10/16/2014 – 4:39 P.M.

FMC Agreement No. 201157-004

FIFTH AMENDMENT TO THE
USMX-ILA MASTER CONTRACT
MEMORANDUM OF SETTLEMENT
DATED OCTOBER ___, 2014

WHEREAS, the United States Maritime Alliance, Ltd. ("USMX") and the International Longshoremen's Association, AFL-CIO ("ILA") are parties to the USMX-ILA Master Contract ("Master Contract"), which establishes the terms and conditions of employment for employees represented by the ILA working on ships and terminals in ports on the East and Gulf Coasts of the United States in container and ro/ro operations; and

WHEREAS, the term of the current Master Contract started on October 1, 2012 and ends on September 30, 2018; and

WHEREAS, pursuant to the Master Contract, every carrier that is bound to the Master Contract (with the exception of carriers operating in specific trade lanes) must pay on every weight ton of cargo handled by ILA-represented employees in the ports covered by the Master Contract a combined assessment of five dollars and ten cents ($5.10) consisting of the assessments listed immediately below:

1.	First Container Royalty	$1.00
2.	Second Container Royalty	$1.00
3.	Third Container Royalty	$1.00
4.	Carrier-ILA Container Royalty Fund No. 4	$1.15
5.	Carrier-ILA Container Royalty Fund No. 5	.70¢
6.	Carrier-ILA Container Freight Station Trust Fund	.25¢
	Total:	$5.10;

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and

WHEREAS, USMX and the ILA recognize that the assessment of five dollars and ten cents ($5.10) per weight ton affects the ability of carriers using ILA employees to compete in specific trade lanes; and

WHEREAS, USMX and the ILA have agreed to reduce the five dollars and ten cents ($5.10) per weight ton assessment to fifty-five cents (55¢) per weight ton during the life of the Master Contract, and in extensions of this Master Contract and subsequent Master Contracts.

NOW, THEREFORE, USMX and the ILA agree to the following terms:

1. Effective January 1, 2015, the combined assessment of five dollars and ten cents ($5.10) per weight ton on tons destined to or from the Caribbean Basin and handled by ILA-represented employees in the ports of Jacksonville, Southeast Florida, Tampa, Mobile, New Orleans, and ports in the West Gulf of the United States (hereinafter the "Affected Ports") shall be reduced to fifty-five cents (55¢) per weight ton, all of which shall be used to fund the First and Third Container Royalties.

2. The Caribbean Basin consists of ports in the following areas or countries:

    a. all islands in the Caribbean;
    b. East Coast of Mexico;
    c. East Coast of Central America;
    d. Columbia;
    e. Venezuela;
    f. Ecuador;
    g. Guyana;
    h. Suriname;
    i. French Guiana; and
    j. Peru.

3. Any local container royalty fund under the Master Contract in the Affected Ports that incurs reduced First Container Royalty and Third Container Royalty contributions as a result of this Fifth Amendment shall be reimbursed jointly by USMX and the ILA on an equal basis up to $4 million each Contract Year from the excess collections defined in section D(2) of the August 28, 2013 Memorandum of Settlement. Any reduced First Container Royalty and Third Container Royalty contributions in each Contract Year that exceed $4 million will be paid by USMX.

4. This Amendment shall not affect any other reduction in any assessment per weight ton adopted in any Master Contract port.

5. The parties agree that 18 months after the commencement date of this Fifth Amendment, the parties will review whether or not to continue this Amendment.

UNITED STATES MARITIME ALLIANCE, LTD.	**INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO**
By: ____________	By: ____________
David F. Adam, Chairman	Harold J. Daggett, President
Date: 11/10/14	Date: 11/5/14

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