

Agreement

By and between

SALTWATER INC.

And

ALASKA FISHERIES DIVISION

Of the United industrial Workers
a Division of Seafarers international
Union of North America, AFL-CIO

**North Pacific Groundfish Observer Program
2015 - 2016**

AGREEMENT

by and between
Saltwater Inc.

and

**Alaska Fisheries Division of United Industrial Workers,
Seafarer's International Union of North America, AFL - CIO**

PREAMBLE AND PURPOSE

This Agreement is between the Alaska Fisheries Division of UIW (hereinafter called the "Union") and Saltwater Inc. (hereinafter called the "Company"). The purpose of this Agreement is to encourage the highest standards of observer conduct and professionalism, ensure amicable labor management relations, and to record the conditions of employment agreed on through the collective bargaining process.

Section 1

COVERAGE, RECOGNITION, AND JURISDICTION

1.01 This Agreement shall commence on September 8, 2015 and covers the terms and conditions of employment of the Company's Marine Biologists/Fisheries Observers working in the National Marine Fisheries Service (NMFS) North Pacific domestic groundfish observer program (hereinafter called the "Observers"). This Agreement does not cover any other Company employees including those who may make observer trips according to the rules established by NMFS or ADF&G.

1.02 The Company recognizes the Union as the sole collective bargaining agent for the Observers described in Section 1.01.

1.03 The Company and the Union agree that Observers are salaried, temporary employees of the Company.

1.04 If the Union enters into any agreement with any individual employer or group of employers performing Observer work as described in Section 1.01 and that agreement provides for more favorable wages, hours, terms, or conditions to any other employer, the Company signatory hereto, shall be afforded the privilege to adopt such advantageous terms and conditions to this Agreement.

Section 2

UNION SECURITY

2.01 The Company recognizes that as a condition of employment, Observers covered by this Agreement shall become members of the Union or agency fee payers. Observers may join the Union at any time, but are required to join or pay agency fee thirty (30) days after the execution of this Agreement, or thirty (30) days after hire, whichever is later, and shall either remain members in good standing of the Union or up-to-date agency fee payers during the life of this Agreement. Prior to the signing of any hiring statement, the Company shall provide the employee with an information packet supplied by the Union, which shall include a copy of the Agreement, a Dues Check-Off/Assignment Authorization form to be completed by the

employee, and other information as agreed on by the Union and the Company. The Company shall notify the Union monthly of those Observers scheduled to be deployed. The Union shall notify the Company monthly of any employee who may be ineligible for re-hire due to failure to comply with this section. The Company agrees not to re-hire such an Observer upon proper notification. The Union agrees to defend and hold harmless the Company for any charge or suit made or brought as a result of the provisions of this section.

2.02 The Company agrees to recognize Dues Check-Off Authorization forms, which must be filled out and signed by the employee showing the amount of the assignment. The Company shall forward to the Union the amount indicated from the wages earned by the employee on a quarterly basis on or after the date such employee is required to join or pay the agency fee. The Dues Check-Off assignment by its terms must remain irrevocable throughout the term of this Agreement.

2.03 The Company and the Union agree that any duly authorized representative of the Alaska Fisheries Division of UIW of the Seafarers International Union of North America and such other persons as may hereafter be designated by written notice, provided on Union letterhead, signed by the President, Secretary-Treasurer, or area Vice President of the Union and delivered to the Company, and no others shall be deemed to be representatives of the Union. Should the Union select a delegate for any of the Companies operations, such delegate shall have no authority to incur any liability or responsibility on behalf of the Union, nor change, nor alter, or amend any of the provisions of this agreement, nor shall such delegates have any power or authority on behalf of the Union to violate or to cause violation of any of the provisions of this agreement. The Delegate's sole authority in respect to the Company being limited to the discussion and adjustment of questions arising under this agreement and then only in strict compliance with this agreement. The delegate's Union responsibilities must not affect the Observer's ability to complete NMFS, Company duties or responsibilities.

2.04 During the term of this Agreement there shall be no strikes, picketing, work stoppages, slow-downs, sympathy strikes, or other disruptive activity for any reason by any Observer, groups of Observers, or the Union, and there shall be no lockout by the Company.

2.05 The Company agrees to post notices for meetings to be held at the Union's office. The Company shall allow an authorized representative of the Union access to observer housing during normal business hours and upon three (3) days prior written notice of the visit for the purpose of following up on step three of any grievance procedure after the grievance procedure has been followed. Notice shall include identification of person to be visited, the Union representative and the grievance involved. The Company grants to the Union the right to visit the Company provided house during the last six months of the duration of the contract for purpose of meeting with members to prepare for contract negotiations. This visit may be scheduled during normal business upon at least three (3) days written notice. Any such meeting must be agreeable to all Observers currently housed in the apartment where such meeting is to be held.

Section 3 RULES PERTAINING TO EMPLOYMENT

3.01 The Company is committed to hiring it's prior Observers and shall make its best effort to hire seventy percent (70%) prior Observers on an annual basis for both the

groundfish and shellfish programs if qualified priors are available.

The Company shall hire:

- A. First: All prior Company observers in good standing willing to commit to a 90 day contract
- B. Second: All prior Company observers in good standing
- C. Third: All prior observers in good standing
- D. Fourth: Any new hires.

The intent and purpose of this article is to rehire prior company observers and retain experienced observers. In applying this article, the prime considerations for the Company shall be logistical and operational necessities to meet the demands of Company clients, and that pay grade will not be a primary consideration when determining which observers will be selected for assignment.

Note: In order to maximize job opportunities for prior observers and reduce the number of trainees needed, the Company requests observers to communicate their desire to work at least sixty (60) days prior to the start of the **training** associated with the desired beginning start date of employment.

Employees who contractually commit to work for Saltwater are prohibited from beginning employment with another contractor until the current contract terminates, expires or is released by mutual agreement. Acceptance of such employment will be considered a quit and section 6.02 transportation penalties will apply.

3.02 The Company and Observer, by authorization of the signature on the dues check-off form recognizes the Company's right and obligation to forward to the Union, the employee's name, social security/tax id number, address, phone number and email address, and will be included on said form. The Company will not release Observer resumes, social security numbers, addresses or phone numbers to any party other than NMFS observer program without the Observer's written consent.

3.03 Discrimination It shall be the policy of the Company and the Union that employees shall not be discriminated against in violation of State or Federal laws provided that person is qualified, capable of doing the job, and meets eligibility requirements set by NMFS. More specifically, to the extent of applicable law, neither party shall discriminate against an employee or applicant for employment because of race, color, sex, sexual orientation, age, religion, ancestry, national origin, marital status, Union membership or legitimate Union activities, or any other legally protected category. This non-discrimination policy shall include, but not be limited to, the following: employment, transfer, lay-off, termination, rates of pay, forms of compensation, recruitment or recruitment advertising and selection for training.

3.04 The Company will not discriminate against or deny employment to Observers based on their political activities as allowed by state or federal law. Observers agree not to engage in political activities or union organizing while deployed in the field. However, this shall in no way infringe on their rights to discuss/conduct Union activities as protected by law, including but not limited to the protections afforded them under National Labor Relations Act.

3.05 Union Notification The Company will send to the Union at the time it submits to NMFS, the list of Observers it intends to register for briefings or training. The Company shall notify the Union of briefing/training schedules at which the Union shall be given access to employees,

whenever possible, at least five (5) days in advance. If an employee is hired less than five (5) days before briefing/training, then the Employer shall notify the Union of his briefing/training schedule within one (1) business day of the day on which the employee accepts such employment.

3.06 Company Notification

Observers shall notify the Company if the Observer has reason to believe a vessel or plant to which they are assigned is out of compliance with Federal, State, NMFS, or ADF&G regulations related to the observer's work station, sampling duties, safety, bunking arrangements, or access to computers, communications, or logbooks.

Observers shall visually inspect USCG safety decal aboard each vessel boarded and confirm by phone, text message, or e-mail to the Company the decal number and expiration date of said decal immediately upon boarding each vessel, prior to vessel movement.

Observers shall report any information, allegations or reports regarding Observer conflict of interest or breach of NMFS standards of behavior.

Observers are required to notify the Company immediately or upon arrival to port if communications are not available from the vessel, if while assigned to a plant or vessel they are unable to complete NMFS or ADF&G duties for any reason for more than 24 consecutive hours.

Observers shall notify the company of any new mental illness or physical ailment or injury since submission of the physical examination specified in section 5.01.

Observers shall notify the Company of incidents of all potential harassment by phone, fax or e-mail immediately after the incident occurs. If these communications are not available or not secure, then the Observer shall notify the Company upon arrival to port.

Observers shall notify the Company of incidents of sexual harassment by phone, fax or e-mail immediately after the incident occurs. If these communications are not available or are not secure, then the observer shall notify the Company upon arrival to port. All reports of sexual harassment shall be followed by written notification to the Company by the Observer. Upon receipt of such a report the Company will investigate and take reasonable action to remedy the situation.

Groundfish Observers in the field are expected to submit all catch messages to NMFS in a timely manner.

Any observer required to complete a mid-cruise with NMFS or check in with ADF&G must do so as instructed by the Company or the appropriate government agency.

Observers who fail to meet these reporting/communication requirements may be considered ineligible for rehire with the company. Any such determination by the Company will be subject to the grievance procedure.

3.07 At the time hired Observers will be given a copy of the Union Agreement (to be supplied by the Union) and required to sign Appendix A of this contract which states the scheduled beginning date and approximate duration of their employment, risks and conditions of the job, and standards of professional conduct. The Company's intent is to employ the Observer for the approximate duration stated in Appendix A. The Union and the Company understand that the length of assignment(s) is unpredictable due to the changing nature of the fisheries and may be longer or shorter than originally projected. All changes made to the duration of the contract must be approved in writing by both parties. The Union and the Company agree that completion of this contract requires Observers to complete all duties as outlined by the NMFS, submit all gear, expense reports, and fulfill all assignments during the duration of their contract.

3.08 Professional conduct An Observer may be discharged without warning for just cause. Just cause includes, but is not limited to: dishonesty, incompetence, insubordination, negligence with equipment, unexcused absenteeism, unexcused tardiness, disobedience of orders, unsatisfactory performance of duties, violation of a vessel or plant owner's rules imposed upon the Company provided such rules do not conflict with NMFS or ADF&G regulations, and failure to live up to the standards of professional conduct outlined below and in Appendix A.

Any discharge for cause shall be subject to the grievance procedure.

Observers agree to refrain from becoming physically or sexually involved with any person involved in the fishery in which they are observing, or NMFS Observer Program staff. Observers agree to avoid any behavior that could be damaging to their professional image or which might give the appearance of misconduct.

Observers agree to refrain from any type of harassment of others during their employment as an Observer, including but not limited to sexual advances, requests for sexual favors, verbal or physical conduct of a sexual nature, and contributing to an offensive or intimidating atmosphere.

Observers agree not to consume alcoholic beverages while onboard a vessel or at a plant. Observers agree to limit alcohol consumption while employed so their conduct at all times does not jeopardize their safety, the safety of others, their professional image, or their ability to do their job. Reporting to work, performing one's job assignment, or visiting the NMFS facilities under the influence of alcohol or drugs is grounds for immediate termination. Observers agree to abide by the stricter set of rules if assigned to a vessel or plant with more stringent rules regarding alcohol, including NMFS than those described in this paragraph.

Observers understand the use, possession, distribution, or sale of marijuana, narcotics, or other non-prescribed controlled substances or paraphernalia while employed by the Company is forbidden. Observers understand they will be conducting their duties onboard vessels which also have strict "no drugs" policies, and the Observer agrees to submit to random urine and drug screen tests and searches of their personal belongings on request of a representative of the Coast Guard, vessel owner, vessel operator, or the Company. If convicted under a criminal drug statute Observer agrees to notify the Company immediately and in writing no later than five (5) calendar days after such a conviction.

3.09 Observers in training are required to attend all class hours and complete all class assignments and tests on time. Failure to do so is cause for termination. If the Company has reason to believe an Observer is not performing in a manner appropriate to passing the certification test or becoming a good Observer the Company will notify the Observer as soon as possible to give that individual the opportunity to address the Company's concerns.

Saltwater conducts contract review and deployment sessions in order to fully inform observers of their contract and critical deployment information. This information is key to successful communication and deployment. All observers are required to attend all Saltwaters' contract review sessions and deployment briefings. Late or missed briefing without justification could cause a delayed deployment.

3.10 Any Observer who is fired shall be paid earned wages and approved reimbursable expenses within three (3) working days of the end of the month after which they complete debriefing. The Union and Company agree that an Observer is only entitled to pay for time

worked for the purposes of this clause.

3.11 A grievance, complaint, or dispute arising out of the interpretation or application of this Agreement or the terms or conditions of employment, except for those actions described in 3.08 by an Observer who has completed one contract with the Company shall be subject to the grievance procedure outlined in Section 4 of this Agreement. Observers are considered probationary employees until they complete their first contract with the Company. Terminations during this probationary period shall not be subject to the grievance and arbitration procedures contained in this contract.

3.12 Management Rights The Company retains all discretionary and decision making rights not specifically limited by the terms of this Agreement. These rights include, but are not limited to: hiring, assignments, transfers, layoffs, termination, logistics and travel decisions, procedures, establishing job site or housing rules and regulations, selection of any subcontractors, and determining the number of Observers required to perform the work.

3.13 The Union specifically recognizes the Company's right to establish or continue its policies, practices, and procedures for the conduct of the business; to change or introduce new procedures or methods of operation; to select and to hire the number and types of employees required; to establish and change work schedules and assignments; to transfer, promote, demote, suspend, layoff, terminate or otherwise relieve employees for lack of work or other reasons; to make and enforce reasonable rules for the maintenance of discipline and protection of life and property; and to suspend, discharge or otherwise discipline employees for just cause.

3.14 Subcontracting The Union recognizes the Company's right to determine the number, the types, and the scope of its operation including the right to discontinue, contract out, or transfer, sell or otherwise dispose of any portion or the whole of its business.

Section 4 GRIEVANCES AND ARBITRATION

4.01 Grievances Grievances relating to the terms and conditions of employment shall be settled through a step-by-step process. If an agreement is reached at any step, it shall settle the matter so long as the settlement is not contrary to the provisions of this contract. Failure to notify the Company within the specified time limits identified in this grievance procedure shall constitute a bar to further action on the alleged grievance. In the event that an observer notifies the Union of a grievance, the Union representative shall verify with the Company that steps one and two of the grievance procedures have been completed. If those steps have not been completed the Union will direct the observer to the appropriate step.

4.02 Step 1: When a grievance arises on the job, the aggrieved Observer shall discuss the grievance with the appropriate Company supervisor. If the grievance cannot be resolved informally through discussion, it shall be described in writing and submitted to the Company President in Step 2.

4.03 Step 2: The written grievance must be submitted within fifteen (15) days of the date that the Observer knows or has reason to know of the conduct or actions on which the grievance is based. On receipt of the written grievance the President of the Company or his/her assignee will respond within thirty (30) days.

4.04 Step 3: If the dispute is not settled in Step 2, the Observer shall submit the written description of the problem to the Union. The Union representative will take the written grievance to the Company within fifteen (15) days. The Union and the Company agree to meet in person or telephonically as soon as possible within fifteen (15) days and attempt to settle the matter.

4.05 Step 4: If the dispute is not settled in Step 3, at the end of an additional thirty (30) days either party may request arbitration which shall be held in Anchorage, Alaska.

4.06 Arbitration If a timely request for arbitration is received, the Union and the Company shall exchange lists of not more than five names of suggested arbitrators and shall meet within five (5) days to agree on a mutually acceptable arbitrator. If no agreement can be reached within five (5) days of such meeting, the parties shall select an individual arbitrator by the striking method from the permanent list of arbitrators in the Anchorage area. This list will be supplied to the parties by the American Arbitration Association. Arbitration shall commence as soon as possible following the appointment of the arbitrator. It is understood and agreed by the parties that time is of the essence in the arbitration procedure. The arbitrator shall have no authority to add to, alter, delete or modify any statute, regulation, ordinance or labor agreement or to issue any award on a matter not raised in the written grievance filed by the Observer at Step 2. The arbitrator shall not make any award involving payment to a party for events, actions or omissions preceding the events, actions or omissions recited in the written grievance at Step 2. The decision of the arbitrator is final and binding. The submission of any grievance and subsequent arbitration shall not act as a stay of any action or time to file any action unless a stay is expressly agreed to by the parties. The parties shall share equally those expenses of arbitration as shall be of joint nature, such as transcription costs, American Arbitration Association fees, rent of hearing quarters, and other similar matters. The loser of the arbitration shall pay the arbitrator's fee and expenses. The reimbursement of wages to witnesses, witness fees, and legal costs of a party shall be borne by the party incurring such expenses.

4.07 Time limits, per above, may be extended by mutual agreement.

4.08 Nothing in this Agreement shall prohibit the parties from utilizing other methods mutually agreed upon to resolve the matters in dispute.

Section 5 PROVISIONS

5.01 Physical Examination As a condition of being hired, Observers shall provide the Company with a physician examination form completed on an approved Company form during the twelve-(12) months prior to the Observer's deployment. The examining physician must certify on the form provided by the Company that the Observer does not have any health problems or conditions that would jeopardize the Observer's safety or the safety of others while deployed, or prevent the Observer from performing his or her duties satisfactorily. On completion of the contract the Company will reimburse a prior Observer up to the amount charged by the Company's contracted clinic for the cost of a physical when turned in on an expense report and supported with a receipt.

5.02 For Groundfish Observers, sampling and safety gear shall be provided by NMFS. All gear is the property of NMFS and Observers are responsible for its maintenance,

cleaning, and return to NMFS in a timely manner and for the cost of replacing missing or damaged gear. The Company may replace missing gear and deduct the cost of replacement, repair, or cleaning costs from Observer's pay. Observers must be given written notification of any deductions from salary for the cost of cleaning, repair or replacement of NMFS gear. Any such deduction will be subject to the grievance procedure and would require verification of charge to Company from NMFS.

5.03 In the event of a work related injury or illness, observer is required to notify the company prior to visiting a doctor or clinic, except in cases of emergency. In cases of emergency observer will notify company as soon as possible. Company will begin the workers compensation process upon notification from observer. Observer understands that any claims unaccepted by the Department of Labor or Office of Worker's Compensation Program could result in fees that will be the responsibility of the Observer.

5.04 Company will assist observers with filing required paperwork to applicable Workers Compensation office for work related injuries. If medical condition is not work related, as determined by the Doctor, the observer is responsible for expenses incurred.

Section 6 TRAVEL, LODGING, MEALS, AND REIMBURSABLE EXPENSES

6.01 Point of hire: Point of hire is Seattle. If observer is a resident of Alaska and briefing and/or training is offered in Anchorage, then Alaska resident's point of hire will be Anchorage. The point of hire for a particular Observer will be specified in a hiring statement signed by the Observer. Anchorage Point of Hire is defined as having a place of residence in Alaska other than Saltwater lodging.

6.02 Transportation The Company will provide Observer's transportation from point of hire to duty location(s) and between duty locations as necessary. On completion of contract, Company will provide return transportation to point of hire. If Observer quits while in the field, Observer will be responsible for his or her roundtrip transportation from last duty station. If Observer quits while in Anchorage, Observer will be responsible for his or her transportation from Anchorage to point of hire. If an Observer is terminated for failure to show up at work, fighting, use of drugs or alcohol, or falsifying his or her employment application, the Company will not be responsible for return transportation. The Company will provide the Union the name of any Observer who quits within seven (7) days.

6.03 Observer candidates without prior experience in the North Pacific Groundfish Observer Program will be responsible for their transportation to training.

6.04 Lodging The Company will provide lodging or reimbursement for lodging for each actual day of training, briefing, on contract but unattached to an assignment, and debriefing. Debriefing lodging is limited to a maximum of five (5) days unless NMFS notifies the Company that additional time is required for reasons unrelated to poor Observer performance. During debriefing the Company will provide lodging during week-ends and for days prior to the first day of debriefing and those days will not be counted against the five (5) day maximum provided the Observer is prepared for debriefing and is delayed only by the NMFS or Contractor's schedule. If an Observer chooses to delay debriefing or to brief early for a season, that Observer shall not be entitled to lodging during the waiting period after briefing or before debriefing. The Company will be responsible for lodging arrangements, at its sole

discretion, but will only use a YMCA or youth hostel with the agreement of the Observer. The Observer will be reimbursed for lodging expenses only if the expenses were pre-approved and the Observer submits an Expense Report, supported by receipts, within thirty (30) days after debriefing. Observers are expected to follow the "house rules" at any lodging facility. No overnight guests are permitted at Company lodging. Failure to do so will cause the Observer to forfeit the lodging arrangements outlined in this paragraph for the remainder of their stay at that facility. Saltwater has the right to require employees who have ended their employment with Saltwater for any reason to vacate company housing immediately.

The Company may replace missing property or repair damage to a lodging facility caused by an Observer and deduct the cost of such replacement, repair, or cleaning from the Observer's pay. Observers must be given written notification of any such deduction. This deduction will be subject to the grievance procedure.

6.05 Meals On completion of a contract, the Company will provide meals, or allowance for meals for each actual day of training, briefing, debriefing including gear check in, waiting to be deployed, in transit after briefing or training, or at a duty location but unattached to an assignment. If observer voluntarily postpones debriefing, meal allowance will begin when debriefing begins.

Meal allowances will not be provided:

- a) For any days which result from an Observer's request to delay deployment, delay debriefing or requests to brief early
- b) For days which delay debriefing due to Observer being unprepared for debriefing.
- c) If meals are provided from some other source (for example, the vessel or at a plant).
- d) For any form of alcohol.

Meal allowance will be provided at the following rates:

Location

Anchorage	\$40
Seattle	\$30
Other Alaskan ports	\$40

Groundfish training	\$450
Shellfish Training	\$450

Adequate kitchen facilities will include a working stove, refrigerator, pots, pans, utensils, plates and glasses. Any day in which an Observer is assigned for part of a day and on land unattached to a facility that does not provide meals the meal allowance will be twenty dollars (\$20).

6.06 Reimbursable Expenses On the completion of a contract the Company will reimburse Observer for reasonable, pre-approved work-related excess baggage charges and transportation expenses (bus, taxi, shuttle) when documented on Expense Report, supported by receipts, and turned into the Company within thirty (30) days after completing debriefing.

Transportation from lodging to or from training, briefing, or debriefing is not reimbursable. Reimbursement for transportation to and from the Seattle Airport will be limited to the prevailing shuttle rates.

Taxi fare when gear is being transported between SWI housing and NMFS will be reimbursed.

Extra baggage/overweight bag fees will only be reimbursed for overweight sampling gear. Additional personal bags and overweight personal bags will not be reimbursed. Scales will be placed either at the apartments and/or at the Saltwater main office in Anchorage, Kodiak, Dutch Harbor and Seattle. It is further understood that Observers will make every effort to pack their sampling gear under the 50 pound allowed baggage weight to avoid overweight baggage charges.

6.07 Gear Allowance On the completion of a contract the Company will reimburse Grade 2-7 Observers thirty-five dollars (\$35.00) for every thirty (30) assigned days or pro-rata thereof; being \$1.17 per deployed day; up to a maximum of two hundred forty-five dollars (\$245.00) per calendar year. To receive reimbursement Observers must submit an Expense Report to the Company supported by receipts within thirty (30) days of incurring the expense. Gear allowance reimbursements will be for work related personal gear.

6.08 Salary Advances On completion of training or briefing and prior to deployment an Observer may, on request, receive one salary advance up to four hundred dollars (\$400.00) to cover travel related expenses incurred while in the field. This amount shall be deducted from the Observer's salary.

Section 7 COMPENSATION

7.01 Observers will receive pay while deployed. Deployment begins the day the Observer boards the plane after briefing or training for an assignment and continues through, and including, the day the Observer leaves the field and returns to Seattle or Anchorage to wait for debriefing. If an observer briefs or trains in a port other than Seattle or Anchorage, deployment begins the day the Observer boards their vessel and continues until they return to wait for debriefing. If an observer briefs or trains and boards in Seattle, assignment begins the day the observer boards their vessel in Seattle.

7.01a Observers will receive pay increases based on experience:
Effective May 1, 2015

Grade	Deployment Days	Daily Rate 2015/2016
1	1-90	\$135
2	91-180	\$157
3	181-270	\$169
4	271-360	\$179
5	361-450	\$189
6	451-999	\$199
7	1000+	\$211

CP Lead Level 2 position will receive an additional \$20 per day when assigned to a vessel.
Longline Lead Level 2 will receive an additional \$38 per day when assigned to a vessel.

Bonus: Grade 2-7 employees who work for Saltwater a minimum of 150 assigned days in a

calendar year will receive an annual bonus of eight dollars (\$8.00) per assigned day to be paid at the end of the calendar year.

7.01b Money Purchase Pension Plan It is agreed that the Company will become, and remain, a party to the Seafarers Money Purchase Pension Plan. The Company, commencing with the execution of this Agreement, shall make contributions to the Seafarers Money Purchase Pension Plan for all grade 2-7 Observers in the amounts as specified below:

1.5% of Daily Wages (pre-tax)

In calculating these amounts, only wages and pay for assigned days shall apply. Contributions will not be based on any bonus pay, gear allowance, per diem. Such contributions shall be forwarded to the Plan, in accordance with the provisions of the Trust Agreement, to:

SMPPP-Manpower Monitoring,
5201 Auth Way
Camp Springs, Maryland 20746

7.01c On completion of briefing Observers will receive one hundred five dollars (\$105) for each actual day of briefing.

7.02 Rates of pay will be based on documented proof of experience in the North Pacific groundfish and/or shellfish observer programs. Groundfish and shellfish experience will be combined to determine rates of pay. To document experience Observers shall present the NMFS summary of assignment days for the groundfish observer program or the ADF&G summary of days for the crab or scallop observer programs. Days in which an Observer received an unsatisfactory grade by the NMFS (0) or ADF&G will not count towards Observer's advancement to the next pay grade. If an observer receives a 3-week retraining due to poor work performance, as determined by NMFS or ADF&G, the observer will not be entitled to training pay for the retraining.

7.03 Assigned days begin the day an Observer boards a vessel or reports to sample at a plant and ends on the day that Observer disembarks from a vessel or does his/her last day of sampling at a plant. Nothing herein shall preclude the Company from paying higher rates.

7.04 Training On completion of groundfish training Observers will be paid \$1350.

7.05 The Company will reimburse Observer only for ordinary and necessary work-related gear, physical exams, or travel when documented on Expense Report, supported by receipts, and turned into the Company within thirty (30) days after completing debriefing.

7.06 On completion of debriefing Observers will receive one hundred five dollars (\$105) for each actual day of debriefing (this includes computer days, interview days and gear check-in). If an observer requests to debrief at a location other than their point of hire, transportation from the debriefing site will be provided or reimbursed only if the ticket is purchased and submitted to the Company no more than 15 days after the last day of debriefing.

7.06a If, due to Company or NMFS scheduling, Observer debriefing is delayed more than five (5) business days the Observer will receive 1/2 the debriefing pay per business day beginning the sixth (6) business day as waiting pay. Waiting pay will be paid for business days only and will

continue until debriefing begins; at which time debriefing pay will be paid as stated above.

7.07 Observers shall receive full pay when steaming between Seattle and the fishing grounds.

7.08 If an Observer has been unassigned for four (4) days the Company may give that Observer the choice to debrief or to receive pay at one/half (1/2) the daily rate for their grade, whichever the observer chooses. Saltwater will schedule observer for next available briefing, 1 day or 4 days as recommended by NMFS, following debriefing. In between assignments Observers must be ready and available to go to work on short notice. If an Observer is not available or unfit for deployment and/or travel the Observer will forfeit their pay for the entire unassigned period. If an Observer requests to delay travel, the Observer will not receive pay, meal allowance, and possibly lodging for the affected period.

7.09 Observers will be paid for services by the eighth working day of the month following the month in which services were provided.

7.10 Observers must arrange with the Company to have their monthly checks direct deposited to their bank account by completing a salary destination form. If rare circumstances exist that preclude direct deposit capability, the Observer must make other arrangements with the Company in advance by submitting a signed salary destination form.

7.11 Release of the final paycheck will be made to employee upon completion of the contract. Contract is complete only after employee has finished debriefing duties and submitted all gear and expense reports.

Section 8 INSURANCE

8.01 The Company shall provide insurance coverage for Observers in the types and amounts required by federal or state regulations or requirements while Observers are employed by the Company.

8.02 The Company agrees to advise the Union of any changes or cancellation of its insurance coverage's for Observers as required by federal or state regulations or requirements.

8.03 The Company will not discriminate against an Observer who files a compensation claim.

8.04 On completion of the contract the Company will reimburse Grade 2-7 Observers for health insurance up to one hundred fifteen (\$115) dollars (or pro-rata thereof being \$3.83 per day) for every thirty (30) days assigned to help defray health plan costs. To receive reimbursement Observers must submit to the Company proof of insurance policy premium.

Section 9 LAWS-REGULATIONS-ALTERATION-POSTING

9.01 If, at any time, any of the provisions of this agreement shall be contrary to any such laws, rules, regulations, then the said provisions are, so far as they conflict with the laws, rules, and regulations, to be considered abrogated and not binding on either of the parties.

The Agreement shall not be altered by the superintendent or any other agent of the Company, nor any agent or Observer of the Union, and shall be posted in a conspicuous place at each facility, and the Union shall furnish each Observer copies to be given by the Company to Observer prior to hiring in the Union supplied packet.

**Section 10
DURATION**

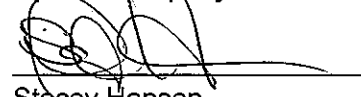
10.01 This agreement shall become effective September 8, 2015 and shall be binding upon the parties until December 31, 2016. The Union and Saltwater Inc. agree that should the North Pacific Service Delivery Model change within the life of this contract the contract will be reopened for negotiations upon award of that contract. It is further agreed that, in the event should either party desire to modify, change, or terminate the same at the expiration of the contract, written notice must be given at least sixty (60) days before the expiry of this Agreement. If written notice is not given within such time by either party, this Agreement shall be automatically renewed for an additional period of one (1) year.

For the Union:


Tracey Mayhew

Date: 10/6/2015

For the Company:


Stacey Hansen

Date: 10/6/2015

For official use only	
Full Text	<input type="checkbox"/> accepted <input type="checkbox"/> rejected

Appendix A - Hiring Statement

Observer Last Name, First Name	Point of Hire	Travel Reimbursable
--------------------------------	---------------	---------------------

This Contract shall take full force and effect on or about _____ and includes: briefing(s) and/or training(s), assignments of approximately _____ days, and debriefing(s) following Observer's return from assignments. The observer agrees to debrief, rebrief and redeploy as necessary during the contract.

The Observer understands that the length of assignment(s) is unpredictable due to the changing nature of the fisheries. Conditions may require an earlier shutdown of operations or a personnel reduction in force. Nothing in this contract shall be construed as guaranteeing the Observer a certain number of days of work.

It is understood that the Company intends to keep Observer working the entire contract if possible. Be it further understood that the observer intends to work for the entire length of the contract negotiated and noted above and agrees to accept any assignment as needed by the Company.

STATEMENT OF WORKING CONDITIONS

I, _____, acknowledge that I understand the working conditions and risks, which may be encountered while I am on assignment as an Observer. Those risks include, but are not limited to, seasickness, mental isolation and loneliness, risk of injury of whatever kind, and harassment from the vessel's personnel including the development of contentious relationships that may result from performing professional duties. I understand that it is my responsibility to inform the Company of these conditions in a timely manner.

I acknowledge that different duty stations and sampling situations may require me to work odd, long, and unscheduled hours, seven days per week. I agree to design my work schedule to effectively and efficiently complete observer duties as outlined by NMFS. I understand the working conditions described above and affirm there is no physical, mental, or sensory condition known to me which would limit or in any way prevent me from performing the observer services required, or which could pose a danger to me, co-workers, crew, or other personnel with whom I would come into contact while performing observer duties.

I acknowledge that I am either to carry with me or ascertain the location of a survival suit for my personal use onboard any vessel to which I am assigned. I agree to timely communicate any absence of necessary safety equipment or any non-compliance, as determined by NMFS and the US Coast Guard to the Company before leaving port.

STANDARDS OF PROFESSIONAL CONDUCT

The Company and the Union's goal is to employ professional Observers who maintain the highest standards of honesty, integrity, data collection, and conduct.

A) Observers agree to diligently collect and submit data as described by NMFS, and to refrain from any actions which might bias the collection of data. Observers understand that any misrepresentation, alteration, manipulation, or falsification of data is forbidden. Observers agree that all observer data are the property of NMFS and agree to turn in all data and reports on return from duty and retain NO copies of data for personal use without the express, written permission of NMFS or ADF&G.

B) Observers understand that fishing or processing operations include proprietary fishing strategies, locations, data, and business practices which the Observer agrees not to discuss or communicate to third parties other than that communication required by NMFS as a normal part of observers duties.

C) Observers agree to refrain from becoming physically or sexually involved with any person involved in the fishery in which they are observing, or NMFS Observer Program staff. Observers agree to avoid any behavior that could be damaging to their professional image or which might give the appearance of misconduct.

D) Observers agree not to solicit or accept, directly or indirectly, any gratuity, gift, favor, service, travel, entertainment, loan, hospitality, employment promise, or anything of monetary value, from anyone who conducts activities that are regulated by NMFS, or who has interests that may be substantially affected by the performance or nonperformance of the Observers official duties.

E) Observers affirm they have no direct financial or personal interest, other than the provision of observer services, in a North Pacific fishery, including, but not limited to, vessels or shoreside facilities involved in the catching or processing of the products of the fishery, concerns selling supplies or services to these vessels or shoreside facilities, or concerns purchasing raw or processed products from these vessels or shoreside facilities. Observers may not serve on any vessel or at any processing facility owned or operated by a person who previously employed the Observer.

F) Observers agree not to consume alcoholic beverages while onboard a vessel or at a plant. Observers agree to limit alcohol consumption while employed so their conduct at all times does not jeopardize their safety, the safety of others, their professional image, or their ability to do their job. Reporting to work, performing one's job assignment, or visiting the NMFS facilities under the influence of alcohol or drugs is grounds for immediate termination. Observers agree to abide by the stricter set of rules if assigned to a vessel or plant with more stringent rules regarding alcohol, including NMFS than those described in this paragraph.

G) Observers understand the use, possession, distribution, or sale of marijuana, narcotics, or other non-prescribed controlled substances or paraphernalia while employed by the Company is forbidden. Observers understand they will be conducting their duties onboard vessels which also have strict "no drugs" policies, and the Observer agrees to submit to random urine and drug screen tests and searches of their personal belongings on request of a representative of the Coast Guard, vessel owner, vessel operator, or the Company. If convicted under a criminal drug statute Observer agrees to notify the Company immediately and in writing no later than five (5) calendar days after such a conviction.

H) Observers agree to refrain from any type of harassment of others during their employment as an Observer, including but not limited to sexual advances, requests for sexual favors, verbal or physical conduct of a sexual nature, and contributing to an offensive or intimidating atmosphere.

I) Observers agree not to engage in political activities or Union organizing while deployed in the field. However, this shall in no way infringe on their rights to discuss/conduct Union activities as protected by law, including but not limited to the protections afforded them under National Labor Relations Act.

By my signature below I acknowledge that I have read and understand the union agreement and this Appendix. I agree to abide by the Standards of Professional Conduct and terms of the agreement previously provided by the Union, in the packet, which was given to the Company and understand that failure to comply with these Standards constitutes cause for immediate termination.

Observer Signature

Date