MEMORANDUM OF SETTLEMENT BETWEEN THE STEAMSHIP TRADE ASSOCIATION OF BALTIMORE, INC. AND ILA LOCAL 333

This Memorandum of Settlement ("MOS") entered into this _____ day of January 2014 extends the term and modifies the provisions of the Agreement between the Steamship Trade Association of Baltimore, Inc. on behalf of its members (the "STA") and International Longshoremen's Association, AFL-CIO, Local 333, effective October 1, 2004 through September 30, 2010.

TERM OF AGREEMENT

The effective date of this Agreement shall be from October 1, 2012 through September 30, 2018 in accordance with the new Master Contract signed between the United States Maritime Alliance (USMX) and the International Longshoremen's Association, AFL-CIO (the "Master Contract").

SAFETY

The Steamship Trade Association and its member companies and the ILA are committed to the USMX/ILA Joint Safety Committee (JSC) and we are prepared to meet to discuss all safety concerns with the designated JSC parties on regular intervals as recommended by the USMX/ILA JSC, including an ad hoc committee to deal with those issues exclusive to Local 333 and with sole voting participation on such issues by the STA and Local 333 members of the JSC.

AUTO WAGE INCREASES

Automobile Ship: (PCTC). Employees receiving \$29.00 per hour shall receive \$1.00 per hour wage increase on October 20, 2013, October 1, 2014 and October 1, 2016. Any employee receiving a wage of less than \$20.00 per hour shall receive a wage rate increase to \$20.00 per hour on October 20, 2013. All employees earning less than \$29.00 shall receive wage increases under the tiered progression formula under the Master Contract up to a maximum wage rate of \$32.00 per hour.

The STA and ILA agree to improve performance and shirking of work shall be added to the contract.

CRUISE WAGES INCREASES

Cruise Operations: For all cruise ship operations, employees receiving \$27.00 per hour or less shall receive \$1.00 per hour wage increase on October 1, 2014, and October 1, 2016. Any employee receiving a wage of less than \$20.00 per hour shall receive a wage rate increase to \$20.00 per hour upon contract ratification.

FOREST PRODUCT INCREASES

Forest Products Operations: There shall be a \$ 0.50 increase on October 1, 2014 and a \$0.50 on October 1, 2016. In exchange, there shall be one relief driver hired per vessel.

PAY STUBS

Management shall provide a detailed pay stub that includes at a minimum hours and rate of pay per category. The MTC paychecks used prior to 2004 shall be used as a model by the parties.

MANPOWER

- Foreman A targeted training program to develop Foreman will be established along with a commitment to accept jobs.
- Mechanics A targeted training program to develop Mechanics will be established along with a commitment to accept jobs.
- Set Back Language: on Mondays and any day following a Holiday, in the event a vessel cannot be worked due to equipment failure, weather, non-arrival or some similar circumstance, following notification of the Dispatch Center and approval of a Union official and approval not to be unreasonably withheld, the employer may set back a 7:00 A.M. or 8:00 A.M. order to 1:00 P.M.
- Seagirt Terminal Operation: there shall be an additional day shift of 6:00 am to 3:00 pm. Work by all employees during this additional shift shall be paid at the straight time rate with one hour paid at one and one-quarter (1 1/4) times the employee's straight time rate of pay.

HOUSEKEEPING ISSUES

The STA and ILA Local 333 agree to continue to discuss contract housekeeping issues over the next six months and bring forward any contractual changes to the Local 333 membership for vote, where such changes impact the current contractual language. These issues included the following: Member Referral, Dispatch Procedures, PIT Policy, and any other issues the STA and Local 333 believe are pertinent to improving the work opportunities at the Port.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first above written.

FOR LOCAL 333	FOR THE STA
Riker McKenzie, President	Michael P. Angelos, President

Auto Operations Wage Progression Rates

Summary of Multi-Tiered Local Contract Pay Rates For Contract Years 10-01-12 through 9-30-18

	10/01/12-	10/20/13-	10/01/14-	10/01/15-	10/01/16-	10/01/17-
Qualifying Years of Service	6 x 2 1 x 3 8	2	3	4	9	9
6 + Years	A/A	\$ 30.00	\$ 31.00	\$ 31.00	\$ 32.00	\$ 32.00
5 Years	A/A	\$ 27.50	\$ 28.15	\$ 28.15	\$ 28.75	\$ 29.40
4 Years	N/A	\$ 27.50	\$ 28.15	\$ 28.15	\$ 28.75	\$ 29.40
3 Years	A/A	\$ 23.00	\$ 23.25	\$ 23.25	\$ 23.50	\$ 23.75
2 Years	N/A	\$ 23.00	\$ 23.25	\$ 23.25	\$ 23.50	\$ 23.75
1 Year	N/A	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00
0 Years	N/A	\$ 20.00	\$ 20.00 \$ 20.00 \$ 20.00 \$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00

Master Contract Rules for Qualifing Years of Service Apply