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**MEMORANDUM OF SETTLEMENT
OF LOCAL CONDITIONS IN THE
PORT OF NEW YORK AND NEW JERSEY
201159-001**

This MEMORANDUM OF SETTLEMENT entered into this th28 day of August, 2013, by and between NEW YORK SHIPPING ASSOCIATION, INC. ("NYSA") on behalf of its members and the INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO ("ILA") on behalf of itself and its affiliated locals representing longshoremen, clerks, checkers, maintenance workers and all other craft employees in the Port of New York and New Jersey ("PONY-NJ") settles all local conditions under the NYSA-ILA Collective Bargaining Agreement on the following basis effective, except where otherwise provided herein, on October 1, 2012, and together with the Master Contract between the ILA and the UNITED STATES MARITIME ALLIANCE LIMITED ("USMX") that will go into effect on October 1, 2012, establishes for the six-year period ending September 30, 2018, the terms and conditions of employment for all craft employees in the PONY-NJ covered by NYSA-ILA Collective Bargaining Agreement:

The following provisions shall be incorporated into the NYSA-ILA Collective Bargaining Agreement (NYSA-ILA CBA):

I. PENSIONS

A. SPECIAL WINDOW PENSION

1. Working pensioners and employees who have a minimum of 25 years of credited service as of April 1, 2014, and who are actively employed under the NYSA-ILA CBA as of April 12, 2013, shall be entitled to receive a special window pension in the amount of One Hundred Sixty (\$160.00) dollars per month for each year of credited service provided (a) they give written notification to the NYSA-ILA Pension Trust Fund (PTF) of their selection of the special window pension by June 11, 2013, (b) they remain employed in the longshore industry until the earlier of April 1, 2014, or the date upon which they are released from employment by NYSA, and (c) they actually retire and terminate their employment in the longshore industry.

2. Former hiring agents who return to active employment in the longshore industry under the NYSA-ILA CBA prior to January 1, 2014, and who have a minimum of 25 years of credited service as of April 1, 2014, shall be entitled to receive a special window pension in the amount of One Hundred Sixty (\$160.00) dollars per month for each year of credited service provided (a) they give written notification to PTF of their selection of the special window pension by December 31, 2013, (b) they remain employed in the longshore industry until the earlier of April 1, 2014, or the date upon which they are released from employment by NYSA, and (c) they actually retire and terminate their employment in the industry. Effective January 1, 2014, Hiring Agents are removed from the definition of "Employee" in Article II, section 1(b)(1)

of PTF's Agreement and Declaration of Trust and Plan so that they will no longer be employed in the industry and will not be eligible to accrue any years of credited service after December 31, 2013.

3. Employees who are entitled to the special window pension shall receive a special severance benefit in the amount of \$150,000, to be paid in two equal annual installments of \$75,000 each, the first payable on the date of receipt of the first monthly special window pension benefit and the second payable one year later on that same date. . The severance benefit payments totaling \$150,000 will be paid from the NYSA-ILA Container Royalty Fund, using container royalty distributions received from the Container Royalty Central Collection Fund. In the event of the death of the Employee, the entire remaining unpaid portion of the severance benefit shall be paid to the representative of the Estate of the deceased Employee as soon as practicable.

B. BENEFITS

1. Participants who as of October 1, 2015, (a) are actively employed in the longshore industry, (b) are not receiving any pension benefits from the NYSA-ILA Pension Trust Fund and Plan (PTF Plan), and (c) have earned one year of credited service in the Contract Year ending September 30, 2015, shall receive One Hundred Forty (\$140.00) dollars per month for all years of credited service, when they retire on or after October 1, 2015, on a Service Retirement Pension or a Vested Rights Pension. Participants who as of September 30, 2015, are receiving pension benefits from the PTF Plan while continuing to be employed in the longshore industry shall not be entitled to any adjustment in their pension benefits for service prior to October 1, 2015, but if they continue to be employed in the longshore industry after October 1, 2015, they will accrue additional pension benefits of One Hundred Forty (\$140.00) dollars per month for each year of credited service after September 30, 2015.

2. A Participant who retires on a disability pension on or after April 1, 2014, shall receive a monthly disability pension benefit based upon \$110 per year of credited service rather than \$90 per year of credited service and when this disability pensioner reaches age 60, the pensioner's monthly disability pension benefit shall increase to \$140 per year of credited service if the disability pensioner reaches age 60 on or after October 1, 2015; otherwise, it shall increase to \$120 at age 60 and then to \$140 on October 1, 2015.

C. CREDITED SERVICE

1. Effective October 1, 2012, Participants hired on or after October 1, 1996, shall receive pension benefit accruals for years of credited service earned from 1996 through 2004;

2. Effective October 1, 2012; one year of credited service will require 1,000 credited hours, $\frac{3}{4}$ of a year of credited service will require 700-999 credited hours, and $\frac{1}{2}$ of a year of credited service will require 500-699 credited hours.

3. Effective October 1, 2012, a participant shall accrue credited service until the participant is eligible for a disability pension if an independent medical examination establishes a continuing disability, even if Accident and Health (A&H) and Workers' Compensation (WC)

benefits are no longer being paid; however, the current limit in this Plan on the number of years of credited service that a participant may accrue (2 years for A&H and 3 years for WC, respectively) shall remain the same.

II. NYSA SUPPLEMENTAL WELFARE FUND

In each of the calendar years from 2013 through 2018, NYSA shall provide an annual supplemental welfare payment of \$500 to widows of deceased pensioners who had received a supplemental welfare payment in the calendar year 2012. Pensioners will no longer be eligible for this benefit.

III. WELFARE BENEFITS

A. PENSIONERS

Pensioners who retire at age 60 with at least 25 years of credited service shall receive MILA Premier benefits, and their spouses shall receive MILA Premier benefits until the pensioners reach age 62.

B. DISABILITY PENSIONERS

Disability pensioners shall receive MILA Premier benefits until they are eligible for Medicare provided they apply for Social Security Disability benefits.

IV. PRODUCTIVITY IMPROVEMENT

A. INCREASED PRODUCTIVITY

NYSA and the ILA agree to work together in good faith to increase productivity in the PONY-NJ.

B. PRODUCTIVITY STANDARD

NYSA and the ILA agree to set a productivity standard for all gangs performing work in the PONY-NJ. Beginning October 1, 2013, the productivity standard shall be defined as 30 moves per gang hour. On October 1 of each successive year the productivity standard shall increase by one container move per gang hour until it reaches 35 moves per-gang hour by the expiration of the NYSA-ILA CBA expiring September 30, 2018.

C. PRODUCTIVITY COMMITTEE

1. The NYSA-ILA Productivity Committee shall establish processes and procedures to achieve the productivity standard and the implementation of the new Relief Gang System and to consider any alternative methods to achieve the productivity standard.

2. The NYSA-ILA Productivity Committee shall also have the authority to determine what actions would be appropriate when individuals or gangs fail to meet the productivity standard.

3. When an Employer and an ILA local cannot mutually agree on filling gang vacancies, the NYSA-ILA Productivity Committee shall resolve the dispute.

V. RECRUITMENT AND HIRING

A. RECRUITMENT

1. The selection process for new hires will include three designated referral sources: Military Veterans (51%), ILA (25%), and NYSA/Employers (24%). With respect to military veterans, recent efforts to recruit and hire veterans who served in the War on Terror have succeeded in hiring a number of new employees in the Port. Experience has shown that returning veterans already possess many of the skills that are crucial to longshore work. Moreover, veterans are used to working under adverse weather conditions — another essential requirement for longshore work in the Port.

2. A Recruitment Committee will be established to create the pool of veterans from the NY-NJ-PA Metropolitan Area, the region where most of the current longshore workers reside (hereinafter “Relevant Area”). To be eligible, veterans must have been honorably discharged and must be capable of performing the required job functions based upon prior experience or completion of a training program designated by the ILA and NYSA. No government or private agency will be used as a source of referrals unless it has been approved in advance by the Recruitment Committee.

3. NYSA will create its pool of potential candidates by soliciting in the Relevant Area its direct-employer members and their employees and community-based organizations, such as churches, schools, including vocational schools and truck-driver and heavy-equipment-operator schools, and employment centers.

4. The ILA’s pool will consist of individuals referred by the Executive Board of the relevant ILA local and by union members. The ILA locals will notify their members of the job opportunities through discussions at membership meetings, mailings, and postings.

B. SCREENING OF EACH OF THE THREE POOLS

1. Every applicant from each of the three pools will be vetted by a tri-partite committee (“Employment Screening Committee”) consisting of the terminal-operator Employer, the ILA Director of Safety, and the NYSA Director of Workforce Development.

2. Applicants will be interviewed and evaluated by the Employment Screening Committee pursuant to Candidate Scoring Matrices (CSM) that contain uniform and job-related criteria to be established by the Employment Screening Committee based upon the essential functions of longshore work adduced from standard industry job descriptions. Each member of the Employment Screening Committee will score the applicant for each of the criteria on a scale of 0 to 5. The screeners’ scores will be added together for each applicant.

C. PREEMPLOYMENT PROCESSING

1. Applicants approved by the Employment Screening Committee will be referred for pre-employment drug and physical agility testing.

2. A designated number of candidates from each referral source who pass a drug test and who have successfully completed the physical agility test will be directed to the Waterfront Commission for registration in the rank order of their CSM scores.

3. In the event of undue delays in processing the registration of any referrals by any governmental agency, the NYSA and the ILA agree to join in an appropriate legal action to restrain this or any other discriminatory conduct.

VI. RELIEF GANG SYSTEM

A. STRUCTURE OF GANGS

1. The basic ten-person gang will remain in place until the implementation of the Relief Gang System and the new starting times and guarantees set forth in Section VI (D) of this Memorandum of Settlement.

2. At the commencement of the Relief Gang System, all gangs will be reduced by one (1) hold position. At such point the basic gang will consist of nine (9) persons.

3. If a gang is projected to work sixteen (16) hours or fewer, the gang will work to completion and the minimum guarantees contained in the 2004-2012 NYSA-ILA CBA will continue to apply.

4. A gang is not permitted to work for more than sixteen (16) continuous hours. If due to unforeseen circumstances, a gang needs to work beyond sixteen (16) hours, an appropriate penalty differential will be applied as determined by the NYSA-ILA Productivity Committee.

B. NEW EMPLOYEES

The implementation of the Relief Gang System and the one-man reduction in gang size cannot occur until there is in place a sufficient number of new employees recruited, hired, and trained to perform the work. The Employers must implement in all respects the Recruitment and Hiring provisions set forth in Section V of this Memorandum of Settlement.

C. TRAINING

All current employees who are not trained or certified to operate container-handling equipment and who volunteer to do so shall be offered training based upon seniority by the Employers before any new employees are trained. Within sixty (60) days of the execution of this Memorandum of Settlement, all current employees will be contacted to determine the port-wide training requirements, and training will commence immediately upon the determination of the appropriate training that is necessary.

D. STARTING TIMES AND GUARANTEES

In those instances where the projected vessel work will exceed sixteen (16) hours, the Relief Gang System will be used and the following work practices, which are summarized in Figure 1 below, will apply:

1. **0700/0800 Start Time:** A gang starting at either 0700 or 0800 hours will work continuously until 1830, at which time it will be knocked off and replaced at 1900 hours with a fresh relief gang. Under this scenario, 1200-1300 hours would remain a meal hour, but the gang would work through it. The evening meal hour would change from 1800-1900 hours to 1700-1800 hours. The relief gang commencing work at 1900 will work to vessel completion if there are fewer than 16 hours of work remaining; if more than 16 hours of work remain, then the 1900-hour relief gang will work until 0700. Another relief gang will then be ordered for 0800 hours with the understanding that any gang ordered for 1900 hours or 0800 hours would have an 8-hour guarantee if it is working toward a vessel completion.

2. **1300 Start Time:** A gang starting at 1300 hours will work continuously until 2230, at which time it will be knocked off and replaced at 2300 hours with a fresh relief gang. The relief gang ordered for 2300 hours will work to vessel completion if there are fewer than 16 hours of work remaining; if more than 16 hours of work remain, then the 2300-hour relief gang will work until 0700. Another relief gang will then be ordered for 0800 hours with the understanding that any gang ordered for 1900 hours or 0800 hours would have an 8-hour guarantee if it is working toward a vessel completion.

3. **1900 Start Time:** A gang starting at 1900 hours will work continuously until 0700 hours at which time it will be knocked off and replaced at 0800 hours with a fresh relief gang, which will work to vessel completion if there are fewer than 16 hours of work remaining. If there are more than 16 hours of work remaining toward vessel completion, then the 0800-hour relief gang will work until 1830. The relief gang would be ordered for 0800 hours with the

understanding that any gang ordered for 0800 hours would have an 8-hour guarantee if it is working toward a vessel completion.

4. **2300 Start Time:** A gang starting at 2300 hours will work continuously until 0700 hours at which time it will be knocked off and replaced at 0800 hours with a fresh relief gang which will work to vessel completion, if there are fewer than 16 hours of work remaining. If there are more than 16 hours of work remaining toward vessel completion, then the 0800-hour relief gang will work until 1830. The relief gang would be ordered for 0800 hours with the understanding that any gang ordered for 0800 hours would have an 8-hour guarantee if it is working toward a vessel completion.

5. **Meal Hours:** When the Relief Gang System is used, the meal hours will be 0600-0700 hours, 1200-1300 hours, 1700-1800 hours, and 2400-0100 hours.

FIGURE 1.

Start Time	Meal Hours	Knocked Off	Relief	Meal Hours	Knocked Off	Relief
0700/0800	1200-1300 1700-1800	1830	1900	2400-0100 0600-0700	0700	0800
1300	1700-1800	2230	2300	2400-0100 0600-0700	0700	0800
1900	2400-0100 0600-0700	0700	0800	1200-1300 1700-1800	1830	1900
2300	2400-0100 0600-0700	0700	0800	1200-1300 1700-1800	1830	1900

E. VESSEL DRIVERS

1. Drivers working in support of vessel operators (*i.e.*, straddles, hustlers, top loaders, RTGs, empty handlers, etc.) will be hired in complements of three (3) with two (2) working and one (1) in relief. This manning will commence no later than the implementation of the Relief Gang System. However, terminal operators are permitted to implement this manning sooner but they will be required to do so in coordination with the appropriate ILA longshore local.

2. Terminal operators shall have the right to deploy drivers among gangs in support of vessel operators in order to maximize productivity.

F. CHECKERS

Article VII, section 3 of the 2004-2012 NYSA-ILA CBA is amended to include details related to vessels as well as hatch checkers. That section as amended shall apply the hiring/relief ratio set forth in the amended section to both hatch checkers and details hired for ship operations under the Relief Gang System. Article VII, section 3 as amended shall also be applied to hatch checkers and details at terminals where new technology has been implemented that affects hatch

checkers and details hired for ship operations unless there is a mutual agreement between the ILA Checkers Local and the Employer on other manning.

VII. PAY DIFFERENTIALS

A. CHECKERS

Effective October 1, 2014, checkers who are qualified to use and in fact use computers, including hand-held computers, in the course of their job functions shall receive an increase of \$1.00 in addition to the hourly differential of \$1.50 set forth in Article III, Section 5 of the 2004-2012 NYSA-ILA CBA.

B. MAINTENANCE EMPLOYEES

Effective October 1, 2014, mechanics and TIR Inspectors shall receive an increase of \$1.00 in addition to the hourly differentials set forth in Article III, Section 5 of the 2004-2012 NYSA-ILA CBA.

C. LONGSHORE CRAFT

Effective October 1, 2014, members of the longshore craft working at container terminals shall receive a special \$1.00 per hour differential for all straight-time hours. Effective upon the implementation of the new Relief-Gang System this special straight-time differential shall increase by an additional \$2.00 per hour, up to \$3.00 per hour for all straight time hours. This special straight-time differential shall not apply to the rate of pay for any overtime or meal hours. Members of the longshore craft with special compensation arrangements (*e.g.*, staff, ship-time, or any other package) shall not be entitled to this straight-time differential. This straight-time differential shall not apply to bulk workers and other categories of longshore workers when employed in non-container related activities, nor shall it apply to the loading and unloading of the barge between Berth 4 in Port Newark and the Red Hook Container Terminal but this exclusion is subject to renegotiation in the event of a substantial change in the barge operation.

VIII. STAFF POSITIONS AND COMPENSATION

A. INCUMBENTS

1. Incumbent staff employees with compensation arrangements will continue to receive the same compensation, but the Employers will restructure the method of payment.

2. Incumbent staff employees will be assigned specific work tasks by their Employers, will be required to be physically present engaged in that work when required by their Employers for a minimum of forty (40) hours per week, and will be required to report to the terminals when required by their Employers. Employees not present at work when required will be subject to docking of pay and suspensions for repeated offenses.

B. REPLACEMENTS

When the incumbent staff employees in place upon the effective date of this Agreement cease employment, the compensation of their replacements will be at a reduced amount to be negotiated by the Employer and the ILA local within a range between 0 % and 25% of the incumbent staff employee's rate of pay. Individuals involved in the cascading of replacements would also be subject to a similar review and adjustment. Deadlocks shall be referred to a panel arbitrator for a final and binding determination that is not subject to judicial review.

IX. SHOP STEWARDS

Article II, section 4 of the 2004-2012 NYSA-ILA CBA is amended in its entirety as follows:

A. SELECTION OF SHOP STEWARDS

Each Employer recognizes the right of employees in the longshore, checker, and maintenance crafts employed at the Employer's premises to select without interference from the Employer an employee of their own choosing to act as their representative and spokesperson under the Grievance Procedure of this Agreement in presenting their grievances to the Employer and in attempting to resolve them satisfactorily. Such a representative is to be known as the Shop Steward.

B. TYPES OF SHOP STEWARDS

There are two types of Shop Stewards: (1) a part-time Shop Steward who has a full-time bargaining-unit job primarily at a cruise terminal, an auto terminal, or an open berth and who acts as a Shop Steward on an "as needed" basis whenever a grievance or dispute may arise and (2) a full-time Shop Steward whose principal function is to represent employees primarily at a container terminal in connection with their rights under this Agreement.

C. PART-TIME SHOP STEWARD

A part-time Shop Steward (PTSS), who shall be physically present at the work site and required to work in the PTSS's bargaining-unit job, is compensated on an hourly basis in accordance with the wage provisions of this Agreement. Work hours for a PTSS shall be those required by the Employer. The PTSS shall be permitted to attend to his Shop Steward duties during work hours without loss of wages.

D. FULL-TIME SHOP STEWARD

1. A full-time Shop Steward (FTSS) shall be required to be physically present at the terminals at least eight (8) hours per day, Monday through Friday, and at such other times day or

night as the FTSS's Employer shall require, including on weekends and holidays, to perform assigned duties. During these hours an FTSS has the right to travel to the union offices or other off-terminal locations to attend union or Employer meetings or to perform the FTSS's work functions delineated in subsection D(2) of this section, provided the FTSS notifies the Employer in advance of these off-terminal activities and obtains the Employer's approval.

2. In addition to participating in the administration of this Collective Bargaining Agreement and the resolution of all labor issues involving craft employees for whom the FTSS serves as a shop steward, an FTSS shall perform the work or services assigned by the FTSS's Employer, such as recording and tracking the equalization of gang hours; coordinating vacation and time-off requests; recording and maintaining all labor vacations to ensure they adhere to company guidelines; working with management to ensure all company safety policies and procedures are adhered to by labor; furthering workplace safety practices; participating as a member of the terminal's ILA/Management Safety Committee; attending all scheduled safety meetings and accident-review meetings, if requested by the Employer to do so; attending all production meetings between labor and management; participating in labor-training programs; participating in discussions relating to disciplinary actions; attending pier-level-grievance meetings at the terminal and, when requested by the local union, attending Labor Relations Committee or Contract Board meetings relating to a grievance; handling labor take outs to ensure that they meet management's requirements; and working on other issues that may arise between labor and management.

3. An FTSS shall not receive any preferential or privileged treatment, and in all respects shall be subject to all the terms and conditions of this Agreement, except that an FTSS shall not be required by the Employer to be a member of a gang or required to perform maintenance work, operate equipment, or perform clerking or checker work in conjunction with vessel or terminal activities.

4. An FTSS shall when not actually on the premises comply with the following terms and conditions:

- (a) provide the Employer with the home- and cell-phone numbers at which the FTSS can be reached at any time to handle any of the FTSS's duties; and
- (b) report to the terminal within a period of time that is reasonably practicable upon being informed of any issue that in the Employer's discretion requires the FTSS to be present at the terminal.

5. An FTSS who engages in an unexcused failure to comply with subsections D(1), D(2), and D(4) of this section will be penalized as follows:

- (a) first and second offense: loss of pay for the day of the infraction;

- (b) third offense: suspension for one week without pay;
 - (c) fourth offense: suspension for one month without pay;
 - (d) fifth offense: termination from any further employment as a shop steward under this Agreement.
6. An FTSS shall be compensated as follows:
- (a) Effective the first day of the month following ratification of this Agreement, an FTSS who was first employed as an FTSS prior to the effective date of this Agreement will be placed on a weekly salary that would provide the FTSS with the total wages the FTSS received from the FTSS's Employer in the contract year ending September 30, 2012. That salary shall not be increased during the term of this Agreement for any FTSS earning \$325,000 or more per year except for the equivalent of the \$1.00 per hour raise effective October 1, 2016 that is set forth in the USMX-ILA Master Contract for the six-year period ending September 30, 2018. Any FTSS earning less than \$325,000 per year shall be entitled to receive the equivalent of all three raises set forth in the USMX-ILA Master Contract for the six-year period ending September 30, 2018. The FTSS is employed in a bona fide administrative capacity performing non-manual, labor-relations work requiring the exercise of discretion and independent judgment and is thus not entitled to any overtime pay under this Agreement or otherwise.
 - (b) An FTSS who is first employed as an FTSS after the effective date of this agreement shall receive a salary in an amount less than the FTSS's predecessor's salary to be negotiated by the Employer and the local union within a range between a 5% and 25% reduction. Deadlocks shall be referred to a panel arbitrator selected in accordance with section 6 of article XXV of this Agreement for a final and binding determination of the appropriate salary within the salary ranges set forth in this subsection. The arbitrator's decision shall not be subject to judicial review. Since the FTSS is employed in a bona fide administrative capacity performing non-manual labor-relations work requiring the exercise of discretion and independent judgment, the FTSS is not entitled to any overtime pay under this Agreement or otherwise.
 - (c) An FTSS shall be eligible for all employee benefits under this Agreement. When an FTSS is on holiday or vacation time-off, the FTSS shall not be replaced by any temporary shop steward, and any grievance or dispute that may arise in the FTSS's absence shall be handled by a delegate from the FTSS's local union. The number of hours for contributions to the NYSA-ILA Money Purchase Pension Plan shall not exceed 4,000 hours and the number of hours for credited service for employee benefits for an FTSS under this

Agreement shall be 2,080 hours per contract year, except that during the term of this Agreement, any FTSS first employed prior to the effective date of this Agreement will have contributed on his behalf to the NYSA-ILA Money Purchase Pension Plan the same amount contributed for the contract year ending September 30, 2012.

X. HIRING AND ORDERING

A. WEEKEND PDO

1. On or about October 1, 2014, or with the effective date of the Relief Gang System, the parties agree to implement a prior day ordering (“PDO”) system which will permit hiring on Friday for work to be performed on Saturday and hiring on Saturday for work to be performed on Sunday and Monday, except when Monday is a holiday, as defined in the 2004-2012 NYSA-ILA CBA, when hiring will take place on Sunday for work to be performed on Monday and Tuesday.

2. Implementation of this PDO system shall be contingent upon:

- a. Programming modifications to the Telephonic Hiring System;
- b. Reorganization of the duties of the NYSA-ILA Dispatchers;
- c. Introduction of new technology by NYSA to replace the current call-in system; and
- d. Minimum staffing when orders are placed on Saturdays or Sundays.

3. NYSA and the ILA will discuss changes to the cancellation provisions of the NYSA-ILA CBA, when this new PDO system is implemented.

XI. ACT OF GOD CLAUSE

Providing that there is adequate notification to the employees either by telephone, website postings, or media announcements on days when no vessel or cargo-handling operations can be conducted due to weather conditions, power failures, or other non-controllable, outside forces or events, no employee shall be entitled to pay unless that employee has been specifically ordered onto the worksite by the Employer to assist with cleanup or to participate in other activities as directed or authorized by the Employer.

XII. DRUG AND ALCOHOL TESTING

Effective ninety (90) days after the ratification of this Agreement, the NYSA-ILA Drug and Alcohol Abuse Program will be amended to include a component for random drug and alcohol testing. This random testing, which is an integral part of the NYSA-ILA CBA, will cease if the workforce is subjected to additional testing by private or governmental agencies that

are not parties to the NYSA-ILA CBA. Any testing of the workforce by an outside private or governmental agency shall be considered interference with this Agreement and NYSA and the ILA will jointly take appropriate legal action to restrain any such interference.

XIII. CONTRACT REVIEW

Upon the execution of this Memorandum of Settlement, NYSA and the ILA agree to form a committee to perform a comprehensive review of the language for the longshore, checker/clerk, and maintenance crafts contained in the 2004-2012 NYSA-ILA CBA. The purpose of this review is to update or correct any language that does not conform with this settlement and to memorialize any customs, practices, or agreements relating to those crafts that have been previously excluded.

XIV. EXISTING NYSA-ILA AGREEMENTS

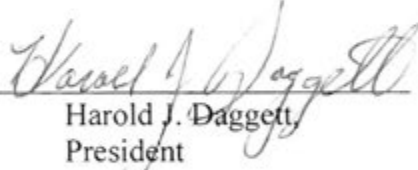
All the terms and conditions of the existing 2004-2012 NYSA-ILA CBA, including all extensions and amendments thereto as well as all decisions and determinations of the various NYSA-ILA Committees and Boards, including the NYSA-ILA Labor Relations Committee and the NYSA-ILA Contract Board, shall remain in full force and effect during the entire term of this Agreement from October 1, 2012, to and including September 30, 2018, except as modified by the terms of this Memorandum of Settlement. This Memorandum of Settlement, which has been ratified by the parties, settles all issues between the parties relating to all crafts and shall go into full force and effect on October 1, 2012, except as otherwise provided in this Memorandum of Settlement.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Settlement on the day and year first above written.

**NEW YORK SHIPPING
ASSOCIATION, INC.**

**INTERNATIONAL LONGSHOREMEN'S
ASSOCIATION, AFL-CIO**

By: 
John J. Nardi,
President

By: 
Harold J. Daggett,
President