7:00 p.m., 12:00 midnight - To be placed by 3:00 p.m. the same day.

Note: Monday through Friday - all hours prior to 8:00 a.m. and after 5:00 p.m. will be paid at the overtime rate.

(7) Cancellation.

Due to non-arrival or inclement weather, there will be a two (2) hour guarantee on initial order only.

After the vessel commences or reorders, there will be a four (4) hour guarantee.

(8) Guarantee.

Four (4) hours for all crafts.

Two (2) hours after breaking for the meal hour.

Delivery clerk will receive a two (2) hour guarantee for cancellation of vessel but will receive an eight (8) hour guarantee once the ship commences work or reorders.

Witness the following signatures:

FOR EMPLOYER MEMBERS OF HAMPTON ROADS SHIPPING ASSOCIATION

Roger J. Giesinger, Chairman,
Employers' Negotiating Committee,
Hampton Roads Shipping Association

FOR INTERNATIONAL LONGSHOREMEN'S ASSOCIATION

Edward L. Brown, Sr.,
International Vice President,
International Longshoremen's Association

FOR EMPLOYEES

Rodney Shird, President, ILA Local 846,
Newport News, Virginia

Richard L. Dickens, Jr., President, ILA Local 970,
Norfolk, Virginia

Jerry T. McMannen, President, ILA Local 1784,
Newport News, Virginia

Thomas M. Little, President, ILA Local 1248,
Norfolk, Virginia

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MEMORANDUM OF AGREEMENT GEARMEN AND MECHANICS' AGREEMENT

October 1, 2004 - September 30, 2010

PREAMBLE

This Agreement, made and entered into by and between the Hampton Roads Shipping Association, the employers, and the International Longshoremen's Association, AFL-CIO and its affiliated Locals Nos. 846, 970 and 1248 as party of the second part, is meant to cover all work pertaining to the normal duties of gearmen and mechanics for the employers as directed by them in the Port of Hampton Roads.

SECTION 1

Scope of Work of ILA

Members of the ILA shall have, insofar as it is compatible with the laws of the United States of America and the State of Virginia, all work pertaining to the normal duties of Gearmen and Mechanics for the employers as directed by them in the Port of Hampton Roads.

To the extent legally possible, the employer members of the Association agree they will not directly perform work or contract out such work which historically and regularly has been and currently is performed by employees covered by this agreement or employees covered by ILA craft agreements unless such work is performed by employees covered by ILA agreements.

SECTION 2

Guaranteed Hours of Work

All employees employed on any given day from Monday to Friday, inclusive, shall receive a minimum of eight (8) hours pay, commencing at 8:00 a.m. It is understood that when employees are ordered to work and make themselves available they will receive 40 hours pay per week, Monday

through Friday, except in instances where employees fail to report to work when ordered. This guarantee does not apply to part-time employees, except that a fill-in for a 40-hour employee shall be guaranteed 40 hours during a week containing a holiday.

If employees are worked through the 12:00 noon to 1:00 p.m. meal hour, Monday through Friday, they shall not be compensated for at the overtime rate, but shall be given equal time later the same day, as has been the custom and practice.

When employees do not report to work because of vacation or sickness, such time shall be excluded from the weekly 40-hour guarantee.

It is understood that the 40-hour week guarantee does not apply to the Port of Newport News during the life of this contract.

SECTION 3

Holidays

(a) Holidays to be observed during the year are agreed to be:

New Year's Day, January 1st

Martin Luther King's Birthday, January 15th

Lee's Birthday, Third Monday in January

Washington's Birthday, Third Monday in February

Thomas W. Gleason's Birthday, March 17th

Good Friday, Friday immediately preceding Easter Sunday

Memorial Day, Last Monday in May

Jefferson Davis Day, June 3rd

Independence Day, July 4th

Labor Day, First Monday in September

Columbus Day, Second Monday in October

Election Day, Tuesday next following first Monday in November

Veterans' Day, November 11th

Thanksgiving Day, Fourth Thursday in November
Christmas Eve, December 24th
Christmas Day, December 25th

- (b) **Restricted Holidays**-Thanksgiving Day, Christmas Eve, Christmas Day, New Year's Day, Independence Day and Labor Day.

It is understood that only mail, baggage, ships in distress, containerized perishable cargo and damaged cargo of hazardous nature are to be worked on Thanksgiving Day, Christmas Eve, Christmas Day, New Year's Day, Independence Day and Labor Day. Employees will return to work no earlier than 6:00 a.m. on any day following a restricted holiday.

- (c) When an ILA holiday falls on Saturday or Sunday, the following Monday will be observed as an overtime day it being understood that the ILA will accept orders for gangs up to 5:00 p.m. on Friday for work on Saturday, Sunday or Monday.

It is further understood that the ILA Hall will be open up to 5:00 p.m. Friday to accept such orders EXCEPT on Christmas Eve, Christmas Day, New Year's Day and July 4th.

The Tuesday following any Monday observed as a holiday will be a cancellation day or set back at 8:00 a.m.

- (d) **Christmas Holiday**

It is agreed that employees will work until 12:00 midnight on December 23, returning to work at 6:00 a.m. on December 26th. It is also agreed that the ILA will accept orders at the ILA Hall up to 5:00 p.m. on December 23 for work on December 26. Employees will work until 6:00 p.m. on December 31, New Year's Eve.

- (e) **Paid Holidays**

New Year's Day, January 1st
Martin Luther King's Birthday, January 15th

Lee's Birthday, Third Monday in February
Washington's Birthday, Third Monday in February
Thomas W. Gleason's Birthday, March 17
Good Friday, Friday immediately preceding Easter Sunday

Memorial Day, Last Monday in May
Jefferson Davis Day, June 3rd
Independence Day, July 4th
Labor Day, First Monday in September
Columbus Day, Second Monday in October
Election Day, Tuesday next following first Monday in November

Veterans' Day, November 11th
Thanksgiving Day, Fourth Thursday in November
Christmas Eve, December 24th
Christmas Day, December 25th

The 40-hour weekly guarantee shall include the six (6) restricted holidays.

When in the absence of a 40-hour guarantee employee, a fill-in shall have a 40-hour guarantee during a week containing a holiday. Then, after the second week of their employment, the fill-in shall have a 40-hour guarantee for holiday pay purposes. This clause is pre-empted when the regular employee returns to work.

SECTION 4

Customs and Practices

It is clearly understood that the past customs and practices between parties shall continue provided no ILA men are displaced and in no way are the terms and conditions of the Longshore Contract applicable for gearmen and mechanics, except for increases in rates of pay. A gearman and/or mechanic shall be employed at every part of operation.

Leased equipment will either be removed from terminal or, if repaired on terminal, a mechanic will repair it or will be present when being repaired.

SECTION 5

Effective Date of Agreement, Wage Increase & Wage Scale

A. This Agreement shall be effective October 1, 2004 and shall remain in full force and effect up to and including September 30, 2010.

B. Wage Increase

Employees whose straight-time basic wage rate in effect on September 30, 2004 is more than \$21.00 per hour shall receive the following increases in their straight-time basic wage rate:

Effective Date	Increase
October 1, 2004	\$1.00 per hour
October 1, 2006	\$1.00 per hour
October 1, 2008	\$1.00 per hour
October 1, 2009	\$1.00 per hour

Employees whose straight-time basic wage rate in effect on September 30, 2004 is \$21.00 per hour or less shall receive the following increases in their straight-time basic wage rate:

Effective Date	Increase
October 1, 2004	\$2.00 per hour
October 1, 2006	\$2.00 per hour
October 1, 2008	\$1.50 per hour
October 1, 2009	\$1.50 per hour

The starting straight-time basic wage rate for new employees who enter the industry on or after October 1, 2004 shall be \$16.00 per hour.

C. Wage Scale – Effective October 1, 2004

	10/1/04	10/1/06	10/1/08	10/1/09
Prior to 10/1/86	\$28.00	\$29.00	\$30.00	\$31.00
After 10/1/86 to 12/1/90	\$27.00	\$28.00	\$29.00	\$30.00
After 12/1/90 to 9/30/96	\$23.00	\$25.00	\$26.50	\$28.00
After 10/1/96 to 9/30/02	\$19.00	\$21.00	\$22.50	\$24.00
After 10/1/02 to 9/30/04	\$17.00	\$19.00	\$20.50	\$22.00
After 10/1/04 to 9/30/06	\$16.00	\$18.00	\$19.50	\$21.00
After 10/1/06 to 9/30/08	–	\$16.00	\$17.50	\$19.00
After 10/1/08 to 9/30/10	–	–	\$16.00	\$17.50

SECTION 5A

Differentials

Head Mechanic	0.30	0.45
Head Gearman	0.30	0.45

SECTION 5B

NEW EMPLOYEES and Re-Entering the Industry

Any employees being hired for the first time shall be required to pass a mandatory physical examination and drug test as established by management and the ILA after they are offered employment and before they engage in any

employment services. Such new employees shall also be required to pass eligibility and proficiency tests approved by management and the ILA and shall also be required to be re-certified as per the Master Contract.

Employees who entered the industry from February 1994 through October 1, 2010 shall be required to accept jobs offered to them and must work with their gang. Three (3) job refusals at the Hiring Center, or unexcused absences, per year will result in the loss of their port number.

All employees who work 1000 hours or more in five (5) out of six (6) years and working 1000 hours or more in the qualifying year shall be eligible to accept any job offered by a header without penalty. Failure to accept a job through the Hiring Center will result in a debit.

Temporary or new employees who test positive for drugs during their first calendar year will be permanently terminated.

RE-ENTERING THE INDUSTRY

Those employees who have lost their port numbers for any reason, other than for drugs or contract violations, must petition the Contract Board to be re-instated.

- (a) Individual must request re-instatement within three (3) years of loss of port number.
- (b) Individual must have valid reason for leaving industry.
- (c) Must pass a physical and drug screen at their cost by Doctor selected by HRSA/ILA.
- (d) Pass all required driving, safety, hazardous cargo test, etc.
- (e) The ILA Seniority Board will review and make proper assignment of seniority.

SECTION 6

Prohibition or Work Stoppages

It is understood that gearmen and mechanics will work when ordered during any work stoppages or strikes by any union. It is further understood that the employees will not honor any picket lines.

SECTION 7

Arbitration Clause

Identical to Section 37, Longshoremen's Agreement, plus:

One (1) gearman and one (1) mechanic may be present during discussions.

SECTION 8

Prohibited Activities and Discipline

Identical to Section 23, Longshoremen's Agreement.

SECTION 9

No Discrimination

Identical to Section 24, Longshoremen's Agreement.

SECTION 10

Hiring and Laying Off of Gangs and/or Employees and Unavailability of ILA Employees

The employer is under no obligation to hire employees by gangs or through the office of the Union. The stevedore employer or his representative reserves the right to hire from available members of the Union, all employees, including

hatch foremen, gangwaymen, winchmen and slingers and to lay off any and all employees whenever such action in his judgment is warranted. The Union will be immediately notified when such action is taken and the employer requests a replacement.

When the ILA cannot furnish a sufficient number of qualified employees to perform the required work as provided for in this Agreement in a satisfactory manner, the employer may hire needed employees at his discretion.

It is understood and agreed that the signatory employer when hiring supervisory personnel will give consideration to the employment of experienced ILA employees from Locals covered by this Agreement for such vacancies as may exist.

SECTION 11

Vacation Benefits and Eligibility

Identical to Section 40, Longshoremen's Agreement, plus:

It is understood that the employer contributions into the Vacation Fund shall not exceed 1300 hours of work for each employee during this contract. 40-hour guarantee employees must work the day before and the day after a holiday to receive holiday pay.

SECTION 12

Welfare

Identical to Section 41, Longshoremen's Agreement.

SECTION 13

Pension

Identical to Section 42, Longshoremen's Agreement, plus:

It is understood that participation in the HRSA-ILA Pension Plan by each employee shall be optional. Those employees in the original work force covered by this contract who wish to be covered by the HRSA-ILA Pension Plan have the option to purchase their vested right in the plan, to be calculated at the applicable pension assessment rate and applicable interest rates each year, times 1500 hours for each of such years. Each employee shall be covered by the HRSA-ILA Pension Plan unless they notify their employer of the above option.

SECTION 14

Check-Off Union Dues

The Employers agree to deduct Union dues for each hour worked from the pay of all persons covered by this Agreement and for whom a written assignment of such dues has been furnished to the employers. Such assignments shall be in full force and effect for a period of one year, subject to renewal provisions of such assignments.

It is agreed that there shall be a check-off of union dues on all sums paid for paid holidays, as well as for all paid vacations.

LOCAL 846

For the period beginning October 1, 2004 through September 30, 2010, the percentage of dues to be so deducted shall be eight percent (8%) for each hour paid multiplied by the straight time rate. Of that amount, one and two-fifths percent (1²/₅%) shall be remitted to the District Council of the ILA in Hampton Roads on a quarterly basis, and six and one-half percent (6¹/₂%) shall be remitted to the employee's local.

LOCAL 970

For the period beginning October 1, 2004 - September 30, 2010, the percentage of dues to be so deducted shall be four percent (4%) for each hour paid multiplied by the straight time rate. Of that amount one and four-tenths percent (14/10%) shall be remitted to the District Council of the ILA in Hampton Roads on a quarterly basis, and two and five-tenths percent (25/10%) shall be remitted to the employee's local.

LOCAL 1248

For the period beginning October 1, 2004 - September 30, 2010, the percentage of dues to be so deducted shall be six and one-half percent (6 1/2%) for each hour paid multiplied by the straight time rate. Of that amount, one and four-tenths percent (14/10%) shall be remitted to the District Council of the ILA in Hampton Roads on a quarterly basis, and five percent (5%) shall be remitted to the employee's local.

LOCAL 1784

For the period beginning October 1, 2004 through September 30, 2010, the percentage of dues to be so deducted shall be six percent (6%) for each hour paid multiplied by the straight time rate. Of that amount, one and two-fifths percent (12/5%) shall be remitted to the District Council of the ILA in Hampton Roads on a quarterly basis, and four and one-half percent (4 1/2%) shall be remitted to the employee's local.

The ILA shall indemnify and save the HRSA and its employer members harmless against any and all claims, demands, suits or other forms of liability that shall rise out of or by reason of action taken or not taken by the provisions of this section.

SECTION 15

Rain Gear

Employees have been furnished rain gear, but it will be replaced only when loss or damage is directly attributed to employment conditions.

SECTION 16

Effective Date of Agreement

Identical to Section 8, Longshoremen's Agreement.

SECTION 17

Travel Expenses

When an employee is required to travel between terminals in their personal vehicle they shall receive travel pay at the rate as per Federal guidelines.

SECTION 18

Rain Pay

When employees are requested to work in the rain when working a ship with the ship gang, employees shall receive \$2.00 per hour premium to be paid for the full four-hour period.

SECTION 19

Night Work Effects Following Day

When garmen and/or mechanics have worked all day and up to 3:00 a.m. the next morning they will be permitted to report to work at 1:00 p.m. of the following day providing the company's workload does not require their presence for the usual 8:00 a.m. start time.

SECTION 20

Cold Weather

All shops will be provided with adequate heat during cold weather.

SECTION 21

Seniority

Port of Hampton Roads Seniority Program

A joint Management/ILA Seniority Committee (Committee) shall be established pursuant to the following Agreements dated October 1, 1996 between ILA Locals 862, 846, 970, 1248, 1784, 1458, 1624, 1840, 1736, 1819 and 1970 and the HRSA (Hampton Roads Shipping Association):

Longshoremen's Agreement
Gearmen and Mechanics' Agreement
Miscellaneous Workers' Agreement
Clerks', Checkers' and Weighers' Agreement
Timekeepers' and Interchange Writers' Agreement
Container Maintenance and Repair Agreement
Freight Handlers' Agreement
Terminal Checkers' Agreement
Line Handlers' Agreement

Each Local listed above has previously established Seniority Rules either individually or collectively. The following Seniority Rules are attached hereto and made part of this Memorandum:

- (a) Ex. #A Seniority Rules for ILA Local 862's work jurisdiction.
- (b) Ex. #B Seniority Rules for ILA Locals 846, 970, 1248, 1784's work jurisdiction.
- (c) Ex. #C Seniority Rules for ILA Local 1458's work jurisdiction.

- (d) Ex. #D Seniority Rules for ILA Local 1624's (ILA Local 1840) work jurisdiction.
- (e) Ex. #E Seniority Rules for ILA Local 1736's work jurisdiction.
- (f) Ex. #F Seniority Rules for ILA Local 1819's work jurisdiction.
- (g) Ex. #G Seniority Rules for ILA Local 1970's work jurisdiction.

The Rules as outlined in the above Exhibits #A through #G shall be the Seniority Rules of the various work jurisdictions.

Pursuant to the Agreements listed above, the joint Management/ILA Seniority Committee will hear disputes and grievances involving Seniority Rules which have not been resolved at the Local level. The Joint Management/ILA Seniority Committee composition and rules will be as follows:

1. The Committee shall consist of an equal number of ILA officials and HRSA member representatives not to exceed four (4) members for each side. Each side shall have four (4) votes without regard to how many members are present at any given meeting.
2. Three (3) members present at a Committee meeting shall constitute a quorum provided there is at least one member from Management and one member from the ILA.
3. The HRSA management members shall be selected by Management. The Hampton Roads District Council (HRDC) shall select the ILA members. Each ILA Local and any HRSA member may send an observer to all of the Committee's meetings who may express their opinions but shall have no vote and may not be present in executive sessions.

4. If a dispute or grievance arises that involves a voting member of the Committee or the Local or Employer he/she is affiliated with, then the voting member of the Committee shall be excused from the deliberations and may not cast a vote.
5. The Committee shall act by majority vote. The Committee's recommendations for resolution of a dispute or grievance will be submitted to the Contract Board and the decision of the Contract Board to accept, reject, or amend the recommendation of the Committee shall be final and binding. If the Committee deadlocks, then the Contract Board shall decide the issue and its decision shall be final and binding. If the Contract Board deadlocks, then the issue shall be decided pursuant to the arbitration clause of the applicable Agreements.
6. The Committee shall be the sole judge of the sufficiency of the evidence to be considered in the resolution of any dispute brought before them. The Committee may establish such procedural rules as appropriate.
7. Any person appearing before the Committee because of a grievance may be represented by a union official that he or she selects and may bring witnesses.
8. All disputes or grievances that are not resolved by the Local must be submitted in writing citing the specific rule violated, signed by the grievant and an official of the Local, and mailed to the Executive Vice President of the Hampton Roads Shipping Association. Within fifteen (15) working days from the receipt of said notice, the Executive Vice President of the Hampton Roads Shipping Association shall convene a meeting of the Committee.
9. Seniority will be reviewed at least once per year by the Committee and it will adjust seniority where appropriate.

10. Any provision in the Local Seniority Rules which conflict with the Agreements listed on page 1 or with the rules of the joint seniority program shall have no effect.
11. Any change in the Local Seniority Rules must be approved by the Joint Management/ILA Seniority Committee.
12. Nothing contained in this Seniority Agreement shall alter the existing local collective bargaining Agreements listed on page 1.
13. It is understood and agreed that HRSA and its members shall have no liability or responsibility for any matter arising out of the administration of the ILA's seniority system prior to the date of this Memorandum.

SECTION 22

Retraining

The ILA recognizes the right of Management to change methods of production and install new labor saving devices.

It is understood and agreed that any technological changes will be discussed in advance with the ILA. It is agreed that affected employees whose historical and traditional job positions have become modified as a result of technological change will be afforded the opportunity for retraining to acquire the necessary skills for employment in the same classification.

It is understood and agreed that the retraining of employees will be for specific jobs enjoyed by the ILA under the existing contract at the employers' expense.

It is further understood and agreed that the Contract Board shall determine and interpret the contract as to what constitutes a traditional job which has been modified because of technological change and for which position displaced

ILA personnel may request retraining. It is also understood and agreed that Management will not be compelled to accept any employee who has been retrained unless such employee exhibits sufficient competence in the modified job position.

SECTION 23

Registration

Identical to Section 48, Longshoremen's Agreement. It is understood that the dual categories are not required in this agreement.

SECTION 24

Eligibility Requirements for Supplemental Cash Payments

All employees who qualified prior to October 1, 2004 will continue to receive this Supplemental Cash Payments.

All employees who made 700 hours per year prior to October 1, 2004 will receive credit to qualify for the Supplemental Cash Payment, but must qualify in the remaining years as per paragraph 3 below.

All employees on or after October 1, 2004 to qualify for the Supplemental Cash Payment by working 1000 hours or more in five (5) of the next six (6) years and working 1000 hours or more in the qualifying year.

Any employee, eligible to receive container royalty supplemental cash payments, retiring during the term of the Agreement, shall be eligible to receive the applicable supplemental cash payment for each of three (3) additional years following the last supplemental cash payment he would have otherwise received.

SECTION 25

Collection and Enforcement of Payments for Fringe Benefit Fund Contributions

Identical to Section 58, Longshoremen's Agreement.

SECTION 26

Tool Allowance

Mechanic -

Date	Current Rate	New Rate
October, 2004	\$.15	\$.25
October, 2006	\$.25	\$.30
October, 2008	\$.30	\$.35

Leased equipment will either be removed from terminal or if repaired on terminal, a mechanic will repair it or will be present when being repaired.

SECTION 27

Annuity Program

The parties agree to an Annuity Program covering all employees in the Port of Hampton Roads.

Effective October 1, 1996, employees in the industry as of October 1, 1993, shall receive eighty cents (\$.80) per hour as an annuity.

Employees who entered the industry after October 1, 1993, and who earned eleven hundred (1100) hours in contract year 2003-2004 shall receive an annuity of fifty cents (\$.50) per hour worked commencing October 1, 2004. After October 1, 2004, any employee who earns eleven

hundred (1100) hours in any successive contract year will qualify for the fifty cents (\$.50) per hour annuity commencing in the following contract year.

Effective October 2004, employees who entered the industry after October 1, 1993, and who qualify for the supplemental cash payment, shall receive eighty cents (\$.80) per hour annuity commencing October 1 of the qualifying year. There will be no retroactive payments.

The HRSA-ILA Fringe Benefit Trustees shall administer this annuity program and establish all other rules and conditions that shall apply to this annuity program.

SECTION 28

Unlawful Discrimination And Harassment

1. The employer members of HRSA and the ILA agree that as required by all applicable laws, statutes and regulations, they will not discriminate against any employee because of race, color, sex, religion, national origin, age, physical or mental disability or veteran status or because of membership or non-membership in any union or any activity on behalf of any union, and will comply with all applicable laws prohibiting discrimination. Such laws include, but are not limited to, as applicable, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in Employment Act, and all other state and federal non-discrimination laws, statutes and regulations.
2. The employer members of HRSA are Equal Employment Opportunity employers. It is their practice to recruit, hire, train and promote otherwise qualified persons in all segments of their work forces without regard to race, color, sex, religion, national origin, age, physical or

mental disability, veteran status, or union membership or non-membership.

3. The employer members of HRSA, as required by all applicable laws, statutes and regulations, will not tolerate harassment based upon any legally protected status, including unlawful sexual harassment by employees, supervisors, clients, customers or visitors, against any employee, and will take appropriate action to prevent and promptly correct such conduct. Any employee or supervisor who unlawfully harasses another will be disciplined severely, up to and including discharge.

Sexual harassment prohibited by this section includes unwelcome sexual advances, requests for sexual favors or other spoken, written or physical conduct of a sexual nature (which includes jokes, language, gestures and the display of sexually suggestive materials):

- (a) when submission to such conduct is made a condition of employment; or
- (b) when submission to or rejection of such conduct is used as the basis for an employment decision; or
- (c) when such conduct unreasonably interferes with an employee's work performance; or
- (d) when such conduct creates an intimidating, hostile or offensive work environment.

Any employee who believes he or she is a victim of unlawful harassment must immediately report this to his or her union representative who must, in turn, immediately report this to an appropriate representative of the employee's employer. The employer will quickly investigate all such reports and resolve them as deemed appropriate under the circumstances. The employer will treat all such reports as confidentially as possible, disclosing such

reports only to those with a need to know. The employer will not unlawfully retaliate against an employee for making such a report. Such a report is a precondition to proceeding as set forth in paragraph 5, below.

4. This Contract, including this Section, shall be administered in accordance with the applicable provisions of Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in Employment Act, and all other state and federal non-discrimination laws, statutes and regulations.
5. Any and all disputes, claims, charges or complaints arising under this Section, including those claiming a violation of Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in Employment Act, and all other state and federal non-discrimination laws, statutes and regulations, shall be brought before the Contract Board, in accordance with the provisions set forth in this Contract. Decisions rendered in accordance with the Contract Board provisions of this Contract, by the Contract Board or, if necessary, by an arbitrator, with respect to such disputes, claims, charges or complaints shall be final and binding upon the parties and the affected employees. The parties and the affected employees waive any rights they may otherwise have to pursue such disputes, claims, charges, or complaints in any judicial forum.

SECTION 29

Closure of Port

When the United States Coast Guard, or other agency of the Department of Homeland Security, by written order, interrupts or delays the working of a vessel, the ILA will allow the cancellation of work orders.

Witness the following signatures:

FOR EMPLOYER MEMBERS OF HAMPTON ROADS SHIPPING ASSOCIATION

Roger J. Giesinger, Chairman,
Employers' Negotiating Committee,
Hampton Roads Shipping Association

FOR INTERNATIONAL LONGSHOREMEN'S ASSOCIATION

Edward L. Brown, Sr., International Vice President,
International Longshoremen's Association

FOR EMPLOYEES

Rodney Shird, President, ILA Local 846,
Newport News, Virginia

Richard L. Dickens, Jr., President, ILA Local 970,
Norfolk, Virginia

Thomas M. Little, President, ILA Local 1248,
Norfolk, Virginia

Jerry T. McMannen, President, ILA Local 1784,
Newport News, Virginia

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**MEMORANDUM OF AGREEMENT
MISCELLANEOUS WORKERS'
AGREEMENT**

October 1, 2004 - September 30, 2010

PREAMBLE

This Agreement made and entered into by and between the Hampton Roads Shipping Association, the employers, and the International Longshoremen's Association, AFL-CIO, and its affiliated Locals Nos. 1736 and 1819 as party of the second part, is intended to cover, under terms and conditions set forth herein, all miscellaneous work such as shipcleaning, preparation of ship's holds for cargo including laying of dunnage when required, handling ship's stores, handling beams and hatches, and other miscellaneous work as directed in the general Hampton Roads area, insofar as compatible with the laws of the United States of America and the Commonwealth of Virginia. When any work is ordered under this Agreement by the employer members of HRSA hereto, it is understood that ILA labor will be used. It is understood that miscellaneous workers shall have all cleaning alongside pier that has been necessitated by the discharge or loading of cargo.

SECTION 1

Scope of Work of ILA

It is the intent and purpose of the parties hereto that this Agreement covering rates of pay, hours of work and conditions of employment will promote industrial and economic relations and establish a basis for securing cooperation, harmony and good will between the employers and their employees and the ILA and its members. The ILA shall have, insofar as compatible with the laws of the United States of America and the Commonwealth of Virginia, all miscellaneous work.

To the extent legally possible, the employer members of the Association agree they will not directly perform work or contract out such work which historically and regularly has been and currently is performed by employees covered by this Agreement or employees covered by ILA craft agreements unless such work is performed by employees covered by ILA agreements.

SECTION 2

**Effective Date of Agreement,
Wage Increase & Wage Scale**

A. This Agreement shall be effective October 1, 2004 and shall remain in full force and effect up to and including September 30, 2010.

B. Wage Increase

Employees whose straight-time basic wage rate in effect on September 30, 2004 is more than \$21.00 per hour shall receive the following increases in their straight-time basic wage rate:

Effective Date	Increase
October 1, 2004	\$1.00 per hour
October 1, 2006	\$1.00 per hour
October 1, 2008	\$1.00 per hour
October 1, 2009	\$1.00 per hour

Employees whose straight-time basic wage rate in effect on September 30, 2004 is \$21.00 per hour or less shall receive the following increases in their straight-time basic wage rate:

Effective Date	Increase
October 1, 2004	\$2.00 per hour
October 1, 2006	\$2.00 per hour
October 1, 2008	\$1.50 per hour
October 1, 2009	\$1.50 per hour

The starting straight-time basic wage rate for new employees who enter the industry on or after October 1, shall be \$16.00 per hour.

C. Wage Scale – Effective October 1, 2004

	10/1/04	10/1/06	10/1/08	10/1/09
Prior to 10/1/86	\$28.00	\$29.00	\$30.00	\$31.00
After 10/1/86 to 12/1/90	\$27.00	\$28.00	\$29.00	\$30.00
After 12/1/90 to 9/30/96	\$23.00	\$25.00	\$26.50	\$28.00
After 10/1/96 to 9/30/02	\$19.00	\$21.00	\$22.50	\$24.00
After 10/1/02 to 9/30/04	\$17.00	\$19.00	\$20.50	\$22.00
After 10/1/04 to 9/30/06	\$16.00	\$18.00	\$19.50	\$21.00
After 10/1/06 to 9/30/08	–	\$16.00	\$17.50	\$19.00
After 10/1/08 to 9/30/10	–	–	\$16.00	\$17.50

SECTION 2A

New Employees

Any employees being hired for the first time shall be required to pass a mandatory physical examination and drug test as established by management and the ILA after they are offered employment and before they engage in any employment services. Such new employees shall also be required to pass eligibility and proficiency tests approved by management and the ILA and shall also be required to be re-certified as per the Master Contract.

Employees who entered the industry from February 1994 through October 1, 2010 shall be required to accept jobs offered to them and must work with their gang. Three (3) job refusals at the Hiring Center, or unexcused absences, per year will result in the loss of their port number.

All employees who work 1000 hours or more in five (5) out of six (6) years and working 1000 hours or more in the qualifying year shall be eligible to accept any job offered by a header without penalty. Failure to accept a job through the Hiring Center will result in a debit.

Temporary or new employees who test positive for drugs during their first calendar year will be permanently terminated.

PAYROLL WEEK AND PLACE OF PAYMENT

The payroll week will end at 7:00 a.m. on Monday of each week and employees will be paid on Thursday afternoon at the Union Hall. Pay windows will be opened as near to 11:00 a.m. as possible and remain open to 7:00 p.m., if necessary. The times for opening and closing of pay windows may be varied by mutual consent.

SECTION 3

Definition of Basic Work Day

The basic work day shall be, one of eight (8) hours; and the work week, one of forty (40) hours. The latter normally comprising those hours between 8:00 a.m. and 12:00 noon and 1:00 p.m. and 5:00 p.m. Monday through Friday, inclusive, to which straight time rates provided herein will apply.

SECTION 4

Meal Hours and Governing Rates of Pay

Meal hours and the basic rates of pay for said hours will be outlined below, any part of a meal hour worked to count as a full hour.

Meal Hours	Rates of Pay	Further Conditions
12:00 noon-1:00 p.m.	Regular Overtime	Continued until relieved
Monday-Friday	Time and one-half	For a full meal hour IF men worked before hour commenced
12:00 noon-1:00 p.m. Saturdays, Sundays and Holidays	Double Straight Time	Until relieved
6:00 p.m.-7:00 p.m.	Double Straight Time	Until relieved
12:00 midnight-1:00 a.m.	Double Straight Time	Until relieved
6:00 a.m.-7:00 a.m.	Double Straight Time	Until relieved

Gangs which have worked through the noon meal hour and are relieved at 1:00 p.m. shall be notified prior to 1:00 p.m. that they are finished for the day, or if ordered back at 2:00 p.m., shall receive two (2) hours pay at the prevailing rate for finishing or pay for actual time worked.

SECTION 5

Holidays

Identical to Section 11, Longshoremen's Agreement.

SECTION 6

Maximum Work Period

Identical to Section 6, Longshoremen's Agreement.

SECTION 7

Overtime Rates When Applicable

Overtime rates, as hereinafter set forth, will apply to all working hours not enumerated in Sections 3 and 4 above, including work on Saturdays, Sundays and agreed Holidays, and employees to work any night of the week, or Saturdays and Sundays and non-excepted Holidays, when required.

SECTION 8

Rates of Straight Time and Overtime Pay

- (a) Cargo Space\$22.20
- (b) Cleaning bilges, sulphur and oil tanks, ore in holds, including red oxide25¢ differential
- (c) Cleaning deep tank with varsol50¢ differential
- (d) Working in all tanks with only manhole opening15¢ differential

- (e) Cleaning and washing cargo tanks with oil or chemical20¢ differential
 - (f) Cleaning ship's holds where ships contain or contained damaged cargo or explosives20¢ differential
- (See notes 1 and 2)

NOTES:

1. Where employees are working in spaces where there has been cargo damaged by either fire or water, or in distress condition, the employees shall be paid at the rates specified herein.
2. Rates here applicable shall be double the prevailing rate as per terms and conditions of Section 8, Notes 2 and 3, of the General Longshore Contract, quoted below:

"When 1.1 and/or 1.2 explosives or ammunitions are being worked at the pier or in the stream and when 1.3 explosives or ammunition that are designated dangerous cargo or of a particular danger that are being worked at the pier or in the stream, all employees working on the ship involved shall receive the explosive rate, regardless of whether they are actually part of the gang that is doing the handling."

"When employees are working in a hatch or on deck where Class A and/or B explosives are stowed, all employees working the ship at the pier or in the stream shall receive the explosive rate. Vessels having explosives stowed in magazines expressly approved by an authorized governmental agency shall be excluded from the coverage of this paragraph." The joint Productivity Committee shall immediately review with the authorized governmental agency the definition of area of potential danger in order to assist the Contract Board in determining whether or not the explosive rate shall be paid.

SECTION 9

Raincoats and Boots

When employees are employed to wash down vessels, the employer shall furnish raincoats and boots only to the employees required to work in water. When employees are required to work in oil, boots will be supplied. Rain gear will be furnished employees when working in rain or snow.

When employees are ordered to work perishable supplies or bedding or ship's laundry in the rain, and if the employees work they shall receive \$2.00 per hour premium, this premium to be paid for the full four-hour period and all further guarantee periods, as provided in this agreement providing same inclement weather continues.

SECTION 10

Pay Differential and Duties Of Gang Leaders

- (a) Gang headers and hatch bosses shall receive eighty cents (\$.80) per hour and gangwaymen and winch drivers shall receive fifty-five cents (\$.55) per hour over and above other specified rates of pay.
- (b) They shall be fully responsible for their men and shall perform such labor as is required of them by the employers.

SECTION 11

Re-employment of Night Gangs and Pay Guarantee

When employees are required to work at night and are reemployed at 8:00 a.m. on a straight time day, they shall receive the overtime rate of pay until relieved, provided that

it shall be the obligation of the ILA to supply relief gangs when needed and if they cannot do so, the night employees must continue at the prevailing rate of pay.

SECTION 12

Transportation and Pay Differential for Employees Ordered to Work Newport News and Vice Versa

When on account of shortage of sufficient labor at either port employees are ordered from Norfolk to Newport News or vice versa, the employer will, at his option, reimburse the employees for the cost of transportation by public carrier or furnish transportation and, in addition, allow pay for each hour each way at the existing straight time rate for the additional time involved in traveling.

SECTION 13

Hiring and Laying Off of Gangs and/or Employees and Unavailability of ILA Employees

The employer is under no obligation to hire employees by gangs or through the office of the Union. The stevedore employer or his representative reserves the right to hire from available members of the Union, all employees, including hatch foremen, gangwaymen, winchmen, and slingers and to lay off any and all employees whenever such action in his judgment is warranted. The Union will be immediately notified when such action is taken and the employer requests a replacement.

When the ILA cannot furnish a sufficient number of qualified employees to perform the required work as

provided for in this Agreement in a satisfactory manner, the employer may hire needed employees at his discretion.

It is understood and agreed that the signatory employer when hiring supervisory personnel will give consideration to the employment of experienced ILA employees from Locals covered by this Agreement for such vacancies as may exist.

SECTION 14

Orders for Gangs

Identical to Section 28, Longshoremen's Agreement, plus:

PAY GUARANTEE

The pay guarantee for any type of work shall be two (2) hours.

When work is performed by employees other than members of the ILA having the requisite jurisdiction, any dispute in connection therewith shall be referred to the Contract Board and any penalties assessed shall be in accordance with the custom and usages of the port.

SECTION 15

Interpretation of Agreement

It is understood that this Agreement is not to conflict in any way with the regular Longshore General Cargo Agreement, as pertains to completion of Work Guarantees, EXCEPT cleaning of residual cargo.

SECTION 16

Handling Ship's Stores and Other Work

It shall be distinctly understood that under certain circumstances brought about by small quantities involved, or handling by ship's crew, employees may not be ordered to handle ship's stores (this clause applies to work requiring less than one and one-half hours to perform), or to perform other items of work covered by this Agreement. When employees are ordered to handle stores or to perform other items of work they shall be employed under the terms and conditions outlined.

SECTION 17

Allocation of Work Beyond Employer's Control

When the allocation of work is beyond the employer's control, such as work awarded under bids required by Government regulations or orders, then such procedure shall not be construed as a violation of this Agreement.

SECTION 18

Shifting of Barge or Ship By Employer

When the moving of a ship or barge is under the control or supervision of a member of HRSA, it is mutually understood and agreed that miscellaneous ILA labor will be utilized for all line handling.

When LASH vessels are working, two (2) linemen shall be employed for line handling of LASH barges at deepsea waterfront facilities where Longshoremen and other ILA crafts have worked.

SECTION 19

Welfare Benefits

Identical to Section 41, Longshoremen's Agreement.

SECTION 20

Prohibited Activities and Discipline

Identical to Section 23, Longshoremen's Agreement.

SECTION 21

No Discrimination

Identical to Section 24, Longshoremen's Agreement.

SECTION 22

Vacation and Holiday Benefits

Identical to Section 40, Longshoremen's Agreement.

SECTION 23

Pension Benefits

Identical to Section 42, Longshoremen's Agreement.

SECTION 24

Employer Welfare and Pension Benefit Plans

Identical to Section 43, Longshoremen's Agreement.

SECTION 25

Check-Off of Union Dues

The Employers agree to deduct Union dues in the amount of 8 percent (8%) of gross earnings from the pay of all employees covered by the Agreement and for whom a written

assignment of such dues has been furnished to Employers. Such assignments shall be in full force and effect for a period of one year, subject to the renewal provision of such assignments.

For the period beginning October 1, 2004 - September 30, 2010, the percentage of dues to be so deducted shall be eight percent (8%) for each hour paid multiplied by the straight time rate. Of that amount one and four-tenths percent (14/10%) shall be remitted to the District Council of the ILA in Hampton Roads on a quarterly basis, and six and five-tenths percent (65/10%) shall be remitted to the employee's local.

The ILA shall indemnify and save the HRSA and its employer members harmless against any and all claims, demands, suits or other forms of liability that shall rise out of or by reason of action taken or not taken by the HRSA and/or its employer members for the purpose of complying with any of the provisions of this section.

COPE VOLUNTARY DEDUCTION

The employer agrees to deduct and transmit to the Treasurer of the International Longshoremen's Association, AFL-CIO, Committee on Political Education 1/10 of one percent for each hour paid from the wages of those employees who voluntarily authorize such contributions on the forms provided for that purpose by the International Longshoremen's Association, AFL-CIO, Committee on Political Education.

All monies so deducted shall be paid to the International Longshoremen's Association, AFL-CIO, Committee on Political Education as promptly as possible after the end of each quarter for which the deductions are made. The administrative procedures to be followed are those mutually agreed upon by the parties.

The ILA shall indemnify and save the signatory employers harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken or not taken by the employers for the purpose of complying with any of the provisions in this section.

SECTION 26

Prohibition of Lockouts, Strikes or Work Stoppages

Identical to Section 36, Longshoremen's Agreement.

SECTION 27

Arbitration Clause

Identical to Section 37, Longshoremen's Agreement.

SECTION 28

Registration

Identical to Section 48, Longshoremen's Agreement.

SECTION 29

Gang Size

When stores or cleaning gangs are employed, a header and the required number of employees, as determined by the employer, shall be ordered.

If a dispute arises as to the necessary size of the gang working, a union and management representative shall be called for resolution of the matter at the jobsite then arbitration procedures from Section 28 shall prevail.

SECTION 30

Supplemental Cash Payments

All employees who qualified prior to October 1, 2004 will continue to receive this Supplemental Cash Payments.

All employees who made 700 hours per year prior to October 1, 2004 will receive credit to qualify for the Supplemental Cash Payment, but must qualify in the remaining years as per paragraph 3 below.

All employees on or after October 1, 2004 to qualify for the Supplemental Cash Payment by working 1000 hours or more in five (5) of the next six (6) years and working 1000 hours or more in the qualifying year.

Any employee, eligible to receive container royalty supplemental cash payments, retiring during the term of the agreement, shall be eligible to receive the applicable supplemental cash payment for each of three (3) additional years following the last supplemental cash payment he would have otherwise received.

SECTION 31

Annuity

The parties agree to an Annuity Program covering all employees in the Port of Hampton Roads.

Effective October 1, 1996, employees in the industry as of October 1, 1993, shall receive eighty cents (\$.80) per hour as an annuity.

Employees who entered the industry after October 1, 1993, and who earned eleven hundred (1100) hours in contract year 2003-2004 shall receive an annuity of fifty cents (\$.50) per hour worked commencing October 1, 2004. After October 1, 2004, any employee who earns eleven

hundred (1100) hours in any successive contract year will qualify for the fifty cents (\$.50) per hour annuity commencing in the following contract year.

Effective October 2004, employees who entered the industry after October 1, 1993, and who qualify for the supplemental cash payment, shall receive eighty cents (\$.80) per hour annuity commencing October 1 of the qualifying year. There will be no retroactive payments.

The HRSA-ILA Fringe Benefit Trustees shall administer this annuity program and establish all other rules and conditions that shall apply to this annuity program.

SECTION 32

Collection and Enforcement of Payments for Fringe Benefit Contributions

Identical to Section 58, Longshoremen's Agreement.

SECTION 33

Unlawful Discrimination And Harassment

1. The employer members of HRSA and the ILA agree that as required by all applicable laws, statutes and regulations, they will not discriminate against any employee because of race, color, sex, religion, national origin, age, physical or mental disability or veteran status or because of membership or non-membership in any union or any activity on behalf of any union, and will comply with all applicable laws prohibiting discrimination. Such laws include, but are not limited to, as applicable, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in Employment Act, and all other state and federal non-discrimination laws, statutes and regulations.

2. The employer members of HRSA are Equal Employment Opportunity employers. It is their practice to recruit, hire, train and promote otherwise qualified persons in all segments of their work forces without regard to race, color, sex, religion, national origin, age, physical or mental disability, veteran status, or union membership or non-membership.

3. The employer members of HRSA, as required by all applicable laws, statutes and regulations, will not tolerate harassment based upon any legally protected status, including unlawful sexual harassment by employees, supervisors, clients, customers or visitors, against any employee, and will take appropriate action to prevent and promptly correct such conduct. Any employee or supervisor who unlawfully harasses another will be disciplined severely, up to and including discharge.

Sexual harassment prohibited by this section includes unwelcome sexual advances, requests for sexual favors or other spoken, written or physical conduct of a sexual nature (which includes jokes, language, gestures and the display of sexually suggestive materials):

- (a) when submission to such conduct is made a condition of employment; or
- (b) when submission to or rejection of such conduct is used as the basis for an employment decision; or
- (c) when such conduct unreasonably interferes with an employee's work performance; or
- (d) when such conduct creates an intimidating, hostile or offensive work environment.

Any employee who believes he or she is a victim of unlawful harassment must immediately report this to his or her union representative who must, in turn, immediately report this to an appropriate representative of the employee's

employer. The employer will quickly investigate all such reports and resolve them as deemed appropriate under the circumstances. The employer will treat all such reports as confidentially as possible, disclosing such reports only to those with a need to know. The employer will not unlawfully retaliate against an employee for making such a report. Such a report is a precondition to proceeding as set forth in paragraph 5, below.

4. This Contract, including this Section, shall be administered in accordance with the applicable provisions of Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in Employment Act, and all other state and federal non-discrimination laws, statutes and regulations.

5. Any and all disputes, claims, charges or complaints arising under this Section, including those claiming a violation of Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in Employment Act, and all other state and federal non-discrimination laws, statutes and regulations, shall be brought before the Contract Board, in accordance with the provisions set forth in this Contract. Decisions rendered in accordance with the Contract Board provisions of this Contract, by the Contract Board or, if necessary, by an arbitrator, with respect to such disputes, claims, charges or complaints shall be final and binding upon the parties and the affected employees. The parties and the affected employees waive any rights they may otherwise have to pursue such disputes, claims, charges, or complaints in any judicial forum.

SECTION 34

Closure of the Port

When the United States Coast Guard, or other agency of the Department of Homeland Security, by written order, interrupts or delays the working of a vessel, the ILA will allow the cancellation of work orders.

SECTION 35

Re-Entering the Industry

Those employees who have lost their port numbers for any reason, other than for drugs or contract violations, must petition the Contract Board to be re-instated.

- (a) Individual must request re-instatement within three (3) years of loss of port number.
- (b) Individual must have valid reason for leaving industry.
- (c) Must pass a physical and drug screen at their cost by Doctor selected by HRSA/ILA.
- (d) Pass all required driving, safety, hazardous cargo test, etc.
- (e) The ILA Seniority Board will review and make proper assignment of seniority.

Witness the following signatures:

FOR EMPLOYER MEMBERS OF HAMPTON ROADS SHIPPING ASSOCIATION:

Roger J. Giesinger, Chief Negotiator,
Employers' Negotiating Committee,
Hampton Roads Shipping Association

FOR INTERNATIONAL LONGSHOREMEN'S ASSOCIATION:

Edward L. Brown, Sr.,
International Vice President,
International Longshoremen's Association

FOR EMPLOYEES:

Michael L. Spencer, President,
ILA Local 1736,
Newport News, Virginia

Thomas M. Little, President,
ILA Local 1248,
Norfolk, Virginia