

AGREEMENT

BY AND BETWEEN

Duwamish Marine Services, LLC

AND

**INTERNATIONAL BROTHERHOOD OF
BOILERMAKERS, IRON SHIPBUILDERS,
BLACKSMITHS, FORGERS AND HELPERS
LOCAL 104**

(HEREIN REFERRED TO AS "UNION")

ARTICLE 1. RECOGNITION

The Employer hereby recognizes now and during the whole term of this Agreement and all renewals thereof the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, Local No. 104, as the sole and exclusive bargaining agent for all employees of Duwamish Marine Services, LLC who work in the classifications set forth in this Agreement.

While it is the intent of the employer to use bargaining unit employees to perform the work they retain the right to subcontract work.

ARTICLE 2. SECURITY

It is agreed that all employees coming under the terms of this agreement who have been in the employ of the Employer for a period of thirty (30) days shall make application to and become and remain members in good standing of the Union, as it applies to the payment of initiation and reinstatement fees and regular monthly dues. Employer shall inform employees of the foregoing requirement at the time that they are employed. The Employer agrees to notify the Union in writing of all new employees and their addresses, on a form provided by the Union, within thirty (30) days of hiring.

ARTICLE 3. HIRING

(a) The Employer agrees that when additional employees are required, the Local Union will be given as much advance notice as possible, but not less than forty-eight (48) hours so that the Union may have a reasonable opportunity to refer applicants for employment. The period of notice will commence when the Union receives such notice by telephone or by FAX from the designated representative of the Employer. Such notice shall include the number and qualifications of the employees required, length of job, shifts, and any other information pertinent to the filling of the manpower needs of the Employer. The Union agrees that it will, upon receiving the personnel order, refer experienced personnel, when available, to the Employer for the classifications covered by this Agreement.

(b) The Employer retains the right to reject any job applicant referred by the Union. The Employer may discharge any employee for just and sufficient cause.

(c) The Employer may request any member in good standing who is on the Union's out of work list.

(d) If the Employer hires persons other than those referred by the Union, it shall advise the Local Union within five (5) working days after such person is hired, as to the name, address, social security number, date of hire, classification and rate of pay of such employee.

(e) All employees, referred to the Employer by the Union, shall submit to the making of such records as are or may be required by the Employer for the purpose of identification.

(f) Each party agrees to hold the other party signatory hereto harmless from any money damages and penalties assessed against one party by any Government Agency or Court of Law because of any charge of unfair labor practice or act where such practice or act was proximately or solely caused by the other party.

ARTICLE 4. UNION ACCESS TO JOBS

Authorized Business Representatives of the Union shall at all times have access to the shop or plant when they apply at the office of the Employer. Such Representatives of the Union shall not unnecessarily interfere with the employees or cause them to neglect their work. The Employer shall furnish a list of employees on the request of the Union.

ARTICLE 5. STEWARDS

Under no circumstances shall the Shop Steward, or any employees make any arrangements with the Foreman or Management that will change or conflict with any rule or terms of this agreement. The Union shall notify the Company, in writing, as to who is the appointed Shop Steward.

The Employer will not in any way discriminate against the Shop Steward for presenting any complaint, dispute or grievance to their foreman in the manner provided in this agreement.

ARTICLE 6. HOURS OF WORK

Eight (8) hours shall constitute a standard workday and forty (40) hours a standard workweek. The workweek shall start on Monday and continue through the following Friday. When shifts are to be established, such shifts shall continue five (5) consecutive workdays and the Employer shall notify the Union when shifts are to be established. Shifts may be established on the following basis:

The starting time of the day shift shall be seven o'clock (7:00) A.M., excepting that by mutual agreement a starting time, two hours either way of seven o'clock (7:00) A.M. may be used.

FIRST SHIFT: An eight and one half (8 1/2) hour period less thirty (30) minutes for meals on the employee's time. Pay for a full shift period shall be a sum equivalent to eight (8) times the regular hourly rate with no premium. The starting time of the second shift shall be immediately following the close of the first or day shift.

SECOND SHIFT: An eight and one half (8 1/2) hour period less thirty (30) minutes for meals on the employee's time. Pay for a full second shift period shall be a sum equivalent to eight (8) times the regular hourly rate as set forth in Article 11.

ARTICLE 7. OVERTIME

Overtime shall be at the rate of one and one-half (1 1/2) times the regular straight time rate for hours worked in excess of eight (8) in one work day, or for all hours worked on Saturdays. Regular workdays are from Monday through Friday inclusive.

Sundays and holidays will be paid at the rate of two times the regular straight-time rate for all hours worked on such days.

Where employees are required to work during their scheduled lunch period, every effort will be made to reschedule the lunch period of the individuals affected, as close as possible to the normal time.

Ten (10) or twelve (12) hour shifts may be scheduled to start at five o'clock (5:00) A.M., and the overtime rate shall be applicable beginning after the eighth (8th) hour (excluding lunch periods) following the start of the shift.

ARTICLE 8. REPORTING AND MINIMUM PAY

An employee starting a shift or called and starting to work shall receive not less than four (4) hours pay; and if required to continue to work beyond four (4) hours, he shall receive pay for actual hours worked.

Where an employee is called back to work after completing a normal shift, or on a Sunday or holiday, he shall receive not less than two (2) hours pay at the applicable overtime rate.

In the event of an emergency not caused by the Employer and beyond his control or where the employee voluntarily fails to complete a shift, quits, is laid off, or is discharged for cause, the employee shall be paid for only actual time worked.

ARTICLE 9. PAY DAY

The pay period is Sunday through Saturday and paychecks for that period will be issued the following Friday. Any employee who quits of his own volition shall receive all wages due him at the next regular payday following the pay period in which he terminated his employment.

ARTICLE 10. WELDERS TEST

If a person takes a test and (1) passes the test and (2) is hired by the Employer, the employee's time consumed while taking the test will be paid by the Employer at the appropriate wage rate. Upon receipt of the test papers from the laboratory for such welders, such papers will be open to the inspection of the duly authorized Union Representative. A statement of test qualifications will be furnished to the welder upon termination when requested.

ARTICLE 11. WAGE SCALE CLASSIFICATIONS

The Employer agrees to pay it's employees and the Union agrees that it's members employed by the Employer will accept the wage scales for the various classifications set forth and contained in Schedule "A" of this Agreement.

The wage scale herein established shall be considered as minimum wage scales and shall not prevent the Employer from paying higher wages to premium men.

ARTICLE 12. FUNERAL LEAVE PAY

Each employee shall receive one (1) day off with pay in the event a death occurs in the immediate family. The immediate family shall be defined as wife, husband, son, daughter, brother, sister, mother and father who are residing within the United States.

ARTICLE 13. HOLIDAYS

Paid holidays shall be defined as follows: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, day after Thanksgiving, Christmas Day and one (1) floating holiday.

Paid Holidays - Each eligible employee shall receive eight (8) times the regular first shift straight-time rate of pay for the days specified holidays, provided:

The employee worked his last regularly scheduled workday prior to and his first scheduled workday following the holiday. Exception will be made in cases where absence on the workday prior to or the workday following was due to vacation, industrial injury, bona fide illness covered by a doctor's certificate, approved leave of absence or temporary layoff, provided the employee's absence from work for the purpose of this exception by reason of any of the above causes is not for a total period in excess of two (2) weeks. For purposes of this Section, temporary layoff shall be considered as two (2) weeks or less in duration.

A new employee must be employed thirty (30) days preceding the holiday to be eligible for a paid holiday.

All time worked on the aforesaid holidays shall be compensated for at two (2) times the regular straight-time hourly shift rate.

It shall be optional with the employees of the Company as to whether or not they work on any of the specified holidays at the request of the Employer.

ARTICLE 14. VACATIONS

Definition - One year of service will be established when 1,000 hours are worked in a consecutive twelve (12) month period.

Vacation will be paid on the next payroll after the anniversary date. Anniversary date to be defined as original date of hire.

Voluntary quit or termination for cause will establish a break in service. Layoff or discharge will be cause for payment of accrued vacation on the next regular pay period.

Regular vacation will be paid as follows:

* 1 year through 2 years	One week	(40 hours straight time pay)
* 3 years through 9 years	Two weeks	
* 10 years through 17 years	Three weeks	
* 18 years and over	Four weeks	

* Eligibility - Vacation to be taken in the next year of service.

Any employee who is terminated for any reason (quit or discharge) who has less than one (1) year of employment shall not be entitled to prorate vacation, but employees who have more than one (1) year of employment and terminate employment shall be entitled to a prorate of their vacation (actual hours worked to one thousand - 1,000) based on the number of years employment accrued.

ARTICLE 15. APPRENTICE

Apprentice wages, ratios and other matters concerning apprentices shall be as provided in the Boilermakers Joint Apprenticeship Standards, as approved by the Washington State Apprenticeship Council.

ARTICLE 17. GRIEVANCE PROCEDURES

All grievances that may arise in the shop or plant of the Employer covered by this Agreement shall be given consideration as follows:

(1) All grievances shall be handled by the appropriate Union or it's authorized representative and the Employer or it's authorized representative.

(2) In the event the grievance cannot be settled as above with ten (10) days after it arises, it shall be submitted to the Representative of the International Union and the Representative of the Employer for consideration and settlement.

ARTICLE 18. GENERAL PROVISIONS

There shall be no cessation of work through strikes on the part of the employees or lockout on the part of the Employer during the period of this agreement. It shall not be considered a violation of this agreement for any member to refuse to go through a picket line for their own protection, when such a picket line is approved by the International Brotherhood.

ARTICLE 19. HEALTH AND SAFETY

The Employer shall comply with all safety, health and sanitation measures required by the Washington Industrial Safety and Health Act and the Federal Occupational Safety and Health Act. The employees shall comply with safety, health and sanitation standards, rules and regulations that are applicable to his or her own actions in conduct.

If an employee requires medical treatment for a work related injury, the employee will receive his hourly wage during the time of treatment. In the event a doctor issues a written report that advises the employee not to return to work because of his injury, he shall be entitled to pay for the remainder of the shift.

ARTICLE 20. JURY SERVICE

Employees with more than one hundred eighty (180) days of service who are called for jury duty and serve as jurors on regularly scheduled work days shall be paid the difference between the amount received for such service and their straight-time hourly earnings, not to exceed eight (8) hours per day for forty (40) hours per week.

It is understood that time spent on jury duty shall not exceed ten (10) paid days.

ARTICLE 21. TRAVEL TIME/OUT OF SHOP WORK

When employees are sent to work away from the shop or regular place of employment, they shall be paid their regular shift pay while traveling except in the case of traveling to or from the shop or regular place of employment before the regular starting or after regular quitting time of their shifts. In such cases, they shall receive pay at the established overtime rate.

The Employer shall provide covered transportation or pay mileage allowance in accordance with the maximum cents per mile allowed by the Internal Revenue Service plus bridge tolls if the employee is required to furnish his own transportation from the Employer's place of business to the job site.

If employees are sent to work a distance of sixty-five (65) miles or more out of town, they shall receive suitable board, lodging, and transportation as required.

ARTICLE 23. PENSION

The Employer will pay contributions as follows to the Boilermakers National Pension Trust Fund.

<u>Effective Date</u>	<u>Contribution Per Hour</u>
5/1/07	\$ 2.35
5/1/08	\$ 2.45
5/1/09	\$ 2.55
5/1/10	\$ 2.65
5/1/11	\$ 2.75

ARTICLE 24. HEALTH & WELFARE

The Employer shall pay the full cost required to provide medical, prescription, vision, life and dental benefits for each employee and his/her dependants. A copy of the plan benefits shall be provided to each employee & a copy will also be provided to the Union for their records.

Maintenance of Benefits: The employer shall pay one hundred percent (100%) of the cost required to maintain benefits for each employee and his/her dependants under the present H&W plan or another comparable medical plan.

ARTICLE 25. EFFECTIVE DATE AND DURATION

This agreement, effective May 1, 2007, shall remain in full force and effect until April 30, 2012, and from year to year thereafter, unless either party shall, at least sixty (60) days but not more than ninety (90) days prior to any subsequent anniversary date, notify the other party in writing by certified mail of any proposed changes or modification of this Agreement.

SIGNED AND AGREED TO THIS 26th DAY OF March, 2007.

EMPLOYER REPRESENTATIVE

UNION REPRESENTATIVE


SIGNATURE/TITLE


SIGNATURE/TITLE

