



United States Maritime Alliance, Ltd.

ANNUAL REPORT 2018



**...to preserve and protect
the interests of our members...**

ON THE COVER

On September 25, 2018, the USMX Bargaining Committee and Executive Staff met with ILA International Officers for the official signing of the 2018-2024 USMX-ILA Master Contract. NYSA and the ILA signed their local Collective Bargaining Agreement at the ceremony as well. The Master and the Local contracts will commence on October 1, 2018 and run through September 30, 2024.

ABOUT USMX

The United States Maritime Alliance, Ltd. (USMX) is a non-profit incorporated membership association headquartered in Lyndhurst, New Jersey and representing longshore industry employers on the U.S. East and Gulf Coasts, including container carriers, marine terminal operators and port associations. USMX serves as the maritime Management group's representative in Master Contract bargaining with the International Longshoremen's Association, AFL-CIO. Other responsibilities of USMX include the articulation of various industry positions on regulatory and safety issues; the oversight of coastwide training, retraining, and certification/recertification programs; and the administration of coastwide fringe benefit funds and programs that are part of the Master Contract.



MISSION STATEMENT

The mission of USMX is to preserve and protect the interests of its members in matters associated with the maritime industry, including all labor relations issues affecting longshore and related activities, and, in particular, in the realm of collective bargaining. The Alliance shall carry out this mission for its members and customers, with due consideration of the interests, safety and well-being of the workers and their representatives. Likewise, it understands the importance of its commitment to maintaining labor peace in order to meet and exceed the crucial demands of a global economy.



United States Maritime Alliance, Ltd.

ANNUAL REPORT 2018

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CHAIRMAN & CEO'S MESSAGE

USMX-ILA MASTER CONTRACT: Concluding more than a year of bargaining, the majority of which was positive in tone and with no measurable disruptions, USMX and the ILA finalized and signed a new Master Contract covering our member ports from Maine to Texas. On September 25, 2018, at the headquarters of the ILA, our officers, directors and bargaining committee members gathered with ILA officers for an official signing ceremony commemorating our new 6-year agreement, scheduled to commence on October 1, 2018 and to conclude on September 30, 2024.

LOCAL VS. MASTER CONTRACT BARGAINING: With member ports on the East and Gulf coasts negotiating their local conditions over the course of master contract bargaining, some greater than anticipated complexities arose in the bargaining paradigm. However, the local parties were committed to working through the tough issues and a very complicated process in pursuit of agreement.

That is not to say there were no serious or complicated issues faced in concluding the \$18 billion Master Contract deal. I was especially proud that our Bargaining Committee and the ILA understood how the ultimate outcome of the negotiations could affect the future of the maritime industry and, ultimately, the nation's economy. The bargaining process was conducted with a sense of cooperation, collaboration and camaraderie. As we learned during the previous and most recent Master Contract bargaining process, our ability to continue to jointly find solutions to the issues while protecting our employees, management organizations and the entire cargo infrastructure, is crucial.

2018 UPDATE: Overall, above and beyond bargaining, 2018 was a great year for USMX and our partners.

TONNAGE: During the contract year ending September 30, 2018, our ports handled 158 million tons, a 6% increase over the previous year and the highest tonnage in our history.

MANAGEMENT-ILA MANAGED HEALTHCARE TRUST FUND (MILA): MILA continues as one of the premier healthcare plans in the United States. It provides excellent benefits for our workforce and is managed incredibly well by Trustees from both USMX and the ILA. Thanks to the stewardship of the MILA Board of Trustees, plan costs continue to come in well below industry average, with benefits consistently at the top of the range—an example of what can be accomplished when management and the union work in tandem.

SAFETY: The overall lost time incident frequency rate (LTIFR) for 2018 was 3.27—the lowest coastwide rate since we started collecting data in 2011.

CONTAINER FREIGHT STATION TRUST FUND (CFS): Our CFS program continues to mature as part of the Master Contract. All units stripped or stuffed at CFS Stations qualify for a Container Royalty Credit. If the units worked are discharged or loaded from a USMX carrier member vessel, the carrier gets a full credit. In 2018, the USMX carriers received CFS royalty credits totaling \$8.4 million.

USMX GENERAL COUNSEL: I would like to congratulate Donato Caruso, Esq., USMX General Counsel, as he moves into a new phase of life—retirement! We are grateful for Dan's service for the last 15 years. His expertise in the field of maritime labor law is unparalleled. His advice, counsel and integrity have been an invaluable asset to USMX and we wish him the very best for the future. The passing of the mantle of General Counsel from Dan to William M. Spelman, Esq., has been seamless and we look forward to continuing our collaboration as we move forward.

IN CONCLUSION: With a new Master Contract in place, and the job of its implementation at hand, USMX will continue to work on behalf of its members to maintain labor peace while meeting and exceeding the crucial demands of the global economy. Thank you, and enjoy the 2018 Annual Report!



United States Maritime Alliance, Ltd.

Sincerely,

A handwritten signature in blue ink, appearing to read "David F. Adam".

David F. Adam
Chairman & CEO

2018 BOARD OF DIRECTORS



David F. Adam
US Maritime Alliance, Ltd.



Roy Amalfitano
Evergreen Shipping Agency (America) Corp.



Ian S. Cairns
CMA CGM Group



Richard C. Carthas
APM Terminals North America, Inc.



David Daly
Ocean Network Express
(North America), Inc.



Thomas Engel
Hapag-Lloyd (America), LLC



Albert V. Gebhardt
Maersk, North America



Roger J. Giesinger
Hampton Roads Shipping Association



James R. Gray, Jr.
Jacksonville Maritime Association



Frank Grossi
COSCO SHIPPING Lines
(North America) Inc.



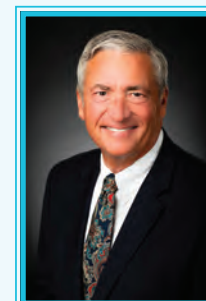
John J. Nardi
New York Shipping Association, Inc.



Christopher J. Parvin
Mediterranean Shipping Co. USA, Inc.



James Pelliccio
Ports America



John A. Walsh
SSA Atlantic, LLC

USMX MEMBER ORGANIZATIONS

As a non-profit, incorporated membership association, the United States Maritime Alliance, Ltd. (USMX), represents employers of the East and Gulf Coast longshore industry. Its membership consists of container Carriers, Direct Employers (terminal operators), and Port Associations. USMX's member companies are responsible for the transportation and handling of cargo shipped to and from the East and Gulf Coasts of the United States.

CARRIER

APL
Atlantic Container Line
CMA CGM Group
Columbia Coastal Transport
COSCO SHIPPING Lines (North America) Inc.
COSCO SHIPPING Lines (Europe) GmbH
Evergreen Shipping Agency (America) Corp.
Hamburg Süd North America, Inc.
Hapag-Lloyd (America), LLC
Hyundai Merchant Marine (America), Inc.
"K" Line America, Inc.
Maersk
Mediterranean Shipping Company USA, Inc.
Ocean Network Express (North America), Inc.
OOCL (USA), Inc.
Turkon America, Inc.
Wallenius Wilhelmsen Logistics Americas, LLC
Yang Ming (America) Corp.
Zim American Integrated Shipping Services Co., Inc.

DIRECT EMPLOYERS

APM Terminals North America, Inc.
Ceres Terminals Incorporated
CP&O, LLC
GCT USA
Maher Terminals, LLC
Ports America
SSA Atlantic, LLC

PORT ASSOCIATIONS

Boston Shipping Association, Inc.
Georgia Stevedore Association, Inc.
Hampton Roads Shipping Association, Inc.
Jacksonville Maritime Association, Inc.
Midgulf Association of Stevedores, Inc.
New York Shipping Association, Inc.
Ports of the Delaware River Marine Trade Association, Inc.
South Carolina Stevedores Association, Inc.
Southeast Florida Employers Port Association, Inc.
Steamship Trade Association of Baltimore, Inc.
West Gulf Maritime Association, Inc.

ILA and USMX Officially Sign Six-Year Contract Agreement That Brings Labor Peace To Industry Until September 30, 2024

NORTH BERGEN, NJ – (September 26, 2018) The two leaders of the International Longshoremen's Association, AFL-CIO and United States Maritime Alliance, Ltd., officially signed the six-year ILA-USMX Master Contract with ILA President Harold J. Daggett calling the agreement "the best in the history of the ILA."

Surrounded by ILA officers and USMX board members, the signing ceremony took place at ILA headquarters in North Bergen, New Jersey. ILA President Daggett and David F. Adam, USMX Chairman, signed the agreement that features landmark provisions against automation job losses, maintaining a premier wage and generous salary increases throughout the life of the contract was fair and equitable and beneficial to both sides to expand, grow and flourish.

"I have been a part of this industry for more than 50 years and this is a better agreement for ILA members than this six-year contract," said Daggett. "It was an honor for me to serve as chief negotiator for the members of the contract committee and full ILA wage scale to deliver this landmark agreement."

"This was a long, arduous process to bring home the ILA and USMX recognized and respected what each side brought to the table and I believe we were tremendously successful with this agreement," said Dave Adam.

This new agreement now brings labor peace to the industry until September 30, 2024. ILA members overwhelmingly approved the agreement on September 6th and USMX did the same on September 11th.

Exchanging pens and handshakes, the ILA's President Daggett and Adam anticipate tremendous growth and prosperity for the industry.

"It was a win-win for both sides," the two leaders said. Also at yesterday's signing ceremony, ILA President Harold J. Daggett and New York Shipping Association President John Nardi officially signed the ILA-NYSA local agreement and echoed the sentiments of the national agreement by terming it "the best ever."



MEMBER RELATIONS & GOVERNMENT AFFAIRS

LABOR STABILITY

2018 was a climactic year for USMX. In September, two noteworthy events occurred: the old USMX-ILA Master Contract negotiated in 2012/2013 came to its conclusion, and a new Master Contract was agreed upon, again for a six-year term. The new agreement assures labor stability through 2024, which is welcome news to all in the maritime sector.

A MANAGEMENT TEAM EFFORT

It took significant collaboration between all management parties to achieve this milestone. USMX member Carriers, Port Associations and Direct Employers all played pivotal roles in the design of the agreement.

The teamwork necessary to reach this goal was born in the fostering of member relations over the course of the last six years. The open and frequent communication between USMX and its constituent members over that time span enabled the group to work productively during the negotiating period. The core tenets of the Member Relations Program, developed during the early stages of the last contract period and carried through during the subsequent contract years, provided the baseline understanding of the relationship between the Master Contract and each individual local port agreement necessary to achieve an acceptable outcome on both a national and local level. Indeed, bargaining preparation for the latest agreement began in earnest in 2013, with a series of meetings between USMX and its Port Association and Direct Employer members. Held in Port Association host cities and continued over the ensuing years, with agendas constructed in concert with those attending, all members of the enterprise were able to develop an understanding of the challenges faced by each member. This provided immeasurable help in constructing the recently-concluded Master Contract agreement.

With the Master Contract signed in September of 2018, USMX continued to work collaboratively with its Port Association members to help reach agreements at the local level. Providing support when needed and tailoring that support to the individual circumstances at hand, USMX furthered each Port Association member's goal of achieving a local contract.

2019 MARKS A NEW PHASE

Implementation of the new collectively bargained agreement is the next phase being addressed. Agreed upon terms and conditions now need follow through, necessitating further discussion among the membership as to a suitable approach. New programs, such as the Money Purchase Plan, are in development. Some existing programs are being modified. Again,

the previous six years of frank and open communication among the membership will serve USMX in good stead as it crafts a way forward that ensures solutions that benefit all.

2019 will set the journey to the next collectively bargained agreement in motion. A frank analysis of the last negotiation is in process; meaningful thought is being put into the next set of goals being developed for the 2024 talks. Continuing to improve the relationship among its members remains a key objective of USMX.

GOVERNMENT INITIATIVES: TRADE, REGULATORY AND FUNDING

2018 was a very active year for the maritime sector in the arena of government affairs. The second year of the Trump Administration brought trade, regulatory and funding initiatives relevant to our industry to the forefront.

Tariffs

The Administration pursued its policy of revamping the United States trade practices by threatening the imposition of tariffs on a multitude of industries, including steel, aluminum, agriculture and automobiles. A renegotiation of the NAFTA agreement was also on the table. The uncertainty of the imposition of these policies was, in part, responsible for dynamic cargo surges throughout the year.

Government Funding

Funding for the government in 2018 was achieved mostly through a series of continuing resolutions. Of note to our industry, civil works and channel maintenance sums were appropriated; the Harbor Maintenance Tax Fund was projected to spend 94% of its collections (a new high for recent years); Customs and Border Protection's budget included increased manning (though over 1,000 vacancies still persisted); and the Tiger Grant Program was renamed with a budgeted increase in funding. Infrastructure spending remains a high-profile topic for the coming year.

Federal Agencies

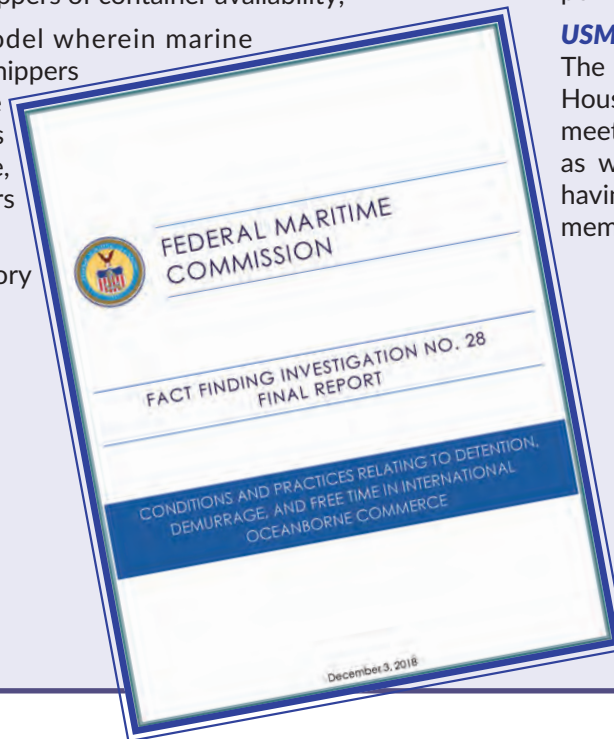
Federal agencies continued to fill out their complement of appointees including positions at the National Labor Relations Board, the Maritime Administration and the Federal Maritime Commission (FMC).

The FMC had an active twelve months. Through resignation and expiration of term, two Commissioners departed during the year. Those positions were filled and Acting Chairman Michael A. Khouri was named Chairman in early 2019.

Fact Finding Investigation No. 28

In January of 2018, the Commission launched *Fact Finding Investigation No. 28* on the subjects of demurrage, detention and free time in international oceanborne commerce. Prompted by a petition brought by the Coalition for Fair Port Practices in the previous year, FMC Commissioner Rebecca M. Dye was appointed Fact Finding Officer and tasked with leading the study. The FMC issued an interim report on September 5th, and a final report on December 3rd. The report detailed findings and recommendations on the following topics:

- Transparent, standardized language for demurrage, detention and free time practices;
- Clarity, simplification and accessibility regarding demurrage and detention billing practices and dispute resolution processes;
- Explicit guidance regarding types of evidence relevant to resolving demurrage and detention disputes;
- Consistent notice to shippers of container availability;
- An optional billing model wherein marine terminal operators bill shippers directly for demurrage and carriers bill shippers directly for demurrage, and carriers bill shippers for detention;
- An FMC Shipper Advisory Board

**Multiemployer Pension Plans**

A Joint Select Committee of Solvency of Multiemployer Pension Plans was formed and tasked with submitting a solution to the looming insolvency of the Pension Benefit Guarantee Program (PBGP). With a final report deadline set of November 30, 2018, the Committee did not meet that objective. Some of the potential resolutions discussed (the “Butch Lewis Act” that could create a loan program for red zone pension plans, and the idea that all multiemployer plans should be required to exercise greater fiscal discipline and use a specified discount rate like single-employer plans do) would have a severe impact on our industry. It is expected that this PBGP issue and ways to address it will continue to be debated in the coming year.

Port Throughput Performance

There was a move to revitalize the objectives of the Port Performance Freight Statistics Program. Dubbed the Port Corridor Performance Predictably Group, it is meant to provide some measure of throughput performance through our port system.

USMX Government Outreach

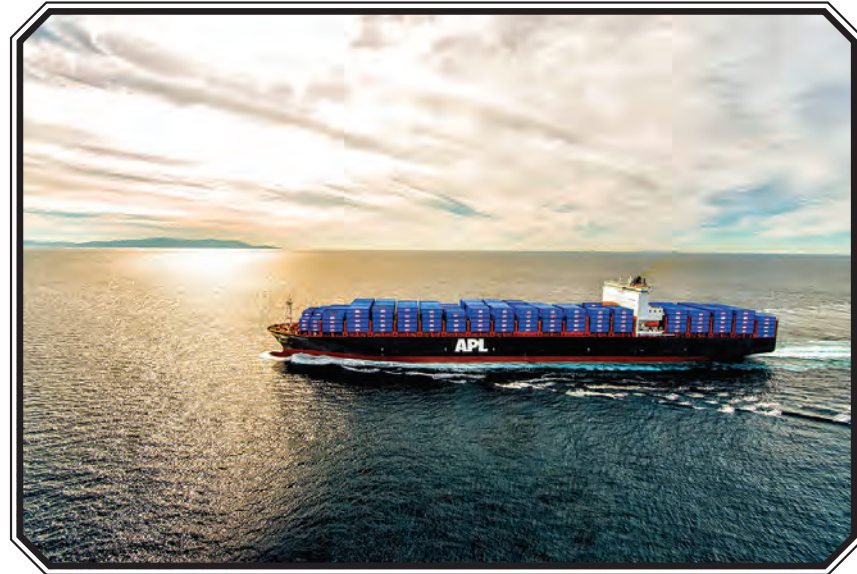
The federal elections in November brought a change of control to the House of Representatives. USMX continued with its active policy of meeting with members of Congress and their respective staffers, as well as with committees, subcommittees, agencies and trade associations having an impact on our industry. In addition, it accompanied some of its member organizations’ forays on their Congressional initiatives.

USMX CARRIER MEMBERS



ABOUT ATLANTIC CONTAINER LINE (ACL)

Atlantic Container Line (ACL), a Grimaldi Group Company, is the most experienced carrier of Containers and Roll-on/Roll-off cargo with four transatlantic services each week. ACL operates the world's newest, greenest and largest CONRO vessels which offer 100% cell-guides for containers, both above and below deck and 100% underdeck RORO stowage. ACL's unique ships can accommodate any size, weight or shape of oversized cargo to just about any place in the world. The Company is headquartered in Westfield, New Jersey with offices throughout Europe and North America.



ABOUT APL

Having amassed over 170 years of shipping experience, knowledge and expertise, APL has what it takes to help our customers grow their businesses and negotiate in an increasingly dynamic global marketplace.

A major player in the Trans-Pacific trade, APL operates over 20 weekly services between Asia and North America, delivering industry-leading transit time from China to U.S. coastal and inland destinations, with a proven track record in timeliness and reliability.

As a carrier of the OCEAN Alliance, APL also offers extensive network coverage and diverse service products across major trades worldwide. In all, APL offers more than 120 weekly services calling ports in over 70 countries.

APL is part of the CMA CGM Group, a leading worldwide shipping group.



ABOUT CMA CGM GROUP

CMA CGM – a world leader and major economic player.

Founded in 1978, and currently headed by Rodolphe Saade, from its base in Marseille, France, the CMA CGM Group is present in 160 countries through its network of 755 agencies and more than 37,000 employees worldwide.

Its global **Brands & Subsidiaries** include:

- APL in Singapore
- ANL in Oceania
- CNC in the Intra-Asia Market
- MacAndrews & Containership in Europe
- Comanav in North Africa
- CMA Chips for vessel/crew management
- CMA Terminals & Terminal Link
- CEVA

Key Shipping Figures - With a young and diversified fleet of 509 vessels, from 200 shipping lines operating on every one of the world's seas, the Group serves 420 of the world's 521 commercial ports. Its global presence and efficient ships enabled the CMA CGM Group to transport a volume of 20.71 million TEUs in 2018, with a fleet slot capacity of 2.71 million TEUs, and generate revenue of \$21.1 billion (USD).



ABOUT COLUMBIA GROUP

The Columbia Group of Companies was founded in 1990 with its successful all-water container barge service, Columbia Coastal Transport. The company began with one barge and one service operating between New York and Boston. Twenty-seven years later, the company is recognized as the premier container barge feeder operator in the United States, and the greenest and most efficient mode of container transportation available today. In addition, the company has expertise in handling project, government and military cargoes. Presently, the company operates five U.S.-flag barges engaged in services in the Mid-Atlantic and Chesapeake regions.

USMX CARRIER MEMBERS



ABOUT COSCO SHIPPING LINES CO. LTD

COSCO SHIPPING Lines Co. Ltd. is a fully integrated ocean carrier and logistics provider serving every continent in the world. COSCO SHIPPING Lines has a total of 460 container vessels, with a total capacity of 2.78 million TEUs, ranking 3rd place in the world, and 1st place in Asia. COSCO SHIPPING Lines is working hard to improve our customer experience with our dual brand synergy approach. We are promoting improvements in digital shipping tools, improved internal efficiency resulting in improved response times to customer inquiries, problem resolution, cost savings and developing end-to-end solutions to meet our growing customer needs now and in the future.



EVERGREEN LINE



ABOUT EVERGREEN LINE

A leading member of the Ocean Alliance, Evergreen Line operates some 200 container vessels that provide a total capacity of approximately 1.2 million TEUs. As North American agent for the Taiwan-based global ocean carrier, Evergreen Shipping Agency (America) Corporation represents the U.S. East and Gulf Coast concerns so vital to USMX members, and supports the full complement of worldwide services Evergreen provides its North American shippers.

Founded in 1968, for more than 50 years Evergreen has been providing responsible, reliable service with a commitment to the issues that impact the economic and environmental well-being of the port communities it calls. A recognized leader in e-commerce, Evergreen combines technology, customer service, and a continually enhanced, modern fleet to position itself among the top container transportation companies in the world, serving six continents and a full-range of North American ports.

HAMBURG SÜD



ABOUT HAMBURG SÜD NORTH AMERICA, INC.

Since December 1, 2017, Hamburg Süd belongs to A.P. Moller - Maersk, and is, therefore, part of the global market leader. This offers many advantages to customers of the Hamburg Süd Group: the most extensive global network, an enlarged geographical scope, the largest fleet in the world, and a state-of-the-art equipment pool to ensure complete coverage of supply chain requirements and availability where needed. Within the shipping industry, Maersk stands for strategic vision and a strong financial basis. At the same time, Hamburg Süd will remain a commercially independent company with its own brand values. The Hamburg Süd brand will continue to represent quality, reliability, and flexibility, in addition to providing a specific service offering with outstanding local expertise and personal contacts in over 250 offices worldwide. Nothing will change, therefore, in day-to-day business for customers of the Hamburg Süd Group.

Hapag-Lloyd



ABOUT HAPAG-LLOYD, LLC

Hapag-Lloyd completed the merger with UASC and strengthened market position as the fifth-largest liner shipping company in the world with one of the youngest and most competitive fleets. With more than 12,500 employees in five sales regions and 125 countries, as well as a fleet of 219 modern container ships of 7.1-year average ship age and 7,184-TEU average ship capacity. Hapag-Lloyd offers 120 liner services in a global network to its customers.

USMX CARRIER MEMBERS



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USMX CARRIER MEMBERS

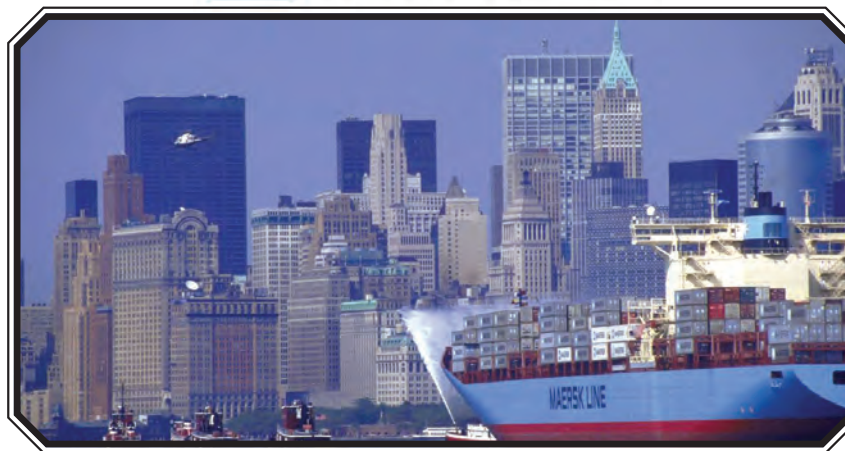


ABOUT "K" LINE

Kawasaki Kisen Kaisha ("K" Line) is a diversified ocean shipping company operating a fleet of 410 vessels, including car carrier ships and bulk ships, as well as LNG, LPG and crude oil tankers in global trade. It is "K" Line's vision to provide reliable and excellent services, while doing business in a fair way, respecting humanity, and relentlessly pursuing innovation.



MAERSK



ABOUT MAERSK

Maersk is an integrated container logistics company working to connect and simplify our customers' supply chains. Our family of brands includes Maersk — the largest containership line in the world, Safmarine — an African regional line, Sea-Land — an Intra-Americas regional line, Hamburg Süd, APM Terminals and Svitzer Towage — that all work together to offer seamless shipping.

Our team of professionals operates in 130 countries with 70,000 people focused on providing end-to-end solutions that make shipping and logistics easier, faster and more reliable.

Customers are looking for more digital solutions to manage their supply chain so we are continuously improving our 24/7 online capabilities to enable faster decision-making and better cargo visibility.

Shipping is a repeat business and our goal at our ports is to work closely with our Labor Partners to make the shipping process safer, more productive, more cost-efficient and more sustainable to the environment. We take great pride in our people who define our service level every day to our customers and the importance our industry plays in lifting global commerce.

With our One Company approach to customers we are transforming the industry to make global supply chains perform better through our world-class ports and the strength of our Labor Partnerships. www.maersk.com



ABOUT MSC MEDITERRANEAN SHIPPING COMPANY S.A.

MSC Mediterranean Shipping Company (MSC) has been headquartered in Geneva, Switzerland, since 1978. A world leader in container shipping, MSC has evolved from a one vessel operation into a globally respected shipping and logistics business with over 490 vessels and 70,000 staff.

MSC's wide range of operations covers 155 countries across five continents, where MSC provides timely delivery of goods and services to local communities, customers and international business partners.

MSC calls at 500 ports on 200 trade routes, carrying some 18 million TEUs (twenty-foot equivalent units) annually, via one of the most modern and environmentally-friendly fleets.

The Company's international headquarters supervise a worldwide network of offices with each having responsibility for commercial and operational activities in their respective countries.

Over the years, MSC has invested in several initiatives, such as operational strategic alliances, and has further diversified its business-related activities. The Company has seen exponential growth in terms of both volume and fleet capacity, and now serves millions of customers globally, with a 365-days-a-year operation.

Today, our focus remains true to our roots, building and retaining long-term trusted partnerships with customers of all size and scale.



ABOUT OCEAN NETWORK EXPRESS (ONE)

AS ONE, WE CAN. OCEAN NETWORK EXPRESS. ONE was established in 2017 when a Holding Company was set up in Japan and a Business Management Company was formed in Singapore. The result of a joint venture and the integration of the container operations of three Japanese shipping companies — NYK, MOL, and K Line — Ocean Network Express began trading April 1, 2018 with the sixth largest container vessel fleet in the world.

ONE operates with more than 1.4 million TEU and a fleet of more than 240 vessels, including 31 container ships with a capacity in excess of 20,000 TEU, in a service network comprising more than 90 countries around the globe. One ultra-large 20,000 TEU vessel is being joined by twelve 14,000 TEU newbuilding container vessels that were on order by the three shipping lines prior to integration.

In addition to its Holding Company in Tokyo, its Global Headquarters in Singapore, and Regional Headquarters offices in Singapore, Hong Kong, London, Sao Paulo, and Richmond, VA, ONE operates local sales and operations offices in more than 90 countries.

USMX CARRIER MEMBERS



We take it personally



ABOUT ORIENT OVERSEAS CONTAINER LINE (OOCL)

"Orient Overseas Container Line" and "OOCL" are trade names for transportation provided separately by: Orient Overseas Container Line Limited ("OOCL") and OOCL (Europe) Limited respectively and both are wholly-owned subsidiaries of Orient Overseas (International) Limited, a public company (0316) listed on the Hong Kong Stock Exchange. OOCL is one of the world's largest integrated international container transportation, logistics and terminal companies. As one of Hong Kong's most recognized global brands, OOCL provides customers with fully-integrated logistics and containerized transportation services, with a network that encompasses Asia, Europe, the Americas, Africa and Australasia.



ABOUT TURKON LINE

Turkon Line, established in 1997, is the first dedicated Turkish Company providing container transportation and logistics services between Turkey and the USA, North Europe and the Mediterranean, as well as direct service to/from Turkey, Egypt and the USEC with eight connecting services operated in several intra-Mediterranean, Black Sea and North Europe trades. Turkon Line is in 28 countries with 500 employees and 43 offices and agencies and is a well-known container line located in the East Mediterranean. Turkon Line's USA Headquarters for commercial and operations, is in Secaucus, New Jersey, with branch offices in Norfolk and Savannah.



ABOUT YANG MING MARINE TRANSPORT CORPORATION

Yang Ming Marine Transport Corporation was established on December 28, 1972. Since that time, our staff members across the world have enhanced our transportation expertise and service quality. We always observe our core values of "Teamwork, Innovation, Integrity and Pragmatism" to fulfill our vision of becoming an excellent transport enterprise of the world. By forming strategic alliances with other carriers and providing our customers with high-quality "punctual, speedy, reliable, and economical" services, Yang Ming has become one of the leading shipping companies in the world and has won the trust from customers.

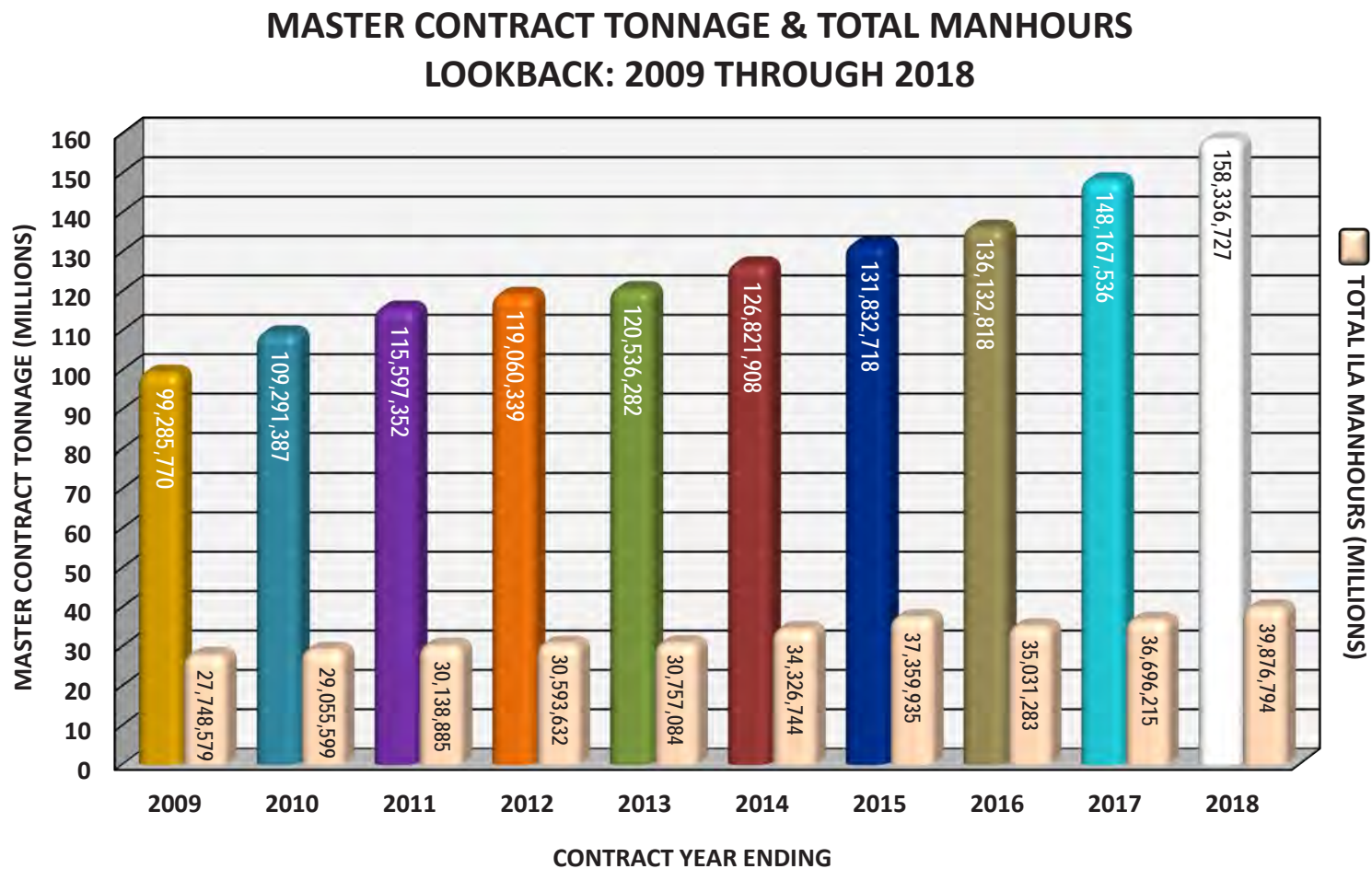


MASTER CONTRACT TONNAGE & MANHOURS

DATA LOOKBACK: 2009 THROUGH 2018

Total Master Contract tonnage in the USMX member Ports from Maine to Texas has steadily increased since the financial crisis of 2009, with contract year 2018 totals reaching an all-time high of 158 million tons. Since manhours are inclusive of all MILA-eligible ILA manhours, the

trends do not always follow the same path as container tonnage. 2018 saw an increase in overall manhours largely driven by the increase in container tonnage.



LABOR RELATIONS YEAR IN REVIEW

USMX LABOR RELATIONS: 2018 IN REVIEW

Looking back on 2018, we saw the successful negotiation and ratification of a new Master Contract (2018-2024) that included the following:

- An increase in wages;
- A new Money Purchase Plan;
- The implementation of and positive changes to local set-back and cancellation policies to reduce “dead” time billing and wages;
- Changes in container royalties distribution;
- A continuation of the Caribbean Basin Initiative instituted in the previous Master Contract; and
- Changes to the New Technology Implementation and Workforce Protection language

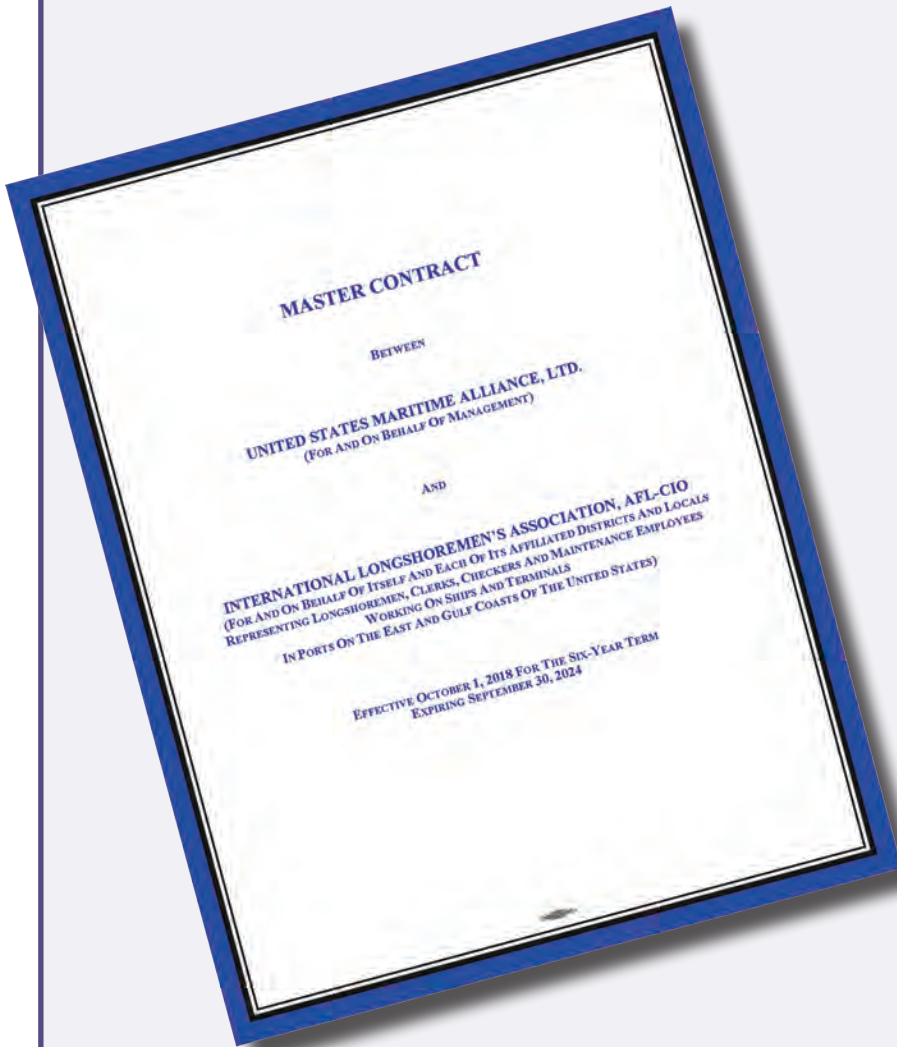
USMX-ILA Industry Resource Committee (IRC) Topics

Throughout the Master Contract negotiations on a variety of topics, the ILA continued to identify several key issues for consideration by the IRC. Because of the complex nature of the issues, both sides agreed to keep these items open and address them via the IRC in 2019:

- Definition of the word “control”
- Port of Discovery (POD) in all Ports
- Implementation of carrier equipment technology, such as smart reefers and dry boxes
- Possible change coming in the Carrier genset model

Master Contract & Local Negotiations

USMX and the ILA started off 2018 with Master Contract negotiations that were, essentially, concluded in March of 2018. The remainder of the year was spent on bargaining local agreements in the 14 USMX member ports on the East and Gulf coasts. By year’s end, three ports [Philadelphia, Charleston (Longshore), and Mobile] had not reached local agreements; however, they are continuing to work toward conclusion in 2019, hopefully, without any labor disruption.



LABOR RELATIONS YEAR IN REVIEW

USMX MEMBER PORT UPDATES

Following are labor relations updates for each USMX member port, along with additional material covered in the **USMX PORT ASSOCIATION MEMBERS** section, starting on Pg. 40 of this report.

Port of Boston

- Boston Shipping Association (BSA) concluded local bargaining with an agreement in 2018
 - ♦ For further information on BSA and this port, see **PORT OF BOSTON**, Pg. 40

Port of New York & New Jersey

- New York Shipping Association (NYSA) concluded local bargaining with an agreement in 2018
 - ♦ For further information on NYSA and this port, see **PORT OF NEW YORK & NEW JERSEY**, Pg. 42

Ports of the Delaware River

- Ports of the Delaware River Marine Trade Association (PMTA) did not conclude local bargaining in 2018, but continued bargaining and working with no disruptions
 - ♦ For further information on PMTA and this port, see **PORTS OF THE DELAWARE RIVER**, Pg. 44

Port of Baltimore

- Steamship Trade Association of Baltimore (STA) concluded local bargaining with an agreement in 2018
 - ♦ For further information on STA and this port, see **PORT OF BALTIMORE**, Pg. 46

Port of Virginia

- Hampton Roads Shipping Association (HRSA) concluded local bargaining for Norfolk with an agreement in 2018
 - ♦ Set-back and cancellation rules/language were successfully arbitrated prior to local agreement ratification
 - ♦ For further information on HRSA and this port, see **PORT OF VIRGINIA**, Pg. 48

Port of Wilmington, NC

- Wilmington concluded local bargaining with an agreement in 2018 as part of the South Atlantic District

Port of Charleston, SC

- South Carolina Stevedores Association (SCSA) concluded local bargaining (with Clerical and M&R Locals) with agreements in 2018 as part of the South Atlantic District, but with no agreement with Local 1422 (Longshore), who withdrew from the ILA's district contract bargaining unit, in order to bargain on its own
 - ♦ SCSA has been negotiating a separate contract with Local 1422 and the parties have reached agreement on 33 bargaining issues; three issues still remain at an impasse
- The development of the SCSPA Charleston Navy Base Intermodal Facility continues to be a topic of concern for the ILA
 - ♦ Manning, in particular, is the main issue of contention
- Deck and Dock Superintendents were organized and became members of Local 1771 (Checkers)
 - ♦ For further information on SCSA and this port, see **PORT OF CHARLESTON**, Pg. 50

Port of Savannah

- Georgia Stevedore Association (GSA) concluded local bargaining with an agreement in 2018 as part of the South Atlantic District
 - ♦ For further information on GSA and this port, see **PORT OF SAVANNAH**, Pg. 52

Port of Jacksonville

- Jacksonville Maritime Association (JMA) concluded local bargaining with an agreement in 2018 as part of the South Atlantic District
 - ♦ For further information on JMA and this port, see **PORT OF JACKSONVILLE**, Pg. 54

Ports of Southeast Florida (Miami)

- Southeast Florida Employers' Port Association (SEFEPA) concluded local bargaining with an agreement in 2018
 - ♦ For further information on SEFEPA and its ports, see **PORTS OF SOUTHEAST FLORIDA**, Pg. 56

Port of Tampa

- Tampa concluded local bargaining with an agreement in 2018 as part of the South Atlantic District

Port of New Orleans

- Midgulf Association of Stevedores (MAS) New Orleans concluded local bargaining with an agreement in 2018
 - ♦ For further information on MAS and this port, see **PORT OF NEW ORLEANS**, Pg. 58

Port of Mobile

- Mobile did not conclude local bargaining in 2018, but continued bargaining and working with no disruptions

Ports of the West Gulf

- West Gulf Maritime Association (WGMA) concluded local bargaining with an agreement in 2018
 - ♦ For further information on WGMA and its ports, see **PORTS OF THE WEST GULF**, Pg. 60



LABOR NOTES

- The status of the Port of Discovery (POD) system from Maine to Texas remained an issue for the ILA throughout 2018
 - ♦ It was agreed that the Jurisdiction Committee will meet in 2019 on this topic
- The ILA's previous request for the definition of the word "control" as it pertains to the Master Contract continued throughout 2018
- In 2017, the ILA had requested a list of "all jobs created by technology"
 - ♦ USMX responded to the request in 2017
 - After receiving our response, the ILA then requested an Industry Resource Committee meeting to review this topic in depth
- In 2018, the ILA suggested an audit be conducted of all ports that implemented technology to ensure that under its jurisdiction language all qualifying jobs were given to the ILA
- That language did not change with the NEW Master Contract signed in 2018, so the request was passed to the Jurisdiction Committee, to be addressed in 2019
- Throughout bargaining in 2018, the issue of the State Ports Authorities in the South Atlantic remained a concern for the ILA

USMX DIRECT EMPLOYER MEMBERS





ABOUT APM TERMINALS NORTH AMERICA

APM Terminals North America operates a United States terminal portfolio of four facilities (APM Terminals Elizabeth, LLC at the Port of New York/ New Jersey; South Florida Container Terminal at the Port of Miami, Florida – a joint-venture with Terminal Link; APM Terminals Mobile, LLC at the Port of Mobile, Alabama; and APM Terminals Los Angeles, LLC at the Port of Los Angeles, CA), and more than 70 terminals globally.

The 350-acre APM Terminals Elizabeth, LLC, the largest APM Terminals facility on the U.S. East Coast, expects to complete a \$200 million infrastructure investment program in 2019, which includes: delivery of four new next-generation STS cranes to handle Ultra-Large Container Vessels (ULCVs); 2500' of upgraded berth; and a new, state-of-the-art gate complex – increasing the overall terminal capacity to more than 2.5 million TEUs.

Similar capital investments are occurring at APM Terminals Los Angeles, LLC's facility with the raising of STS cranes to more-effectively work ULCVs; APM Terminals Mobile, LLC's gaining two additional Ultra-Super-Post-Panamax STS cranes; and South Florida Container Terminal increasing their yard, and throughput capacity, with the increase of new transtainers within their operations in 2019.



ABOUT CERES TERMINALS INCORPORATED

Ceres Terminals Incorporated is one of the largest stevedores, marine and cruise terminal operators in North America. The company was established in 1958 and has grown to encompass operations in major ports throughout the U.S. and Canada.

Ceres is a leader in the handling of containers, autos, roll on/roll off, breakbulk, bulk, project and cruise vessel operations. Ceres is a participant in the U.S. Customs & Borders' C-TPAT Program and is a certified participant of the Green Marine Environmental Management Program.

USMX DIRECT EMPLOYER MEMBERS



ABOUT GCT USA

GCT USA operates two award-winning facilities: GCT New York on Staten Island, New York, and GCT Bayonne in Bayonne, New Jersey.

GCT New York is the primary terminal in New York state. The full-service container terminal is exceptionally customer-focused, boasting the fastest truck processing times in the harbor, and housing the only terminal-affiliated customs exam station in the port. GCT New York has operated the ExpressRail Staten Island on-dock rail facility, consisting of 9,200 linear feet of working track, for over 10 years. The ramp offers full connectivity to both the CSX and Norfolk Southern rail networks.

International award-winning, semi-automated **GCT Bayonne** is one of the most advanced terminals in North America. Strategically located at the harbor entrance, the big ship ready, high productivity facility handles the largest ships calling the Port of New York and New Jersey. Opened in January 2019, GCT Bayonne's near dock rail facility (ExpressRail Port Jersey) has 9,600 linear feet of working track and also offers full connectivity to both the CSX and Norfolk Southern rail networks.



ABOUT MAHER TERMINALS LLC

Maher Terminals LLC is one of the largest privately held multi-user container terminal operators in the world. As a vital link in the container cargo movement chain, we are responsible for helping our customers effectively compete in the global marketplace by handling their cargo as expeditiously and economically as possible. We take this responsibility very seriously and have developed North America's largest marine container terminal in the Port of New York and New Jersey. This highly-efficient container terminal operation, strategically located in the heart of one of the world's most affluent consumer markets, provides ample container throughput capacity to efficiently meet and exceed the current and longer-term operating requirements of our ocean carrier customers. The scope and flexibility of our marine terminal operation truly makes our facility a "Port within a Port." This is best supported by the many ocean carriers that have been utilizing our facilities for decades, ranging from single trade lane operators to the world's largest global alliances.



ABOUT PORTS AMERICA

Ports America is the largest American terminal operator and stevedore with operations in 42 ports and 80 terminals within the United States. With a highly skilled and trained labor force, Ports America has the experience and expertise to manage all types of cargo handling. Having handled more than 13.4 million TEUs, 2.5 million vehicles, 10.1 million tons of general cargo and 2.1 million cruise ship passengers annually, Ports America has operations ranging from pure container terminals to "under-the-hook stevedoring." Operations also include container, bulk, breakbulk, military, project and RoRo cargo handling; cruise terminal operations; intermodal facilities; and maintenance and repair.



SSAAtlantic
A Carrix Enterprise



ABOUT SSA ATLANTIC, LLC

SSA Atlantic is a wholly owned subsidiary of SSA Marine, the world's largest independent, privately held marine terminal operator, with activities at more than 250 terminal facilities and rail operations throughout geographies in the U.S., Canada, Latin and South America, Asia, New Zealand and South Africa. Established in 1949 by the Smith/Hemingway family and headquartered in Seattle, SSA Marine is a premier operator in terminal management, efficiency, and throughput. SSA Marine subsidiaries have long-term marine terminal concessions in key strategic ports on the U.S. East and West Coasts, Latin American gateway countries of Panama, Mexico, Chile, and Colombia, and in Vietnam.

ILA-USMX JOINT SAFETY COMMITTEE

JSC OSH CIRCULARS AND ALERTS

Since 2014, the development, production and distribution of the occupational safety and health (OSH) safety circulars has been an unprecedented achievement of the ILA-USMX Joint Safety Committee (JSC). These monthly OSH circulars, geared toward labor and management employed at our USMX member ports from Maine to Texas, are reminders of important safety topics and issues inherent to the waterfront workplace. In addition to the circulars, the JSC team also instituted (in 2017) a program of periodic urgent OSH alerts on those workplace safety issues requiring immediate attention and action. Ten such alerts were produced and distributed in 2017, with an additional seven in 2018. Joint distribution of the alerts and bulletins by USMX and the ILA (via workplace postings and handouts to rank and file ILA and their employers; USMX and ILA website postings and email blasts; and reiteration of the program by the JSC at industry conferences) ensures the widest and most effective dissemination of the materials. Continued positive feedback from its audiences mark this JSC program as a key area of the Committee's success.

The primary purpose of the OSH safety circulars and urgent OSH alerts program remains to target any and all industry hot spots for worker safety.

The goal of the program and its dissemination of the crucial issues are to spark discussion amongst the parties and reduce workplace accidents in our ports, ultimately translating to improved LTI rates.

OSH Circulars: The titles of the circulars produced and distributed in 2018 were: *Stop Signs & Stop Bars on Terminals; Dangers of Distracted Driving; Overhead Hazards; OSHA Complaints; Backup Hazards; Summer Heat Stress; Hurricane Season; OSHA Enforcement; Slips, Trips and Falls; and Signaling.*

Over the course of a year, it is never certain how many or what type of urgent safety issues may arise. Timely dissemination of those alerts is key to the JSC's ability to target those issues most crucial to our member employers and the workforce to prevent accidents and fatalities in the maritime workplace.

OSH Alerts: The titles of the urgent alerts produced and distributed in 2018 were: *Mandatory Posting Form OSHA 300A; OSHA Fines Increase in 2018; New USCG Forms; Reminder: PIT Cert/Recert; OSHA Interpretation of Safety Incentive Programs; OSHA Inspection Targeting Program; and Container Spreader Flipper Free-Fall.*



FURTHER DEVELOPMENT OF THE JSC IN 2018

The basic mandate of the JSC was developed in 2014 through the *ILA-USMX Joint Resolution on Port Safety and Health*. This agenda was created by the Chairman of USMX and the President of the ILA to empower the committee to carry out its mission of delivering its message of coastwise safety awareness and assisting management and the rank and file in all OSH matters. The JSC will continue to visit national safety meetings, local safety meetings, union halls, terminals and depots to fulfill its mandate of reducing accidents and fatalities in the workplace.

JSC Guidance and Interpretation

Over the course of a year, USMX member companies, as well as the ILA rank and file, come to the JSC looking for guidance and interpretation on OSH-related issues. In keeping with its mandate of service to the industry, the JSC does everything possible to be accurate and timely with each of its responses to such issues. In a business as dynamic as ours there are always requests for assistance on multiple topics and 2018 was no different. The most frequent topics addressed by the JSC were: PIT (Cert/Recert) for crane operators; OSHA Electronic Reporting of Injuries and Illness; OSHA/Coast Guard Jurisdiction; Federal Railroad Administration safety inspections at on-dock rail; process of assigning Safe Working Loads (SWL) on container cranes; and ISO Standards on mandatory/voluntary container markings.

Committee Activities in 2018

- JSC members investigated and tended to three fatalities in 2018, occurring in the ports of Houston and Freeport, TX
- Visited Ports of NY/NJ, Philadelphia, Norfolk, Charleston, Savannah and Houston on multiple safety issues, attending local safety meetings and conducting safety audits
- JSC presented at the ILA and ACD Executive Board meetings in Tampa; HRSA-ILA Safety Meeting in Norfolk; Blue Ribbon Panel in Galveston; and Dock & Marine Council in Atlanta
- Attended the NMSA Technical Committee Meetings in Tampa, San Diego and Vancouver, and the NMSA Annual Meeting in Philadelphia
- Prepared quarterly Committee Activity Reports
- Developed/distributed 12 OSH Circulars and 7 Urgent OSH Alerts



JSC SAFETY DATA INITIATIVE

ABOUT THE SAFETY COMMITTEE

The Joint Safety Committee (JSC)'s Safety Data Initiative (SDI) program has been in place since 2011 and has evolved into the signature source of safety data for the ILA and USMX. Collecting the Lost Time Incident Frequency Rate (LTIFR) statistics from all USMX member ports along the U.S. East and Gulf coasts, the customized database affords the JSC and USMX's member companies the ability to target high frequency areas when planning their safety and training programs. The goal of the JSC and the SDI is to provide the safest working environment for all longshore workers every day.

LTIFR incidents among the various maritime crafts, specific types of incidents and the location of these incidents in the workplace are reported bi-annually. That data is translated into customized charts that have become a staple for all JSC presentations at national and local industry conferences/meetings, as well as at local port safety meetings. The charts also see wide distribution and sharing amongst the maritime safety community: the National Maritime Safety Association, USMX Directors, Direct Employers and Port Associations, the ILA International and District officers, and the longshore rank and file.

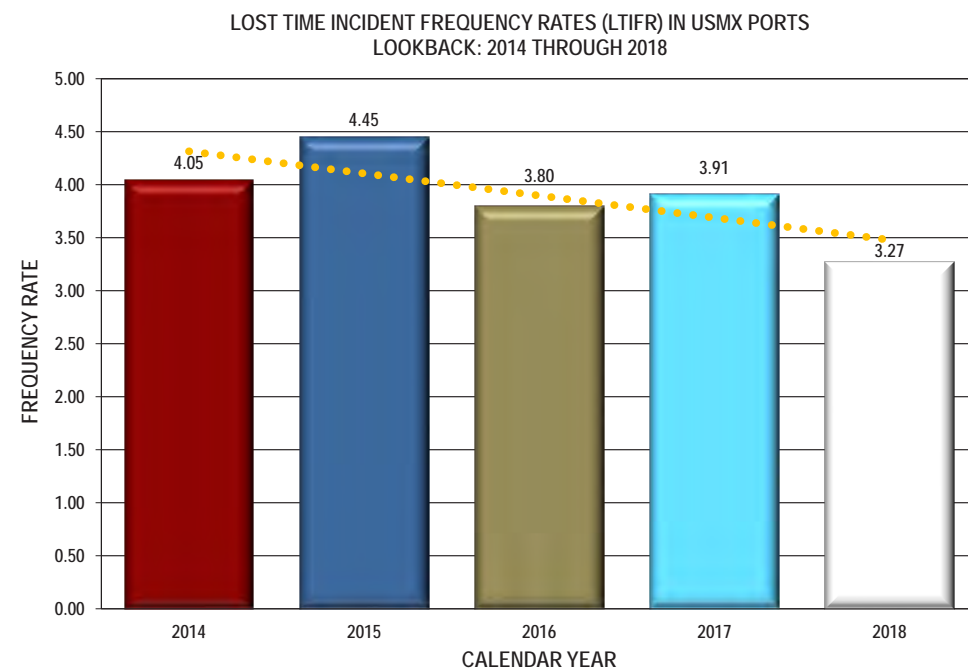
SDI Program Progress Update

The end of 2018 marks the sixth full year of collecting and reporting LTIFR data from our USMX member companies. Year after year, we continue to see progressively increasing co-operation and accuracy of reporting. The data collected and the progress we have made allows safety professionals to zero in on all areas that require immediate attention. It also lets them identify areas that are not showing marked improvements, even after changes have been made to ensure a safer working environment. The preparation of our lookback charts on pages 28-31 will illustrate whether or not the work being done by the JSC is effective and/or how much still needs to be done to improve the standards we are setting for the longshore workplace.

Lost Time Incident Frequency Rates in USMX Ports: 2014-2018

In this chart tracking the total annual LTIFR in our USMX ports, the rate trends are immediately obvious—between 2014 (4.05) and 2015 (4.45) there was a 10% increase; between 2015 (4.45) and 2016 (3.80) there was

a marked decrease of 14.6%; between 2016 (3.80) and 2017 (3.91) there was a moderate increase of 2.89%; and the 2018 rate trend ended at 3.27, a 16.34% decrease from the prior year. Overall, we can extrapolate a significant average overall decrease of 19.26% in the annual rate from 2014 through 2018. Of particular note are the 2018 half-year data markers—from January to June the rate was 3.77; from July to December



The lost time injury and illness incident rate is based upon Occupational Safety and Health Administration (OSHA) recordkeeping criteria and is considered a national standard used by the government for most industries. The formula considers the number of lost time incidents and illnesses occurring in a workplace and the hours worked during the time period. It is based on a workplace of 100 workers averaging 2,000 hours per year.
FORMULA: (Lost time injuries & illnesses x 200,000/total hours worked = incident rate.)

the rate dropped to 2.85. This half-year rate is an all-time low. These numbers are a clear indication that the efforts being put forth by the JSC, USMX members and the ILA are proving effective in the overall goal of keeping worker safety front and center in the maritime workplace.

Lost Time Incident Frequency Rates for All USMX Member Ports: 2017 vs. 2018

Despite a 12.6% increase in manhours between 2017 and 2018, the overall number of incidents declined from 809 total in 2017 to 763 in 2018—a 6% decrease—and likewise, the overall rate declined 16.34% from 2017 to 2018. Once again, these data results illustrate the value of the safety data initiative to the maritime industry and overall worker safety—the primary tenet of the USMX-ILA Joint Safety Committee.

2018 DATA REPORTING AND RESULTS

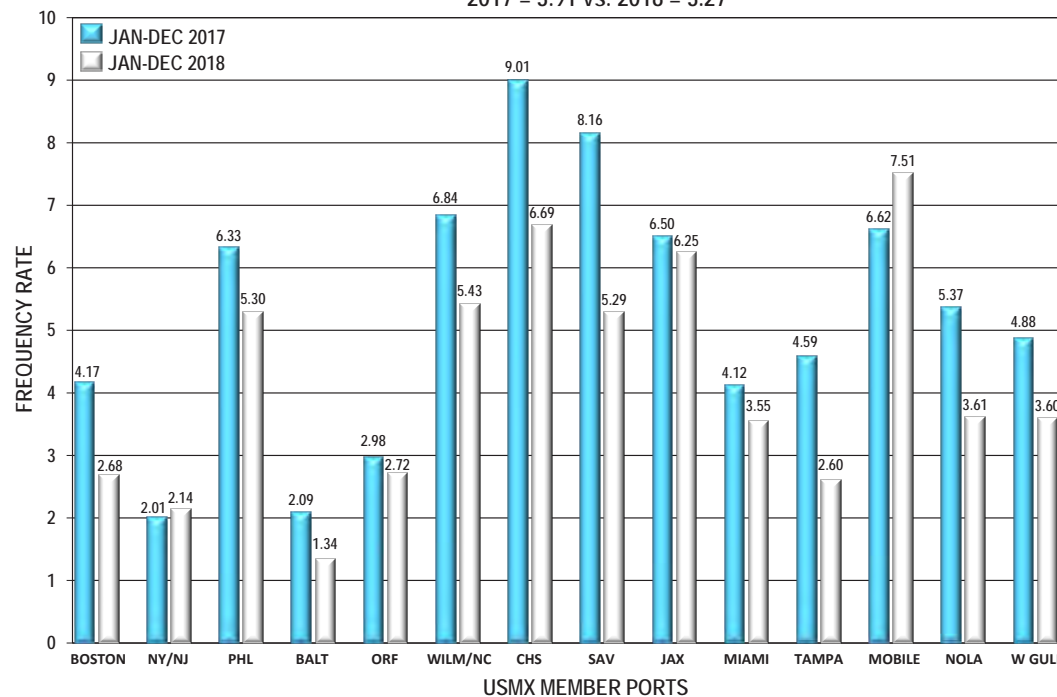
In 2018, LTIFR data was reported bi-annually from approximately 90 companies involved in longshore work (containerized operations, cruise terminals, general cargo and roll on/roll off operators) handled by the ILA. We also received data from 12 maintenance and repair companies from five USMX South Atlantic ports. All data is submitted to USMX through the local Port Association members.

The data is collected for various reasons, chief amongst them being to lessen the toll these lost time injuries take on the local workforce; to help the employers covering the cost of the LTI claims become more aware of the incidents that led to the lost time and, most importantly, to prevent the recurrence of similar accidents or incidents in the future. The steps to reporting data are as follows:

- The local USMX port association member provides its respective member companies with a standardized Lost Time Injuries Reporting Form, and requests the data only for incidents/injuries that result in lost time for the worker—not all reported incidents/injuries
- The local port association member then transmits the data forms to USMX bi-annually
- Once received, the data is checked for accuracy, then entered into the CCC Service Corporation Oracle System for managing and analysis
- The data results are then developed into reports and charts by USMX in-house to illustrate for our members the various components of the LTIFR data (manhours, total incidents within each maritime craft, the type of incidents occurring, and the locations on the terminal of where those incidents occurred)

The JSC and USMX always encourage our member companies and the ILA to use these data results, be it half-year, full-year or compilations thereof, to track trends and develop their local training and safety programs accordingly.

LOST TIME INCIDENT FREQUENCY RATES (LTIFR) FOR ALL USMX MEMBER PORTS
2017 = 3.91 vs. 2018 = 3.27



JSC SAFETY DATA INITIATIVE

Total LTI Data From All USMX Ports by Craft 2015-2018

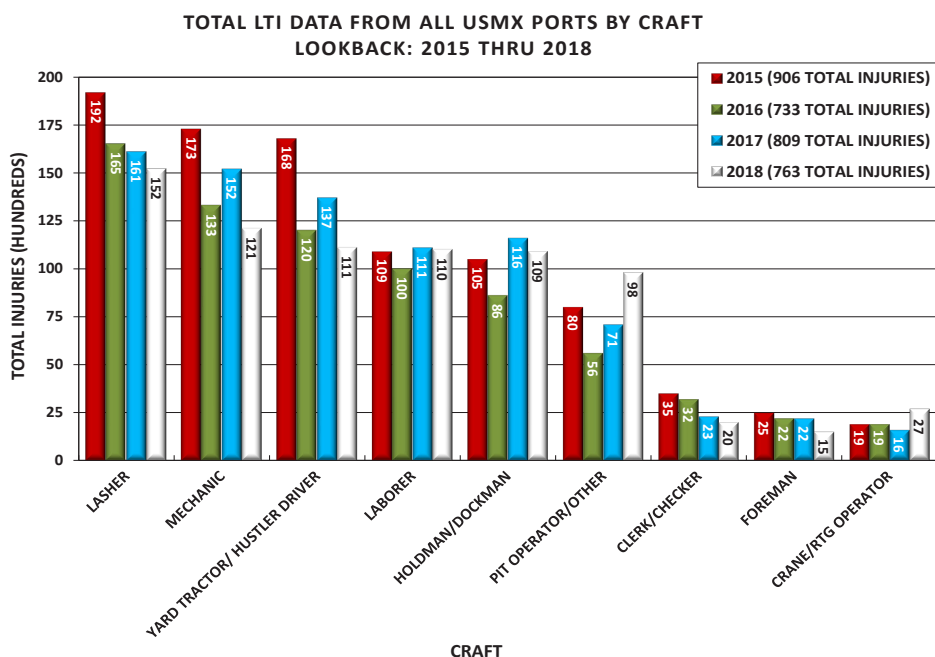
The data compiled in this chart displays the LTIF rates among the most common maritime crafts from all USMX ports for the years 2015 through 2018. The most common crafts employed in the ILA workforce are:

- Lasher
- Mechanic
- Yard Tractor/Hustler Driver
- Laborer
- Holdman/Dockman
- PIT Operator/Other
- Clerk/Checker
- Foreman
- Crane/RTG Operator

From 2015 through 2018, the industry sustained a total of 3,211 LTIs, with the most often-injured crafts remaining lashers and mechanics. Of that total, 1,249 LTIs, a clear 38%, verifies that the crafts of mechanic and lasher remain the two most dangerous jobs on the waterfront. In recent years, the JSC has shone a spotlight on these data results and has endeavored to try to lower the frequency of injuries to both of these crafts. NMSA is an active partner in this pursuit, recently producing and sharing a video on Lasher Safety, and the JSC continues to push the agenda across all crafts during its port visits and meetings with officials of the ILA locals. Over the last four years, one positive trend is particularly visible among the craft of yard tractor and/or hustler drivers. In 2015, there were 168 reported LTIs to these drivers. By 2017, it had fallen to 137 LTIs, and as of 2018, has reached an all-time low of 111 LTIs. This craft now represents only 14.5% of the total incidents reported in 2018—an improvement from a high of 21% in 2015. Once again, credit clearly goes to the rank-and-file drivers implementing safer practices as they work, as well as to the USMX member employers who continue putting in the effort to make drivers aware of daily hazards in the workplace.

Highest Frequency Types of LTIs

Slips/Trips/Falls remain the number one type of injury on our water-front and throughout various other industries across the country that provide data. Today, slips/trips/falls remain over 28% of our reported waterfront LTIs—this is an astounding number. To combat the frequency of these types of incidents, the JSC has made a concerted effort to effectively reduce this number through repeated presentations at industry conferences and local safety meetings, and through the widespread industry-wide distribution of its OSH safety bulletin and urgent OSH alert program. Another high-frequency type of injury among the various waterfront crafts is muscular strains caused by climbing and lifting. While the percentage of LTIs due to slips/trips/falls seems to be improving from 2015 through 2018, the plague of strains among our workforce is trending in the opposite direction. In 2018 alone, the injuries due to muscular strain were reported at 26.2% of all LTIs, an increase from 22.9% in 2017. This will be another area of particular focus by the JSC in coming program years.

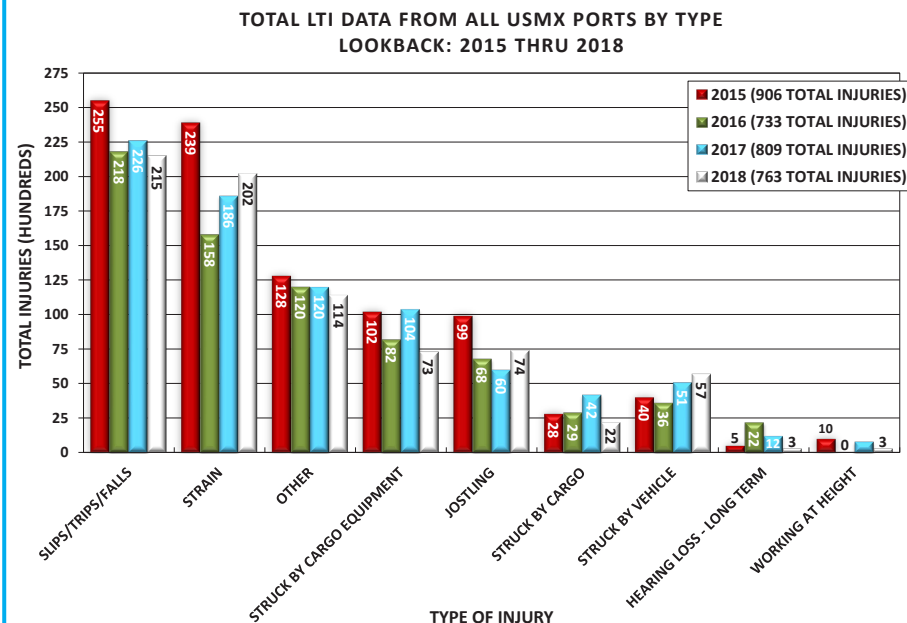


JSC SAFETY DATA INITIATIVE

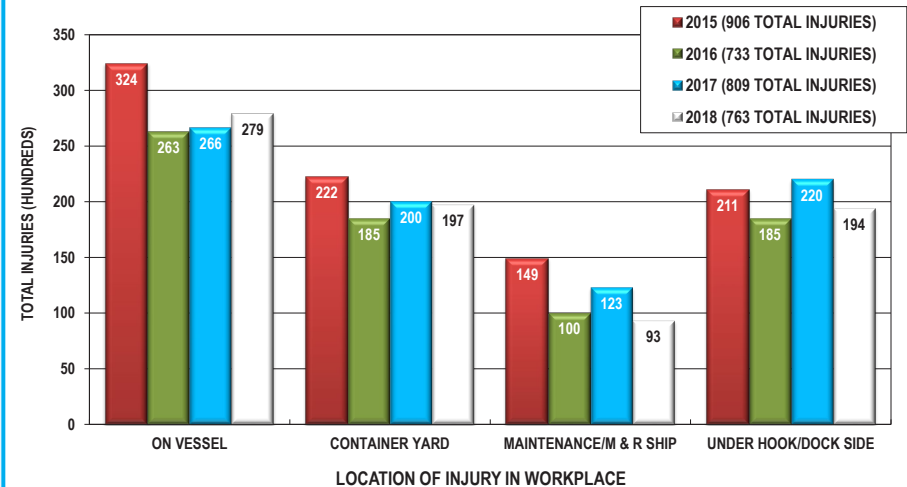
Total LTI Data From All USMX Ports by Type 2015-2018

The frequency of the following types of injuries occurring at our USMX member employers' facilities from 2015 through 2018 is depicted in the chart below:

- Slips/Trips/Falls
- Strain
- Other
- Struck by Cargo Equipment
- Jostling
- Struck by Cargo
- Hearing Loss – Long-term
- Working at Height



TOTAL LTI DATA FROM ALL USMX PORTS BY LOCATION OF INJURY LOOKBACK: 2015 THRU 2018



Total LTI Data From All USMX Ports by Location of Injury 2015-2018

The frequency of LTIs occurring at different waterfront locations is illustrated in the chart directly above. Data is collected with respect to the following waterfront locations:

- On Vessel
- Container Yard
- Maintenance/M&R Ship
- Under Hook/Dock Side

The highest frequency LTIs on the waterfront workplace consistently remain on vessel, with more than 37% of the injuries/incidents. This huge percentage of the LTI pie is affected by the particular crafts working on the decks of today's larger vessels—lashers and mechanics—the most injured crafts in our industry. The next most frequent LTIs are occurring in container yards and dockside, finishing in a close second with approximately 26% of the reported waterfront LTIs. As the JSC and the various safety sectors of the industry continue to work together to address all of these high-frequency areas, we will continue to see improvements and to meet our goal of providing the safest workplaces for our maritime workforce.

TRAINING PROGRAM OVERVIEW

2018 USMX-ILA TRAINING PROGRAM

In 2018, our member ports and employers on the East and Gulf coasts faced the challenges of bringing new-hire workers up to speed with initial training in the areas of:

- Waterfront Orientation
- Safety
- Powered Industrial Truck (PIT) Certification for Forklift/Yard Tractor
- Initial Hazardous Cargo Regulations

Training of new waterfront employees is always a major undertaking—the goal is to get these workers acclimated to not only the traditional waterfront workplace, but also to an ever-growing fleet of new, highly-technical equipment used there.

New Equipment & Simulated Training

High-tech training for new-hires and seasoned waterfront workers alike on the new ship-to-shore cranes, next generation straddle carriers; rail-mounted gantry (RMG); rubber-tired gantry (RTG); shuttle trucks and other stevedoring machinery, is intensive. Simulator-based training has become a mainstay of the USMX-ILA training programs in the ports of NY/NJ and Houston, and at the Maritime Institute of Technology & Graduate Studies (MITAGS), our central training facility in Linthicum Heights, MD. In 2018, 350+ trainees went through extensive simulated training programs available at these three locations. In efforts to make substantial improvements in our productivity, we absolutely must provide a skilled workforce to all of our employers. New orders by our waterfront employers for ship-to-shore cranes, RTGs and RMGs continue coastwise, so our workforce must be ready and able to handle this equipment.

Maintenance & Repair (M&R), Diesel Electric and Container Refrigeration Training

The mechanics in our ports are also faced with plenty of new training challenges as safety rules and regulations around chassis safety continue to evolve at the Federal Motor Carriers Safety Association (FMCSA). Ensuring that every chassis is repaired by our M&R vendors properly and to the highest standards, and the best ways to train those performing those repairs, is a task faced by our employers every day, as well as keeping up with the constant change in the handling of refrigerated containers. Besides the Diesel Electric Generator and Container Refrigeration courses offered for mechanics at MITAGS, the local ports continue to send their mechanics directly to specialized training offered by the manufacturers of today's state-of-the-art equipment. Clerks and checkers are continuously

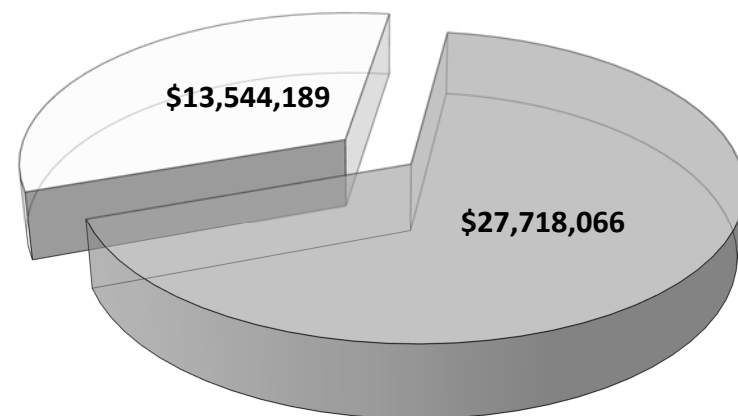
being trained on the ever-evolving system changes at their terminals and depots, and on-the-job training (OJT) has increased in places like the South Atlantic, where hundreds of checkers joined the ranks of the local clerical unions. USMX-ILA are now working with a major terminal operating system (NAVIS) to develop a coastwide training program for 2019.

USMX-ILA Funding for Training Programs

The training of a highly-skilled workforce takes not only a cooperative effort between our USMX employers and the ILA, but it also requires funding. Each year, the amount of funding requested and required to achieve our Members' training goals is increasing. Funding for training comes from two separate and distinct sources, since the funds provided solely by our USMX member carriers via the Container Freight Station (CFS) Trust Fund assessments will never be sufficient. Currently, the majority of the training program funding comes from our other USMX member companies (terminal operators, stevedores and port associations). These entities provide facilities, equipment, fuel, insurance and training staff that are not covered by the CFS Trust Funds. USMX carriers continue to pay \$0.25 per ton of cargo to support the training, safety and CFS programs, with \$13.5 million going directly to training in 2018, with the member companies'

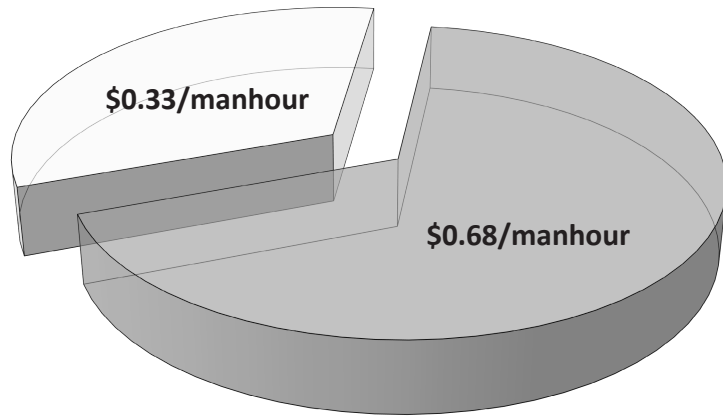
2018 (CALENDAR YEAR) TOTAL TRAINING EXPENSES: \$41,262,255

□ USMX TRAINING EXPENSES ■ PORT ASSOCIATION TRAINING EXPENSES



**2018 (CALENDAR YEAR) TOTAL PER-MANHOUR TRAINING EXPENSES
BASED ON 40,733,646 MANHOURS @ \$1.01/MANHOUR**

□ USMX PER-MANHOUR COST □ PORT ASSOCIATION PER-MANHOUR COST



in-kind contributions of an additional \$27.7 million aiding the training agenda. With major hiring of longshore workers, clerks and mechanics expected in some of the largest USMX member ports in 2019, training program funding requirements will be at record highs in the coming year.

MITAGS Training Update

The MITAGS facility continues to be the crown jewel in the USMX-ILA training agenda. In 2018, 157 trainees (of the 350+ total) traveled to Maryland for classes in simulated crane, RTG, Diesel Electric Generator and Container Refrigeration. Classes can run from four days (RTG course); to five days (experienced crane operator or refresher course); to two weeks (inexperienced crane operator and two M&R courses—Diesel Electric Generator and Container Refrigeration). The popularity of the M&R courses continues. Because they fill quickly and months in advance, there are eight M&R classes offered over the course of the year to accommodate all trainees. Another draw of the M&R courses is the students' ability to prepare for and take the EPA certification exams while at MITAGS. The USMX-ILA training courses offered at the facility are 100% funded by the CFS Trust, via our carrier members' cargo assessments. That funding affords the training staff the ability to maintain all equipment and to provide for the latest in training materials and simulator technology.

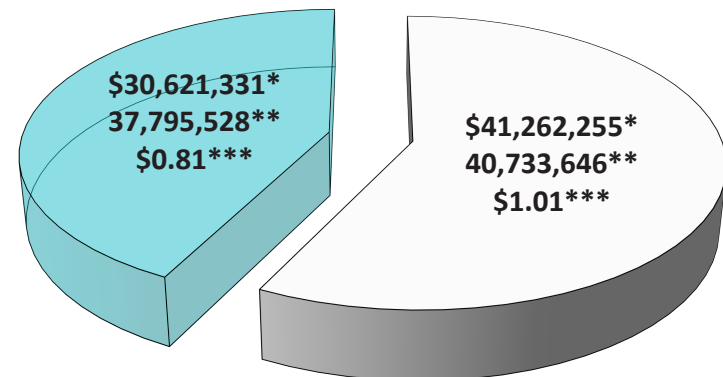
TRAINING PROGRAM OVERVIEW

USMX-ILA Joint Training Committee (JTC)

In 2015, the JTC completed its fourth year of work on behalf of the USMX-ILA training program. This six-person committee consists of three representatives from the ILA and three representatives from USMX. This committee is tasked with streamlining and developing training budgets to adequately support training programs in all 14 USMX member ports. The JTC analyzes prior-years' program budget data, comparing them with current coastwide funding requests by our members, to determine the proper levels of funding required for current and future training. Rules and standards have been established by the JTC to ensure that the member ports provide transparency with regard to explanations of any year-to-year variances in their program budget requests, prior to submitting requests for the next year's program funding. The most important job of the JTC is to ensure the continuation of ample funds to our USMX member employers so our workforce is provided with the training tools needed to work smartly, safely and productively each and every day.

2017 VS. 2018 (CALENDAR YEAR) TOTAL TRAINING EXPENSES

■ 2017 □ 2018



* = TOTAL TRAINING EXPENSES

** = TOTAL MANHOURS

*** = TOTAL PER-MANHOUR COST

USMX-ILA TRUST FUNDS OVERVIEW

MASTER CONTRACT TRUST FUNDS OVERVIEW

As of the 2018-2024 USMX-ILA Master Contract, there are six trust funds that are jointly-managed by Trustees from the ILA and from USMX to ensure proper management of collected assessments. This table describes the major funds, their purpose and the pages where you can find more information about each within the context of this annual report.

TRUST FUND	PURPOSE	PG #
Management-ILA Managed Health Care (MILA)	Execution and management of healthcare benefits	34-35
Container Freight Station (CFS)	CFS subsidy & credit; distribution of yearly training budget	36-37
Container Royalty 5 (CR 5)	Local welfare funds subsidy based on yearly application review/approval	38
USMX-ILA Money Purchase Plan & Savings Fund (MPP)	Centralized defined contribution retirement plan for ports without existing plan as of 10/1/18	38
Container Royalty Central Collection Fund (CRCCF)	Centralized collection of all Master Contract tonnage assessments	39

MILA MANAGED HEALTH CARE TRUST FUND 2018 UPDATE

The Management-ILA Managed Health Care Trust Fund (MILA) is a collectively-bargained, multi-employer health plan. Its Board of Trustees, with representation from both management and labor, administers the MILA National Health Plan to provide medical, dental, vision and behavioral health coverage, as well as prescription drug benefits for more than 75,000 people (active and retired ILA members, their qualified dependents, and certain other nonbargaining unit employees who pay a premium for their coverage, as established by the MILA Trustees).

With rising healthcare costs and future trends continuing to be a major concern for MILA, it has implemented several new wellness programs to give its participants the tools and support they need to maintain healthy behaviors. These proactive measures, along with continued focus on high-cost areas, have proven beneficial, as MILA's medical and prescription cost increases came in below the national average for 2018. The MILA Board of Trustees and Staff are committed to meeting and exceeding the

established standards required to ensure the continued success of the MILA program.

MILA Funding

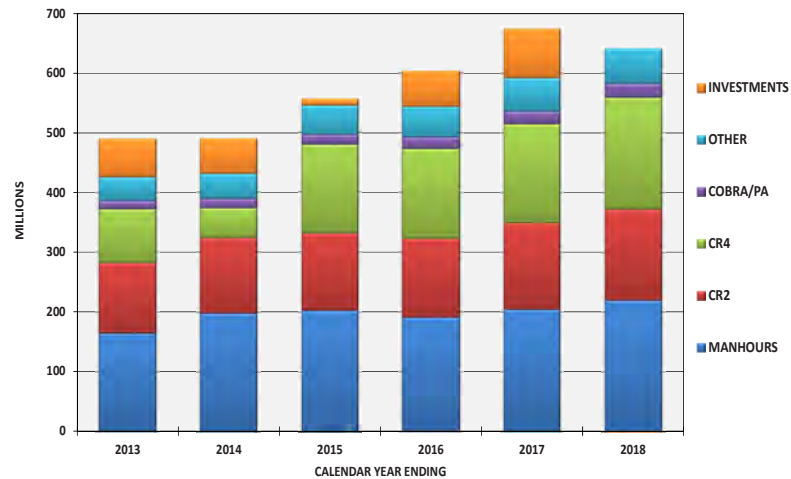
As part of the 2018-2024 USMX-ILA Master Contract agreement, MILA is funded primarily through a \$5.00 per manhour assessment on all man-hours worked by ILA employees, and through a \$2.50 per ton assessment (an increase of \$0.35 per ton over the prior agreement) on all containerized cargo moving through USMX member ports on the U.S. East and Gulf coasts. The new Master Contract included the \$0.35 increase in the tonnage assessment to ensure that proper funding is available for the next six years of the contract. As previously mentioned, certain employees, who are not part of the Master Contract bargaining unit, pay a premium for their MILA coverage.



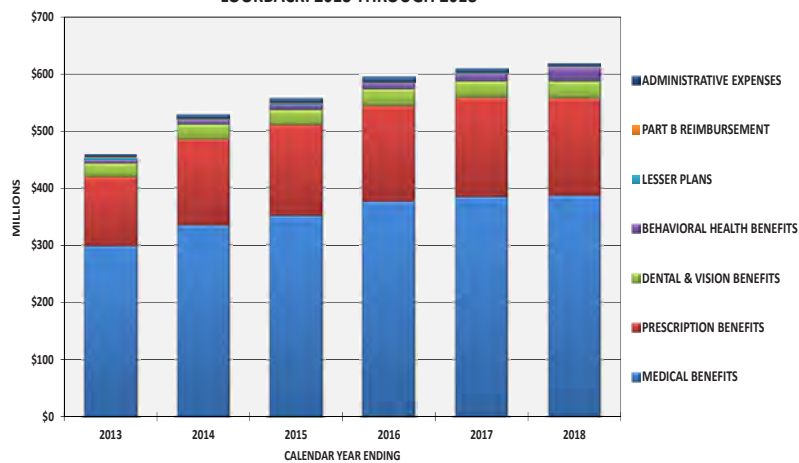
The MILA Administrative Staff are (front row, left to right):
 Angelina Kishore, Member Support Representative;
 Shareka Millington, Administrative Assistant & Member Support Representative; and
 (back row, left to right): Robin Csabon, Director of Accounting;
 Glenn Vanish, Receptionist; and LaVerne Thompson, Executive Director.

USMX-ILA TRUST FUNDS OVERVIEW

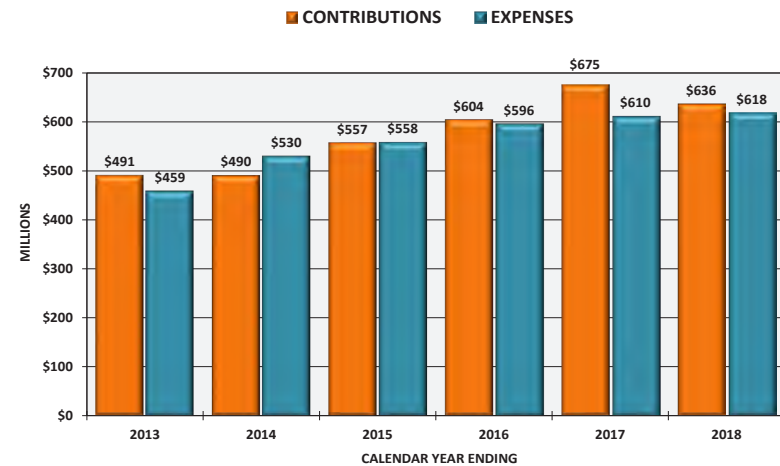
MILA CONTRIBUTION CATEGORIES
LOOKBACK: 2013 THROUGH 2018



MILA EXPENSE CATEGORIES
LOOKBACK: 2013 THROUGH 2018



MILA CONTRIBUTIONS VS. EXPENSES
LOOKBACK: 2013 THROUGH 2018



USMX-ILA TRUST FUNDS OVERVIEW

CONTAINER FREIGHT STATION TRUST FUND 2018 UPDATE

In 2018, the objective remains for the CFS Trust Fund to maintain the stations currently in place and to attract new opportunities to our ILA-manned stations from Maine to Texas. The ILA, over the course of 2018, worked approximately 490,000 hours and handled in excess of 75,000 containers at the 23 coastwise stations, at an expense to the CFS Fund of approximately \$9.5 million. The tonnage assessment remained at \$0.25 per ton.

Station Operations

Since the inception of the CFS Program in 1989, the busiest port for CFS business has been and remains today Houston, TX. Houston and Bayport currently operate 10 CFS stations, with Ceres and Cooper/Ports America (C-PA) operating 9 stations and APS Stevedoring operating 1. Outside of Houston, the second largest CFS port is Hampton Rds., VA, with 3 stations under the supervision of Virginia International Terminals (VIT). Next comes SSA Cooper (now SSA Atlantic) in Charleston, with 2 stations; Ceres and Ports America in New Orleans, with 2 stations; Miami and Mobile with 2 small stations each; and 1 station in New York/New Jersey and 1 in Baltimore.

CFS Trust Fund Lookback Charts: 2014-2018

For illustrative purposes, we have provided three lookback charts for the years 2014-2018 for CFS Manhours, CFS Units, and CFS Expenses. All three charts show declines in totals from 2017 to 2018 – a 4.2% decrease in manhours; a 7.4% decrease in units; and a 14.4% decrease in overall expenses. The

majority of these declines were seen mostly in Houston, where some of the steady traditional freight saw sharp drops in volume. Hopefully, that trend will reverse itself over the coming years, and the program can continue to add good jobs for the ILA on both the Gulf and East coasts.

CFS P in 2018

The CFS Trustees mandate the auditing of all container freight stations, in keeping with the operating guidelines of the CFS Program. It is the practice of the Trustees to ask that the larger stations be audited at least annually or a minimum of every other year, with the smaller stations visited as needed. The stations are reminded that they must adhere to the Audit Guidelines found in the *CFS Operators Manual*; must know the audit requirements; and must provide any and all information requested by auditors at each visit. Ample time will be given to the operators before the commencement of any audit. In 2018, audits were conducted at Ports America in Baltimore; VIT in Hampton Roads; and C-PA and Ceres in Houston. There was also a complete tariff review done at VIT in Hampton Roads, as well.

CFS Fund Subsidy Rates

With a new six-year Master Contract signed and in effect from October 1, 2018 thru September 30, 2024, the effective subsidy rate for the program is \$21.00. With this rate in effect, it should allow for additional growth of the program in all ports. The reimbursement received by the 23 stations in 2018 can be calculated by multiplying the current subsidy rate by the number of activity hours allotted per transaction.

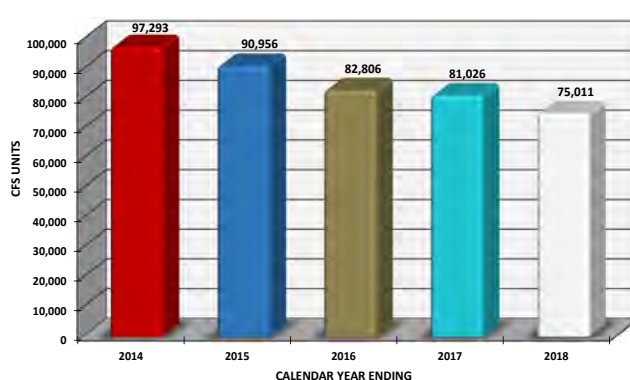
CFS Carrier Credits for 2018

In the new Master Contract, all containers that are stripped or stuffed at a CF station qualify for a Container Royalty credit. When the containers are discharged or loaded from a USMX carrier's vessel, the carrier is eligible for a full credit. Over the course of 2018, USMX carrier members received Container Royalty credits totaling \$7.8 million.

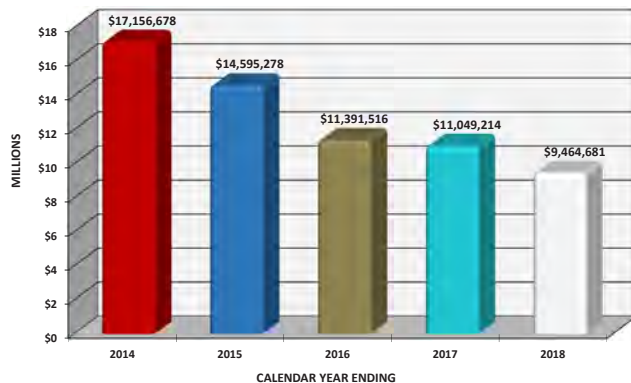
CFS TRUST FUND MANHOURS
LOOKBACK: 2014 THROUGH 2018



CFS TRUST FUND UNITS
LOOKBACK: 2014 THROUGH 2018



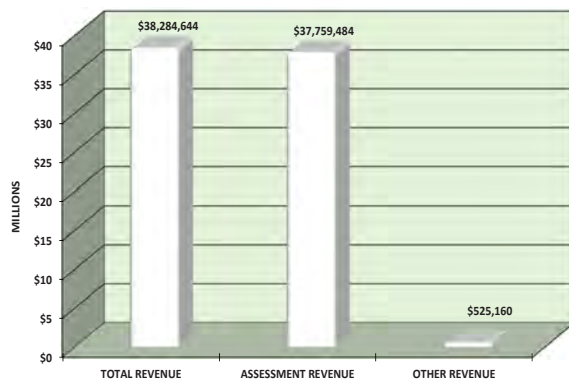
**CFS TRUST FUND SUBSIDY EXPENSES
LOOKBACK: 2014 THROUGH 2018**



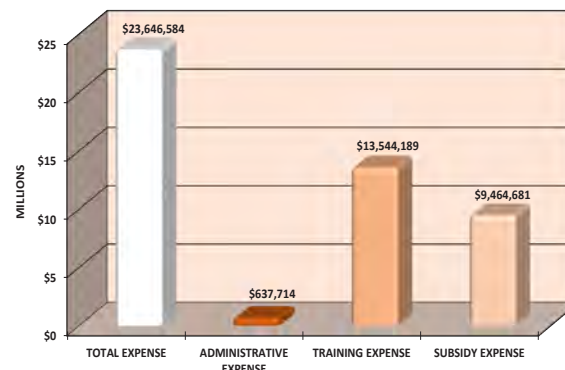
OBJECTIVES OF THE CFS PROGRAM

- To promote employment opportunities for ILA members
- To subsidize CFS ILA Operators in order to compete with Non-ILA Operators within the port area
- To encourage stuffing and stripping of LCL, LTL, FCL, vendor consolidation and other cargo not presently handled at waterfront facilities by deep-sea labor
- To open Container Freight Stations in container ports where it can be shown that such are needed
- To create a dedicated ILA work force in each port to productively and efficiently stuff and strip containers
- The Trustees will conduct ongoing reviews and audits of all CFS stations to ensure that every CFS Operator adheres to the requirements set forth

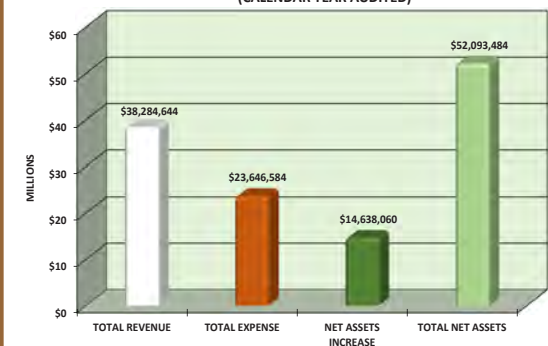
2018 CONTAINER FREIGHT STATION (CFS) REVENUE



2018 CONTAINER FREIGHT STATION (CFS) EXPENSE



**2018 CONTAINER FREIGHT STATION (CFS)
TOTAL REVENUE VS. TOTAL EXPENSE
(CALENDAR YEAR AUDITED)**



USMX-ILA TRUST FUNDS OVERVIEW

CONTAINER ROYALTY 5 (CR5) TRUST FUND 2018 UPDATE

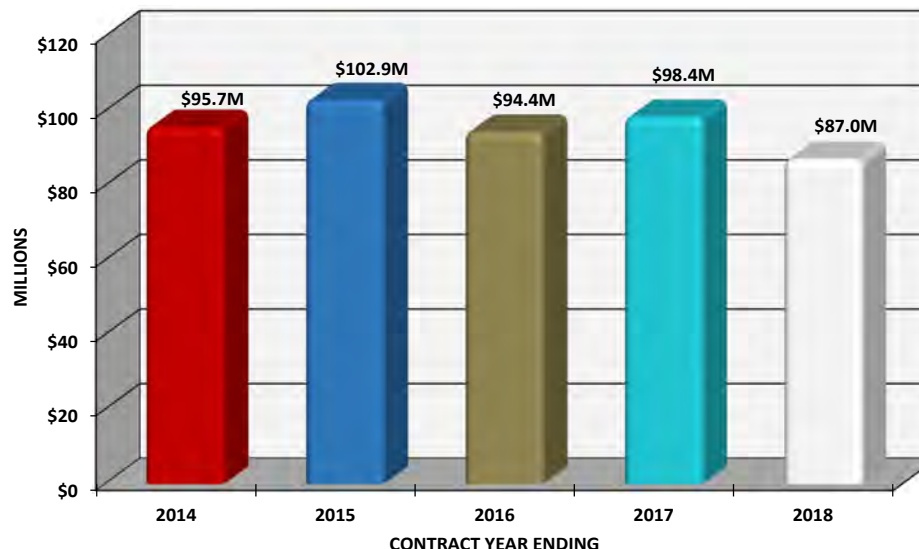
The CR5 Trust Fund is an essential resource for our member ports whose local benefit funds experience a shortfall that renders them unable to meet their Local Contract obligations. The demand for CR5 monies has varied over the years due to increases in Vacation and Holiday benefits driven by wage increases; fluctuations in investment performance of local funds; and, in some areas, stronger revenue due to volume and/or manhour increases.

In the Contract Year that ended on September 30, 2018, the CR5 Trust Fund paid out approximately \$27.5 million dollars in assistance applied for by our member ports, in addition to the automatic payments made as required under the Master Contract. There was a significant increase in volume across all ports in 2018, which provided additional funding through increased manhours for local benefits. This, coupled with a strong investment year, led to a reduced demand on CR5. The CR5 trustees remain vigilant in adhering to the criterion of the trust to ensure that funds are awarded only to the ports that experience a true shortfall.

About the CR5 Trust Fund

Effective with the Master Contract extension agreement covering Contract Years 2009 through 2012, the CR5 Trust Fund was instituted to address the economic downturn that dramatically affected the ability of the local ILA welfare funds to meet their obligations under the Master Contract. CR5 allows the Master Contract the ability to direct necessary resources, based on a list of criteria, to those local welfare funds that demonstrate a shortfall. A key criterion of CR5 restricts the application amount to be used for funding Pension funds or an increase in local benefits of any kind. Additionally, the criterion puts a strong focus on the allocation of assessments to ensure proper distribution among local benefit funds. CR5 also replaced the automatic payments that were made to the ports under the previous Master Contract's Container Royalty CAP Program. Jointly administered by Trustees from USMX and the ILA, the CR5 Fund is financed through a \$0.70 per ton assessment paid by USMX's carrier members.

CONTAINER ROYALTY 5 TRUST FUND ANNUAL PAYOUT LOOKBACK: 2014 THROUGH 2018



USMX-ILA MONEY PURCHASE PLAN (MPP)

As part of the 2018-2024 Master Contract, the parties agreed to create a coastwide, centrally-managed defined contribution retirement plan for qualified employees working hours under the Master Contract in ports that do not have local defined contribution plans. Qualification thresholds and disbursements for qualified individuals were agreed upon by USMX and the ILA, as well as by local labor and management trustees in each port. The Master Contract MPP contributions shall be made as follows:

- Effective 10-1-18, qualifying employees shall receive a \$1.00 per hour contribution; and
- Effective 10-1-20, qualifying employees shall receive an additional \$1.00 per hour contribution.

CONTAINER ROYALTY CENTRAL COLLECTION FUND (CRCCF) 2018 UPDATE

Contract year ending September 30, 2018, marked the close of the third full year of operations of the CRCCF system. This was a year focused on data integrity to further improve the process around missing vessels by ensuring that multiple checkpoints are included in the process and implemented in a timely fashion. CRCCF continues to roll-out system enhancements to improve the end-user experience and to confirm optimization of the platform. The development of a new loader for the CFS module was completed, with expected implementation in 2019.

About the Fund

Under the terms of the 2012-2018 Master Contract, the ILA and USMX agreed to establish the CRCCF. The Fund is tasked with the development of a comprehensive system to automate the intake of carrier shipping reports; track carrier delivery tonnage on incoming/outgoing vessels; invoice carriers on a per-voyage basis; and collect and allocate carrier payments to appropriate funds. The end state is a system that:

- processes files uploaded by USMX carrier members into a standardized electronic format and integrates them into a database;
- interfaces with reporting mechanisms capable of generating management dashboards from that data and analyzing it in any number of ways; and
- prepares timely and accurate carrier invoices, tracks manages the CFS Program by processing station subsidies and carrier credits.

The current system, now under the 2018-2024 Master Contract, enables the ILA and local port management to more effectively schedule and manage manpower at the ports and to define work associated with container verification on both incoming and outgoing vessels. The system also provides USMX members and affiliated management with an auditable process that ensures invoice accuracy of carrier reporting with real checks, directly executed by members at the ports.



*The Officers of CRCCF are (left to right):
Charles W. Flynn, President;
Eileen M. Mackell, Vice President; and
Paul J. McCarthy, Executive Vice President.*

USMX PORT ASSOCIATION MEMBERS

PORT OF BOSTON

Boston Shipping Association
Kelly B. Strong, Executive Director



CONLEY CONTAINER TERMINAL

- For the fourth year in a row, Conley Container Terminal saw record breaking growth.
- Total volume for FY18 exceeded 298,000 TEUs.
- More than 1,600 businesses throughout New England use the facility to export and import goods.



- Conley Container Terminal is the only full-service container terminal in New England and nine of the top shipping lines in the world call upon the facility.
- Three new ship-to-shore cranes have been ordered and are expected to arrive at Conley in 2020.
- Construction improvements at the terminal continue and include the construction of two 50-foot berths, expanded reefer storage, and new in-and-out gate facilities.
- The positive collaboration between BSA, ILA and Massport continues and is a key factor behind increased productivity at the facility.

HARBOR DREDGING PROJECT

- The improvement dredging project began in the Spring of 2018. This project will deepen the Port of Boston's North Entrance Channel from -45ft to -51ft and the Main Channel from -40ft to -47ft.
- The maintenance dredging project designed to preserve vessel access to terminals along the Chelsea and Mystic Rivers was completed in 2017.

FLYNN CRUISEPORT AT BLACK FALCON TERMINAL

- Flynn Cruiseport set a new passenger record of 389,619 in 2018 as it welcomed over 150 ships. Maiden calls to Flynn Cruiseport were made by MS Fram (Hurtigrute), Hebridean Sky (Noble Calendonia) and Celebrity Silhouette (Celebrity Cruises).
- 400,000 passengers are expected to visit Flynn Cruiseport Boston in 2019 and 21 different cruise lines will call Flynn Cruiseport Boston during the 2019 cruise season. Homeport itineraries include sailings to Bermuda, the Caribbean, and Canada/New England.



PORT SAFETY

- Four ILA members trained at MITAGS in 2018.
- BSA's efforts in securing safety funding helped provide 8,916 hours of reimbursable Safety Training to the Port of Boston.
- The steady reduction of Loss Time Accidents (LTA) since 2013 continued in 2018 as focus remained on prioritized training for high-risk activities.
- Conley Container Terminal retrofitted five RTGs and purchased two new RTGs in 2018.



SEAFOOD

- The Port of Boston, specifically in South Boston, is a major U.S. hub for processing seafood for domestic and international markets.
- Seafood processing businesses continue to grow in South Boston and scheduled for 2019 is the ground breaking of a \$20M development project that will create a nearly 50,000 square foot state-of-the-art seafood processing plant located on a portion of a 6.5-acre Massport-controlled waterfront property.



BOSTON AUTOPORT

- Over 80,000 total cars were processed in FY18.
- The site is also home to nine industrial businesses that employ over 500 people.



USMX PORT ASSOCIATION MEMBERS

PORT OF NEW YORK & NEW JERSEY

New York Shipping Association
John J. Nardi, President



PORT CONTAINER VOLUME & OPERATIONS

Volume-wise for New York & New Jersey, 2018 was a good year. Maybe even a great year. There was a 6.3% increase in assessable containers. Also, the impact of the Bayonne Bridge Raise the Roadway Project, the Panama Canal expansion, dredging, and infrastructure investments by our members experienced their anticipated results.

One of the unanticipated results of the bridge/roadway project in Bayonne was the negative impact on productivity. After the bridge was raised, business moved amongst the facilities in the Port. There was also a simultaneous significant shift in the alliance structure which compounded the shift of volume. Resources were strained and labor was not easily shifted from one facility to another. It takes time to post and train. Even though with the growth in volume and natural attrition we added 139 workers in 2018, we began to feel the impact of labor shortages. You cannot force people



to work more than is reasonable and expect them to be productive, especially with today's workforce. Making a decent living and free time seems to be of higher value than the old days of making every hour. This is why we applied for and received the approval to open the register for the 538 longshoremen and 120 checkers in February 2019.

Although 2018 was a challenging but good year, 2019 will be all about bolstering the workforce and fortifying contract implementation.



2018 - 2024 COLLECTIVE BARGAINING AGREEMENT

The Master Contract was concluded in June. This placed the onus on the Local Ports to do the same for their local contracts. The Bargaining Goals for New York & New Jersey were:

- Improve Productivity – agree upon a process with teeth
- Clearly define and improve the process with Staffing and Pay for Time Worked
- Implement Weekend Hiring
- Get out from under Paid Sick Leave legislation that was coming into effect

- Most Important - Whatever is agreed to should not result in an assessment increase

In the end, pending full implementation, I believe that these goals could be achieved.

The Highlights of the Collective Bargaining Agreement are as follows:

- 6 Years expiring September 30, 2024
- Productivity Improvement Process with Defined Goals
- Improved Absentee Policy
- Cancellations, Set-Backs, & Weekend Hiring
- Eliminating exposure to NY & NJ Paid Sick Leave legislation
- Staff Positions and Compensation - Staff salary reductions upon retirement
- Post Contract Committees

MODERNIZATION OF INFORMATION TECHNOLOGY SYSTEMS

Another key decision of 2018 was the agreement by the NYSA Board to begin the next phase of modernizing our Information Technology (I.T.) Systems. Presently, the systems are Oracle-based and in some cases almost 25 years old where most of the software will no longer be supported in the future. Moving to another platform from Oracle will require the migration of current Oracle data, but it will be well worth the additional programming cost. In today's world of cyberattacks we need to have the most modern and secure platforms in place. NYSA has chosen RDA Corporation, based in Maryland and Pennsylvania, to update the remaining NYSA applications using Microsoft technology. RDA had provided a high-level assessment back in 2012 after the Labor

Hiring System (LHS) inception and their support response has been exceptional. The corporation's methodology is a proven success in our business environment, since they already understand our processes and operations. When the LHS was initially designed, the long-term I.T. strategy was to ultimately have one Microsoft platform for all NYSA applications in an effort to simplify and centralize support. The transition will be carried out by the same team of five experts that executed the LHS project and will take approximately three years to complete.

NYSA-ILA TRAINING CENTER

Activity at the Training Center has remained constant with various Classroom Training sessions being held throughout the year amounting to 1,859 workers being trained. Simulator training commenced in early 2018 with the first Crane Operator/Simulator Training session completed in late January. Since then, RTG and Straddle Carrier scenarios have been developed and 91 individuals have completed Crane Simulator Training. Refresher training for back-up operators has also been offered. Equipment Training was also steady during contract year 2018 with longshore certifications and recertifications taking place. There were 509 new certifications and 3,213 recertifications in more than 20 different types of equipment.

Lastly, through the assistance of America's Marine Highway MARAD grants, full-funding was approved for the purchase of software and controls for a Liebherr 600 Mobile Harbor Crane Simulation that is expected to be implemented in June 2019.

TRAINING SUMMARY CONTRACT YEAR 2018

CLASSROOM TRAINING	
Hazardous Materials Training	509
Foremen Safety Leadership Training	250
New Employee Orientation	122
Respect & Dignity Training	649
PPGU Security Officer Training (Since 1/1/18)	24
PPGU WC Annual Refresher (Since 1/1/18)	305
TOTAL	1,859

COUNCIL ON PORT PERFORMANCE

Through the Council on Port Performance, the Workforce Development Implementation Team (WDIT) was active in 2018, facilitating and sharing information regarding workforce development opportunities, events and programs with industry, academia and government partners.

During the past year, the Marketing and Awareness Subcommittee of the WDIT completed the Transportation, Logistics and Distribution (TLD) workforce development infographic and in April held the first TLD Career Awareness and Job Expo in the Port. In October, the committee also participated in a job fair at Essex County School of Technology and a Maritime Career Awareness Fair at the Brooklyn Cruise Terminal.

Members of the Education and Curriculum Subcommittee continue to develop commitment from industry to work with host committees and various academia, while the Job Bank Development Subcommittee has been working on internal Port Authority management support to implement a seaport component of the Council for Airport Opportunity.

NYSA GENERAL COUNSEL

Last but not least, NYSA would like to give special thanks to longtime General Counsel Donato Caruso, Esq. who after 15 years has handed over the reigns of this position

to William Spelman. Dan has a 50-year history of confronting legal matters in the labor sector of the longshore industry and at NYSA he has guided us through every challenge and confronted each hurdle with integrity and expertise.



USMX PORT ASSOCIATION MEMBERS

PORTS OF THE DELAWARE RIVER

Ports of the Delaware River Marine Trade Association

Patrick T. Dolan, President

Gina M. Petrille, Vice President



ABOUT THE PMTA

With over 70 years of service to the Delaware River port community, the Philadelphia Marine Trade Association was incorporated in 1947; its purpose being to promote the interest of the Ports of the Delaware, Southern New Jersey and Southeastern Pennsylvania. Now, the Ports of the Delaware River Marine Trade Association (PMTA) represents all of the International Longshoremen's Association (ILA) Employers operating at Delaware River Facilities (Philadelphia, Southern New Jersey and Wilmington, Delaware).

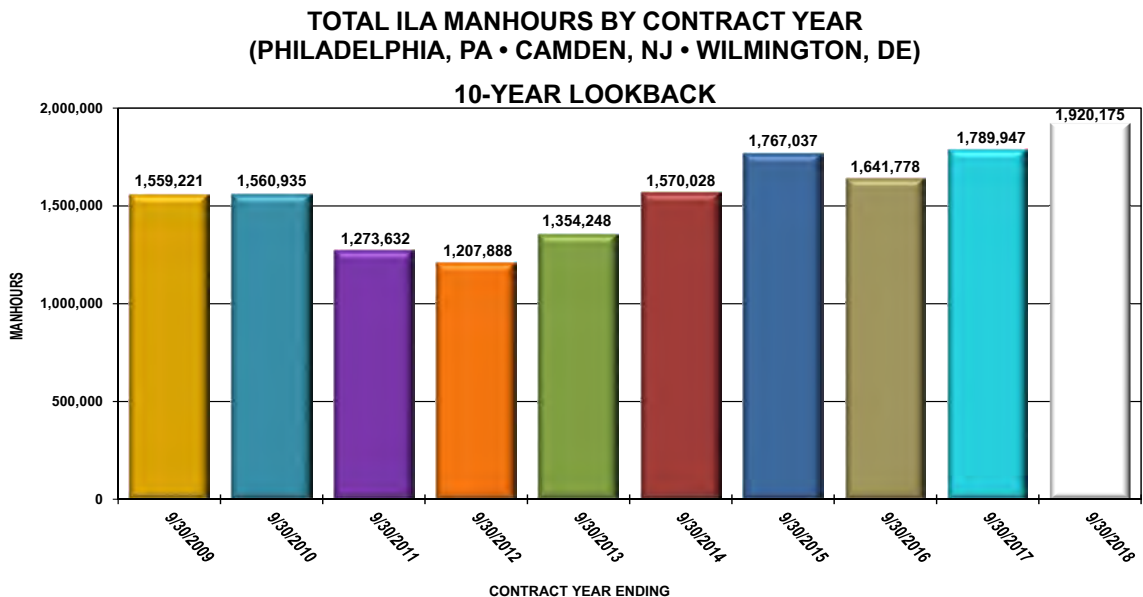
MANHOURS AND CONTRACT UPDATE

For the contract year ending 9/30/2018, the ILA Manhours worked in the Ports of the Delaware River increased from 1,789,947 to 1,920,175. Working with the ILA, we continue to add employees to the workforce in both Wilmington, DE and in the Philadelphia/South Jersey area. A large number of new employees have progressed through the Journeyman process up to our Basic Unit level, which is the highest level for employees. These employees enjoy all of the benefits of the PMTA-ILA Benefit Funds and MILA.

In December of 2018, the PMTA and the ILA Locals in the Ports of the Delaware River reached agreement on a new 6-year local contract. The local agreement continues to be one of the most user-friendly contracts up and down the coast. The parties realize the importance of flexibility for our customers, so we maintained the hiring and starting times to make doing business in our ports that much easier. A container vessel calling our facilities can still start on the hour from 0700 to 0100.

TRAINING

Port Technical Training Institute (PTTI) continues to train new employees on Powered Industrial Trucks (PIT) as required by PIT Regulations. In addition to the local hands-on training, ILA employees from our area continue to take advantage of the USMX Training programs conducted at the MITAGS facility in Maryland. PMTA fully participates in the Lost Time Incident Reporting Program with USMX.



PROJECTS UPDATE

Packer Avenue Marine Terminal

The Main Channel Deepening Project will be completed this year. At the Packer Avenue Marine Terminal, which is operated by PMTA Employer member Greenwich Terminals, two SPPMX (Super Post Panamax) ZPMC cranes were delivered in the spring of 2018 and became operational mid-summer 2018. Two additional ZPMC SPPMX cranes are arriving the third week of March 2019 and the fifth and final arriving late August 2019. USMX Carrier Members are supporting this growth by scheduling larger container vessels at this facility. The productivity of the ILA crane operators is unparalleled with any other port.

Port of Wilmington, Delaware

In the Port of Wilmington, Delaware, we are pleased to announce the arrival of our newest member – GT USA Wilmington. GT USA has been awarded a 50-year concession to fully manage and operate the Port of Wilmington. This now brings the number of operators in the Port of Wilmington to three. GT USA Wilmington joins longstanding PMTA members Murphy Marine Services and Delaware River Stevedores as options for customers in the Port of Wilmington.

The Port of Wilmington is also supported by USMX Carrier Members, and handles a variety of commodities ranging from:

- bananas and other fruit imports;
- automobiles;
- export cattle; and
- project cargo, such as wind energy components and rocket boosters

COME TAKE A LOOK

If you call the Ports of the Delaware River your home, we thank you for your continued patronage and support. If you aren't calling the Delaware River, come take a look. The PMTA would happy to host you on your visit. From Wilmington, Delaware, to the northern parts of the City of Philadelphia and on both sides of the river, exciting things are happening in the Ports of the Delaware River.



USMX PORT ASSOCIATION MEMBERS

PORT OF BALTIMORE

Steamship Trade Association of Baltimore
Michael P. Angelos, President



CARGO UPDATE

The Port of Baltimore's public marine terminals had another record year in 2018 by handling 10.9 million tons of general cargo. This marked the third consecutive year over 10 million tons. General cargo includes autos, containers, farm and construction equipment, forest products, and breakbulk commodities.

CONTAINERS

As one of the only U.S. East Coast ports with a 50-foot deep channel, the Port of Baltimore handled a record 627,144 containers in 2018, a five percent increase over the previous year. Baltimore can handle ships with up to 14,000-TEU capacities. Ports America Chesapeake added additional gantry cranes and is implementing other initiatives to help with the increased container volume. New Neo-Panamax cranes and a second 50-foot deep berth are also planned.



AUTOS

For the eighth consecutive year, the Port of Baltimore handled more cars and light trucks than any other U.S. port. A new record of more than 850,000 autos and light trucks moved over Baltimore's public and private auto piers in 2018. The Port of Baltimore's success as an auto port is due to many factors including experienced labor, an industry-renowned quality program, a geographic location as the closest inland port to the Midwest, and four on-dock processors.



FOREST PRODUCTS

The Port of Baltimore remains one of the top forest products ports in quality rail, operational efficiencies, deep drafts, a damage-free reputation and one of the largest consumer groups in the United States, the Port of Baltimore offers its customers many advantages.

ROLL ON/ROLL OFF

As the number one port in the U.S. for handling farm and construction machinery, the Port of Baltimore saw a 12 percent jump in ro/ro tonnage in 2018. Baltimore's success in this commodity stems from many factors, including a unique geographic location as the closest East Coast port to the Midwest, a large group of competing carriers, and an unrivaled quality program that brings together all the key players in the ro/ro supply chain. The Port of Baltimore's strong reputation for efficiency, quality and labor are all main factors in encouraging shippers and carriers to use Baltimore for their ro/ro cargo.



BREAKBULK

The Port of Baltimore remains a viable breakbulk port. The Port's proximity to states like Pennsylvania, West Virginia, and Ohio allows it to be an ideal port for handling cargo destined to those states. Baltimore handles many different cargos including power generation and auto press projects. An ongoing export business of nuclear casts weighing up

to 300,000 pounds with accessory crates weighing up to 80,000 pounds came through the Port of Baltimore destined for Russia, South Africa, and the UK. The public terminals have made significant inroads in recent years with other breakbulk cargos, including wind turbines, transformers, locomotives, refinery and energy production equipment. Two heavy lift cranes and enhanced on-dock rail capabilities allow direct discharge on and off a ship. Dundalk Marine Terminal sports three heavy lift pads with a capacity of 32.5 tons per axle per pad, which helps the Port with heavier loads.



CRUISE

The Port of Baltimore continues to prove it is a popular cruise port for people up and down the East Coast and into the Midwest. Carnival and Royal Caribbean, two of the world's best known and successful cruise lines, sail from Baltimore year-round to the Bahamas, Bermuda, Caribbean and New England/Canada. Several other cruise lines offer port call visits to Baltimore on their itineraries. Baltimore's cruise terminal is wonderfully positioned right off busy Interstate 95 allowing for very easy driving access. Several recent improvements made to the cruise terminal will enhance a passenger's overall cruise experience including new ticket kiosks, carpeting, a VIP lounge, and expanded restroom facilities.

USMX PORT ASSOCIATION MEMBERS

PORT OF VIRGINIA

Hampton Roads Shipping Association
Roger J. Giesinger, President

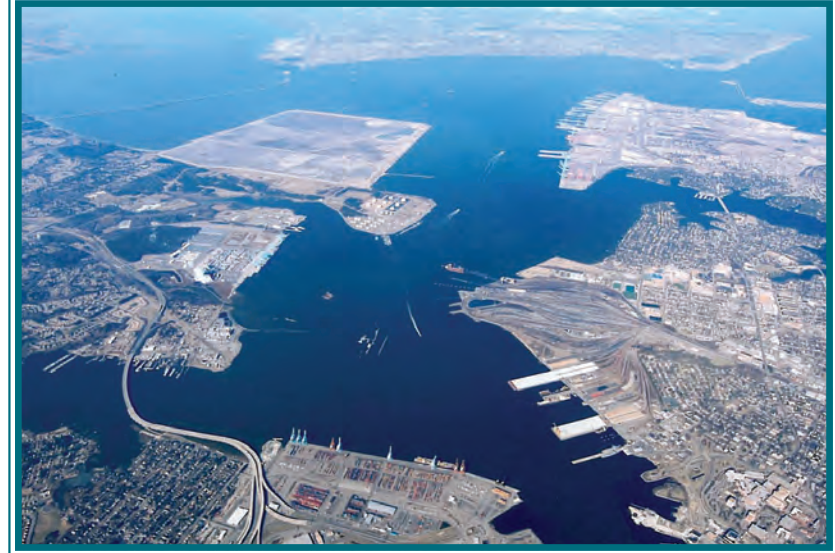


ABOUT HAMPTON ROADS SHIPPING ASSOCIATION

Founded in 1971 as a non-profit, civic and trade organization, the Hampton of the Port of Hampton Road Shipping Association's (HRSA) mission is to promote the interests of the port of Hampton Roads and to further the common interest of those business organizations within the port, particularly those who hire waterfront labor. HRSA renders assistance to its membership in the solution of maritime problems; maintains harmony between management and labor, fostering just and equitable principles and practices; promotes safety; and works for the betterment, expansion and prosperity of the Port.

Some Facts About the Port of Hampton Roads in 2018

- In 2018, the Port of Hampton Roads saw an 11.8% increase in manhours over 2017
- Gross Tonnage for 2018 was up 1.8% over 2017
- HRSA hired 156 New Employees in 2018
 - ◆ 101 Longshore
 - ◆ 38 Checkers
 - ◆ 11 Crane Techs
 - ◆ 6 M & R



THE PORT OF VIRGINIA: FAST FACTS

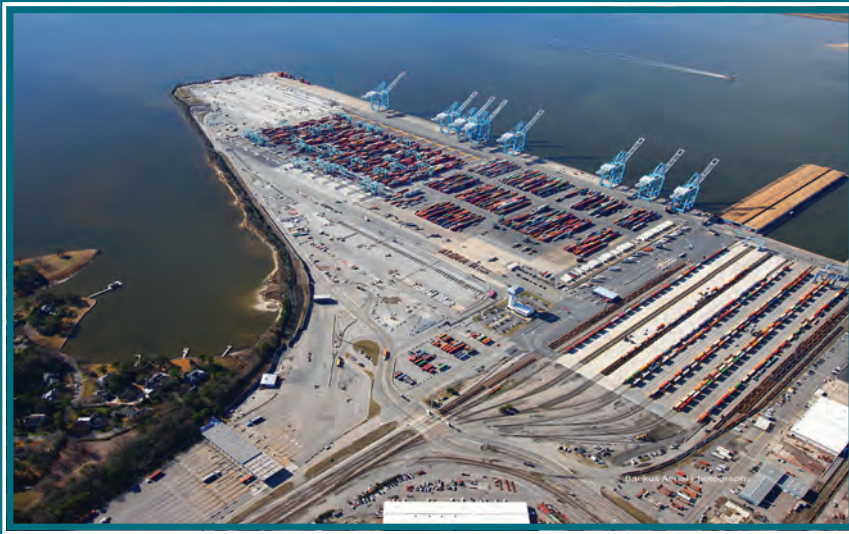
- 50-foot channels and berths
- Zero air-draft restrictions
- Only U.S. East Coast port with Congressional authorization for the 55-foot depth channels
- Fully-authorized and permitted for future marine terminal expansion
- 22 Suez-class ship-to-shore cranes port-wide
- 37% of cargo arrives and departs the port by rail—the largest percentage of any U.S. East Coast port
- 2.5 hours to open sea
- 36,800 linear feet, or almost 7 miles, of on-dock rail track
- 2 Class I railroads operating on-dock
- 16 Midwest and Southeast inland points served by rail



PORT PROJECTS UPDATE

Norfolk International Terminal (NIT)

The port's largest terminal is getting even larger. NIT is halfway through its three-year, \$375 million renovation and reconfiguration project that will increase the terminal's annual capacity by 46 percent (to 2.1 million TEUs) without increasing NIT's existing footprint. The project is scheduled to be complete in 2020. The port will employ hybrid-electric cargo handling equipment; use 21st-century technology across the entire operation and increase its capacity to handle refrigerated cargo. To drive efficiency, improve flow at the gates and create a predictable experience for motor carriers, the port developed and implemented an appointment system for truckers that debuted in 2018. The photo below shows the progress of this project as of February 14, 2019.



Virginia International Gateway (VIG)

A three-year, \$320 million capacity-creating project will be complete by June of 2019 at Virginia International Gateway (VIG) in Portsmouth. The port has developed 60 unused acres inside VIG's 231-acre footprint to expand the container yard and double the annual capacity at the terminal to 2.1 million TEUs. To accommodate the largest container vessels working in the Atlantic, such as the CMA CGM Theodore Roosevelt at berth at VIG above, the pier has been lengthened by 800 feet, four Ship-to-Shore cranes were added in January 2019 and the rail operation has doubled.

USMX PORT ASSOCIATION MEMBERS

PORT OF CHARLESTON

South Carolina Stevedores Association
William J. Bean, III, Executive Director



SOUTH CAROLINA STEVEDORES ASSOCIATION (SCSA) 2018 MEMBERSHIP

The South Carolina Stevedores Association (SCSA) represents the following companies in two membership categories:

Operating Direct Employers

- Ceres Marine Terminals
- Ports America
- Cooper/Ports America (C-PA)
- SSA Atlantic

Associate Members

- Charleston Gate Company
- Charleston Line Handlers

PORT PROJECTS

Harbor Deepening

- Charleston Harbor Deepening Construction Project is fully permitted and when completed in 2021 will achieve a depth of 52 feet

South Carolina State Ports Authority (SCSPA) Headquarters

- The SCSPA opened its new headquarters building, located near the Wando Welch Terminal

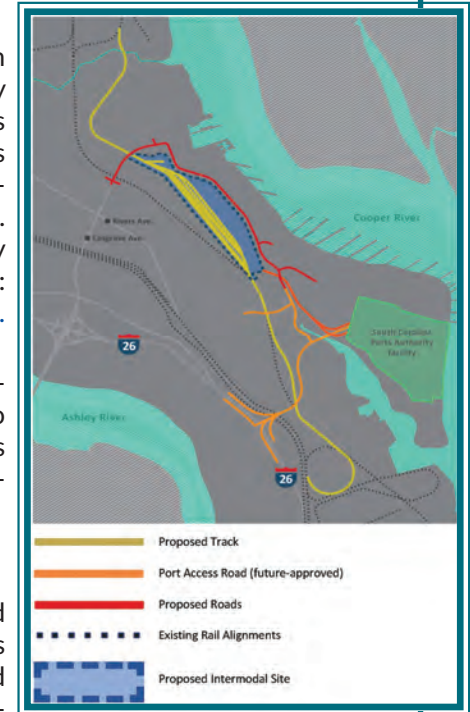


Hugh K. Leatherman Terminal

- The first berth at the Leatherman Terminal is expected to open in early 2021. Work on the access road is progressing. Palmetto Railways is developing a new intermodal facility near the Leatherman Terminal. A video of the proposed facility can be viewed at the following url: <http://palmettorailwaysintermodal.com/index.php/about-project>
- In addition to supporting the Leatherman Terminal, a barge service is also being considered to move containers to and from the Wando Welch Terminal to this new intermodal facility.

Existing Terminal Modernization and Infrastructure Projects

- Work to raise the last scheduled crane at the Wando Terminal has been completed and it will be moved back onto its tracks the first weekend in March 2019. It will undergo required testing and be put back in service.
- The SCSPA will begin receiving the first of several shipments of RTGs at the Wando Terminal beginning in April 2019. The SCSPA has purchased 26 new RTGs.
- The SCSPA will go live at North Charleston and the Wando Terminal with Tideworks Spinnaker (Phase 1) at the end of March 2019.
- They anticipate going live at North Charleston Terminal with remaining Tideworks Modules (Mainsail, Traffic Control, Forecast and Insight) in late September 2019.
- They anticipate going live at the Wando Terminal in October 2019.





LOCAL NEGOTIATIONS

Clerks & Checkers

- Local 1771 originally opted out of District Contract Negotiations, but later rejoined.
 - ◆ A District Contract was negotiated in September 2018 and later ratified by a majority vote in South Atlantic Ports.
- In June 2018, Charleston employers awarded Local 1771 with deck and dock jobs that were previously performed by direct employees of management.
 - ◆ Fifty-six (56) full- and part-time company employees left and became members of ILA Local 1771.



Longshoremen

- Local 1422 pulled out of the South Atlantic District Negotiations and we have to negotiate a separate contract with them.
 - ◆ To date, we have jointly agreed to 33 bargaining items, but are at an impasse on three (3) remaining issues.
 - ◆ We have agreed to negotiate these three (3) items separately and will sign an agreement in the near future, implementing the 33 items we have already agreed to.
 - The 1422 agreement will mirror the District Contract in respect to terms, wage and fringe benefit increases, except that 1422 wants all fringe increases and some wage increases to go to the MPP program and not to the local pension and welfare fund.



USMX PORT ASSOCIATION MEMBERS

PORT OF SAVANNAH

Georgia Stevedore Association
Norman L. Massey, President



SAVANNAH'S TEU COUNT GROWS 7.5 PERCENT IN 2018

The Port of Savannah moved 4.35 million twenty-foot equivalent container units (TEUs) in calendar year 2018, its highest annual volume ever, and a 7.5 percent increase over 2017.



"The level of business Georgia has captured is a testament to the world-class service provided by our stevedores, ILA, pilots, other port stakeholders, and our partners at Coast Guard and Customs and Border Protection," said GPA Executive Director Griff Lynch. "Georgia's unrivaled connectivity to Atlanta, Memphis, Charlotte and beyond allows port customers to reach new and growing markets."

The Port of Savannah handled its most-ever containers by rail in 2018, moving 478,669 containers—approximately 860,000 TEUs—via Class I rail providers Norfolk Southern and CSX. The rail volume represented a 19 percent increase compared to 2017. To handle the additional intermodal volumes, GPA will complete Phase I of the Mason Mega Rail project in October of this year, and Phase II by October 2020. When complete, the project will double current rail capacity at Garden City Terminal from 500,000 to 1 million containers per year. Above is an artist's rendering of the Mega Rail Facility currently under construction.

BRUNSWICK HANDLES MORE THAN 600,000 VEHICLES

In Brunswick, autos and machinery increased by 2 percent (9,875 units) in calendar year 2018 for a total of 609,487 units. At GPA's Colonel's Island, the single largest autoport in North America, expansion projects are under way that will double GPA's rail capacity and significantly increase near-dock storage. The Authority also plans to develop another 400 acres to bring annual throughput capacity to 1.5 million vehicles in the coming years. Above right is an artist's rendering of the proposed expansion of the Brunswick Automobile-Ro/Ro Terminal. "Brunswick's proximity to Southeastern dealerships and auto manufacturers, combined with its ability to reach important inland markets via CSX and Norfolk Southern, makes it the ideal autoport for import cargo,"



Lynch said. "Nine ocean carriers serving our 1,700-acre terminal means that Brunswick has the global connections to efficiently move exports, along with the space to take on new business."

GPA'S INFRASTRUCTURE IMPROVEMENTS AND THEIR IMPACT ON THE PORT

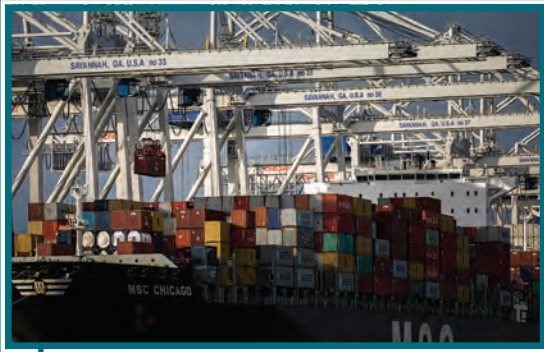
Additional Cranes at Garden City Terminal: The GPA has ordered 12 additional rubber-tired gantry (RTG) cranes, eight rail-mounted gantry (RMG) cranes and six new ship-to-shore cranes. The new RTG cranes will arrive in two batches in the first and second quarters of calendar year 2019. Fabrication on four of the RMGs started in May 2018. Crews in Clearwater, FL, and Houston, TX, are building two RMGs at each site. The first four RMGs are slated to arrive in April 2019, with the second set arriving in April of 2020. The six new ship-to-shore cranes will also be commissioned in 2020.

Impact: The RTGs will ensure continued fast turn times for the 12,000 truck moves per day conducted at the Port of Savannah's Garden City Terminal. The container-handling cranes will help support three new container rows, which the Board approved in March 2018.

To better accommodate the larger vessels now calling on Savannah, the GPA commissioned four new Neo-Panamax ship-to-shore cranes in 2018 at Garden City Terminal, bringing its fleet to 30—the most of any single terminal in North America. Six additional cranes arrive in 2020. The growing crane fleet, working over nearly 10,000 contiguous feet of dock, will be able to handle more than 1,300 container moves per hour when all 36 cranes are in place. The RMGs will play an integral role in the Mason Mega Rail project, moving containers between trains and trucks on the intermodal rail yard. The new equipment, combined with planned

terminal improvements at the Port of Savannah, will increase capacity at the 1,200-acre terminal to 8 million TEUs per year. The new capacity will allow GPA to grow along with current customers, and to take on new business. By 2028, GPA will have 42 ship-to-shore cranes, 200 yard cranes, new RTG lanes and expanded truck gates to ensure the free flow of future cargo and business.





Appalachian Regional Port (ARP):

The ARP is a GPA-owned and operated inland terminal in Murray County, GA. Construction began in 2015, with the ARP opening for business on August 22, 2018.

Impact: The ARP offers an efficient solution to hours-of-service/ELD round-trip container moved via

the ARP will offset 710 truck miles on Georgia highways. This GPA offering provides service on a direct rail route, delivering an alternative to an all-truck dray to/from the deepwater Port of Savannah. Target markets include regions of Georgia, Alabama, Tennessee and Kentucky. The ARP serves as a close, convenient source of empty containers for exporters, and reduces overall transit costs for both import and export cargo.

The facility is located in an industrial belt that includes the production and export of carpet and flooring, automobiles and tires. The inland port has a capacity of 50,000 containers per year. A 10-year development plan will then double that capacity.

Mason Mega Rail Terminal: The GPA broke ground on this massive rail expansion at the Port of Savannah in March 2018. The first phase will come online in late 2019, with Phase II opening in late 2020.

Impact: The Port of Savannah's Garden City Terminal is already the South Atlantic region's busiest intermodal gateway, handling 38 trains per week of import and export cargo. The Mason Mega Rail project will deliver the largest intermodal rail facility for a port authority in North America. The \$218.5 million project, funded in part by a \$44 million federal FASTLANE grant,

will double the Port of Savannah's rail capacity to 1 million container lifts per year.

The Mason Mega Rail project will add 97,000 feet of new rail at Garden City Terminal, for a total of 179,000 feet. It will increase the number of working tracks from 8 to 18.

The added track will better accommodate 10,000-foot long unit trains at the Port of Savannah. Longer, more cost-effective trains

incentivize Norfolk Southern and CSX to provide direct, expedited rail service to the Mid-American Arc, stretching from Memphis to St. Louis, Chicago, Columbus and the Ohio Valley.

Savannah Harbor Expansion Project:

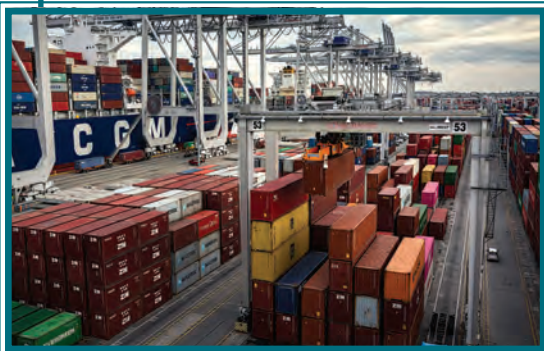
The U.S. Army Corps of Engineers (USACE) has reached the midway point in the harbor deepening.

The deepening of the outer harbor is complete. The contract to deepen the inner harbor will be awarded this year, with this portion of the federal waterway project slated for completion in 2021.

Impact: The ongoing Savannah Harbor Expansion Project will deepen the inner harbor to 47 feet (54 feet at high tide) by 2021, allowing Neo-Panamax vessels to transit the channel with heavier loads and greater scheduling flexibility. The larger vessels provide lower container slot costs, and Port of Savannah customers will enjoy expanded access to those low-cost slots once the deepening is complete.

A USACE study estimates the deepening's net benefit in transportation savings for shippers and consumers at \$282 million per year. The expected total savings to the nation over the course of 50 years is \$14.1 billion. For every dollar spent on construction, the project will return 7.3 dollars to

the nation's economy through savings on cargo transportation—one of the largest returns on investment on a navigation project for taxpayers in the country.



USMX PORT ASSOCIATION MEMBERS

PORT OF JACKSONVILLE

Jacksonville Maritime Association
James R. Gray, Jr., Executive Director



The Jacksonville Maritime Association
JACKSONVILLE, FLORIDA

PORT OF JACKSONVILLE: 2018 HIGHLIGHTS

October 21, 2018: JAXPORT welcomed the first port call from a ZIM Integrated Shipping Services Ltd. (ZIM) vessel

- The 10,070-TEU container vessel Tianjin made its maiden call to the port's Blount Island Marine Terminal

October 4, 2018: JAXPORT welcomed the Mitsui O.S.K. Lines (MOL) next-generation car carrier Orca Ace during the vessel's maiden call to Jacksonville

- Orca Ace is one of MOL's new FLEXIE series vessels, featuring a larger number of flexible interior decks than traditional car carriers
- These decks can be raised or lowered to accommodate Roll-on/Roll-off (Ro/Ro) cargo in a variety of sizes

September 30, 2018: JAXPORT's public seaport terminals achieved record growth in container volumes, recording double-digit growth during the fiscal year ending September 30, 2018

- Nearly 1.3 million containers came through the port in 2018, a 23 percent increase over 2017
- Record container volumes have been set over the past three years

April 30, 2018: The Jacksonville Port Authority (JAXPORT) and Carnival Cruise Line have reached an agreement to extend Carnival cruise service from Jacksonville through at least May 2021, and potentially through 2027

- Beginning in May 2019, the recently upgraded 2,056-passenger Carnival Ecstasy will assume Carnival Elation's year-round four- and five-day cruise program
- Carnival offers year-round departures from Jacksonville, carrying approximately 170,000 passengers a year

March 2018: Phase I (construction) is in progress on a new automobile processing terminal project on JAXPORT's Dames Point Marine Terminal.

- When completed, this multi-year project will increase the port's vehicle-handling capacity by 25 percent
- Vessels will have direct waterside access for loading and unloading within a mile of major interstates and the potential for rail capabilities

February 2018: Jacksonville Harbor Deepening Project gets underway

- Federal channel will be deepened from 40 feet to 47 feet
- Completion is expected in 5 to 6 years



USMX PORT ASSOCIATION MEMBERS

JAXPORT STATISTICS LOOKBACK: FISCAL YEARS 2014 - 2018

VESSEL CALLS	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
TOTAL	1,846	1,826	1,782	1,656	1,761
TONNAGE	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Containerized	5,062,969	5,035,085	5,558,361	5,878,168	7,109,643
Breakbulk	792,344	726,242	887,878	902,726	871,131
Bulk	1,204,835	1,094,986	1,026,230	1,169,087	742,499
Automobiles	1,252,017	1,325,366	1,244,335	1,380,284	1,385,712
TOTAL	8,312,165	8,181,679	8,716,804	9,330,265	10,108,985
UNITS	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Containers (TEUs)	936,973	915,292	968,279	1,033,068	1,270,480
Automobiles	605,170	656,599	636,134	693,248	665,432
JAXPORT CRUISE	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Cruise Vessel Calls	78	78	82	74	78
Embarking Passengers	181,580	183,192	197,295	177,417	199,899



USMX PORT ASSOCIATION MEMBERS

PORTS OF SOUTHEAST FLORIDA

Southeast Florida Employers Port Association
Chuck Maravolo, Secretary/Treasurer

SOUTHEAST FLORIDA EMPLOYERS PORT ASSOCIATION

ABOUT THE SOUTHEAST FLORIDA EMPLOYERS PORT ASSOCIATION (SEFEPA)

The mission of SEFEPA is to establish and carry out programs to promote and maintain good relationships between its management and labor in the Southeast Florida Ports of Miami, Port Everglades and Port Canaveral.

PORT OF MIAMI (PortMiami): 2018 ECONOMIC IMPACT

PortMiami continues to register cargo container growth by servicing larger vessels carrying larger cargo volumes, and its ongoing capital improvements address the needs of the trade industry allowing it to remain firmly positioned as a leading global gateway

- 22K+ Direct Jobs • 334.5K+ Indirect and Related User Jobs
- \$35B+ Total Economic Value created by Containers moving through FL via PortMiami
- \$10B+ State Income from Import/Export Activities • \$2B+ State/Local Taxes

PORT OF MIAMI (PortMiami): 2018 HIGHLIGHTS

Cruise Statistics: As one of the busiest ports in the country, with its record-breaking reputation as the cruise capital of the world, in fiscal year 2018 PortMiami remained a compelling port of embarkation for the world's leading cruise operators

- 5,592,000 Cruise Passengers (2018 world record) • 1,220 Cruise Ship Calls
- 55 Cruise Ships' Homeport/Port of Call • 22 Cruise Lines
- Cruise Business contributes approximately \$43B and 334.5K+ jobs annually to the South Florida economy

Cruise Renovations, Improvements & Future Projects: PortMiami launched a new program of renovations and improvements in 2018, with four cruise lines announcing and/or implementing ambitious expansion plans in recent years, including options for new cruise berths, terminals and parking facilities to expand its footprint to accommodate next-generation cruise ships

- Royal Caribbean
 - ♦ Cruise Terminal A, the Crown of Miami—the nation's largest (170,000 SQ FT) and most innovative cruise facility—was opened in October 2018, by partners Royal Caribbean International and Miami-Dade County through an estimated \$250 million public-private partnership and with an additional 1.5 million passengers/year added to its annual count
 - ♦ Crown of Miami is year-round homeport to several Royal Caribbean cruise vessels—the 5,400-passenger Oasis (coming in November), the 5,200-passenger Symphony of the Seas, the 3,835-passenger Navigator of the Seas, and the 1,840-passenger Empress of the Seas
- Norwegian Cruise Line Holdings
 - ♦ Cruise Terminal B, the Pearl of Miami, now under construction and scheduled to open sometime in the first half of 2020, will call Miami its homeport and is expected to facilitate 1.3 million passenger moves per year and generate approximately \$24 million in revenues for Miami-Dade County
 - ♦ In late 2018, Norwegian Cruise Line welcomed Norwegian Bliss (4,002 passengers) to its PortMiami lineup



- ♦ The design of Terminal B, inspired by a nautilus shell with a spiraled and multi-level façade with open ocean views, will accommodate ships that can carry up to 5,000 passengers, and will feature state-of-the-art technology to enhance the guest experience
- MSC Cruises
 - ♦ MSC Cruises, which currently operates a fleet of 15 cruise vessels in Terminal F, homeports three of its vessels there—MSC Armonia (2,065 passengers), MSC Divina (3,500 passengers) and MSC Seaside (4,140 passengers)
 - ♦ In 2018, Miami-Dade County Commissioners approved plans for MSC Cruises to build on a terminal site that currently has space for one 7,000-passenger ship at a time
 - ♦ The new proposal potentially doubles the capacity of the site, with enough space to simultaneously accommodate two 7,000-passenger ships
- Disney Cruise Line
 - ♦ A memorandum of understanding between Miami-Dade County Commissioners and Disney Cruise Line was finalized in 2018 to expand with two cruise ships and a possible new cruise terminal, giving Disney the first right to negotiate the possible new terminal on the port's South side, enabling the operator to homeport larger ships carrying more than 3,500 passengers
 - ♦ Starting in 2023, year-round operations are planned by the operator, with a vessel accommodating at least 3,500 passengers on four- and five-days sailings
 - ♦ By January 2024, another vessel accommodating at least 3,500 passengers will sail three- and four-day cruises
 - ♦ This partnership is expected to generate \$2.7 million in gross revenues and transport 360,000 passengers through Miami by 2023
- Virgin Voyages
 - ♦ Plans are in the works for Virgin Voyages to build a 100,000-square foot terminal in 2021 for its first cruise ship Scarlet Lady and her yet-to-be-named sister, with a project completion date of November 2021 (pending approval) in time for the start of the 2022 cruise season
 - Until then, Scarlet Lady will operate from Terminal F and will continue to sail the Miami-Caribbean route throughout 2021



PORT EVERGLADES: 2018 UPDATE

Mission: Port Everglades, located in Greater Fort Lauderdale/Hollywood, Florida, is Florida's powerhouse global gateway. A respected leader in trade, travel and financial stability, we create economic and social value by working in partnership with world-class clients. We achieve advancements focusing on efficient facilities, trade and cruise expansion, jobs growth, safety, security and environmental stewardship for our customers, stakeholders and community.

PORT EVERGLADES: FISCAL YEAR 2018 JOBS/ECONOMIC IMPACT

Port Everglades Department: Administration of all seaport functions at the Port is the responsibility of the Port Everglades Department, a self-supporting Enterprise Fund of Broward County, Florida government with operating revenues of nearly \$168 million in FY2018, and no reliance on local tax dollars for operations

Florida Jobs: In FY2018, Port Everglades supported 231,000+ jobs

- 13K+ Direct Jobs created by port activities; 8K+ Induced Jobs generated in Greater Fort Lauderdale as a result of local purchases made by those directly employed due to Port Everglades activity
- 9K+ Indirect Jobs supported in Greater Fort Lauderdale
A result of \$744M+ of local purchases
- 200K+ Jobs throughout the state supported by cargo moving via Port Everglades
 - ♦ Vast majority of these jobs are associated with the movement of containerized cargo at Port Everglades

Economic Impact: \$30+ billion is the total value of economic activity related to the cargo and cruise activities in Port Everglades

PORT CANAVERAL: 2018 HIGHLIGHTS

About the Port: Port Canaveral is one of the world's most dynamic and exciting ports—a world-class gateway for cruises, cargo, recreation, logistics and the space industry. It is strategically located to service all Florida markets, as well as the southeastern United States.

Cruise & Passenger Terminals: Port Canaveral hosts more than 4 million cruise passengers through its state-of-the-art terminals and 5.5 million tons of cargo annually, including bulk, breakbulk, project and containerized.

Multipurpose Cargo Berth Project: Approval was granted in January 2018 for a project that will accommodate facilities for the burgeoning commercial space industry. Designed and engineered as a multimodal/intermodal berth that will provide flexible capacity and capability to accommodate more diverse commerce at the Port. North Cargo Berth 8 (NCB8) on the Port's north side will provide the infrastructure capabilities to handle a growing portfolio of heavy and oversized cargo, including commercial spacecraft components. NCB8's 900-foot seawall and 100-foot pier extension will be capable of handling an 850-foot heavy cargo ship, with the berth being dredged to a depth of 35 feet. Construction on NCB8 started in March 2018 and is scheduled for completion in mid-2019.

PORT EVERGLADES: 2018 CARGO, PROJECTS & CRUISE HIGHLIGHTS

Cargo Statistics: Port Everglades reached a record high in containerized cargo in FY2018 with 1,108,465 TEUs moving through the Port

- This is a 3 percent year-over-year increase, and the fifth consecutive year that the Port exceeded 1 million TEUs; Port officials attribute the growth to Florida's increasing consumer population and shipping activity from Northern Europe

Southport Turning Notch Extension Project: Construction began on the Southport Turning Notch Extension project to lengthen the existing deep-water turn-around area for cargo ships from approximately 900 feet to 2,400 feet and allow for up to five new cargo berths

- Super Post-Panamax gantry cranes will be added to serve the existing Southport container berths
- Crane rails will be extended to the full length of the existing Turning Notch berth to utilize existing cranes

Cruise Update: Port Everglades is ranked third among cruise ports worldwide, has more homeported cruise ships than any other port, and is served by 10 cruise lines

- More than 3.8 million cruise passengers came through Port Everglades during FY2018
- Port Everglades and Celebrity Cruises enjoyed a double celebration with the arrival of the line's first new ship class in a decade, Celebrity Edge, at her new home, the revolutionary Cruise Terminal 25 (T25)
 - ♦ T25 underwent a complete renovation, requiring the demolition of two smaller terminals to expand the total square footage by 83 percent to 157,800 SQ FT
 - ♦ With a cost of approximately \$120 million, the new facility is the largest financial investment Port Everglades has made in a cruise terminal



USMX PORT ASSOCIATION MEMBERS

MIDGULF ASSOCIATION OF STEVEDORES

PORT OF NEW ORLEANS

Midgulf Association of Stevedores
Nick Jumonville, President



ABOUT MIDGULF ASSOCIATION OF STEVEDORES

Midgulf Association of Stevedores (MAS) is a non-profit association incorporated under the laws of the state of Louisiana. Its mission is to serve and assist consenting member companies engaged in stevedoring and terminal operations in matters relating to labor contracts, labor controversies, employee training and recruitment. In addition, the Association represents its member employers on pension, welfare, vacation/holiday, royalty funds, local safety matters and both local and master contract negotiations with unions representing longshoremen or other employment ashore. The Association operates and maintains a 361-day common hiring and training facility for use by its members.

THE PORT OF NEW ORLEANS: 2018 HIGHLIGHTS

Containers: Port of New Orleans (NOLA) moved more containers in 2018 than at any time in its history, totaling 591,253 twenty-foot equivalent units (TEUs), up 12.3% compared to one year ago. The record marks the fifth year in a row that the Port of NOLA has surpassed the half-million-TEU mark at its Napoleon Avenue Container Terminal, which is operated by New Orleans (Ceres Gulf) and Ports America. The arrival in October of the Pusan C, a 9,500-TEU vessel operated by Marseilles, France-based ocean carrier CMA-CGM, marked the largest container ship to ever call on Port NOA.

Imports/Exports: Expansion of the Panama Canal and growth in containerized exports, namely resin and frozen poultry, have buoyed Port NOLA's containerized cargo to record levels. In addition, loaded imported containers rose 7%, which continues to be a focus of Port NOLA's marketing efforts. There is anticipated further growth, as direct all-water carrier services to Asia, Europe and the Mediterranean attract larger vessels.

Container-on-Barge Service: The Port is growing the largest container-on-barge service, in partnership with the Port of Greater Baton Rouge and operator SEA-COR AMH. In 2018, that service moved 26,759 TEUs by barge, up 58% from 2017. The service repositions containers from Memphis, TN to Baton Rouge, LA, where they are loaded



with plastic resins and shipped by barge to Port NOLA to be loaded onto container ships for export to global markets.

Intermodal Service: Another driving force for Port NOLA container traffic is its growing intermodal service to critical markets it serves. Intermodal cargo volumes realized 15% growth from 2017 to 2018.

- Intermodal services by CN Railroad into Memphis, Chicago, Detroit and Toronto, and Kansas City Southern's weekly service into the Dallas-Fort Worth market are critical inland markets that will further grow volumes in New Orleans
- The acquisition of the New Orleans Public Belt Railroad in February 2018 is a key element of success for Port NOLA and the entire New Orleans gateway

General Cargo: Breakbulk cargo, sensitive to manufacturing trends and economic fluctuations, experienced a series of erratic trends in 2018

- Though breakbulk imports declined 30% in fiscal year 2018 versus 2017, in large part due to trade policies involving tariffs imposed on steel and aluminum, imported rubber continues to be a bright spot and the Port continues to look for export opportunities, and has seen significant increases in exported logs and frac sand
- Despite current challenges, breakbulk is still vital to the Port's growth and contributes to the diverse business profile, and Port NOLA continues to invest in breakbulk facilities, including a \$50 million investment in its breakbulk wharves, to continue serving as a top U.S. import port for rubber, steel, aluminum and other non-ferrous metals

Ocean Cruise Statistics: Port NOLA set a new cruise passenger record in 2018, with 1,182,111 cruise passenger movements, up 2.3% from 2017

- A 23% surge in guests taking Mississippi River cruises helped buoy the total, with new and larger ships set to sail from New Orleans both in the Caribbean and on the River in 2019
- 90% of cruise passengers came from out of state, and 32% flew to New Orleans for cruise departures
- 73% of cruise passengers spent the night in New Orleans before and after their cruise, generating 306,000 hotel room nights in 2018
- A recent economic impact study by LSU's College of Business determined that cruise passengers and ship crews spend an estimated \$129.1 million annually in the local economy



Ocean Cruise Stats (cont'd): In 2018, 235 passenger ships called on Port NOLA compared to 229 in 2017, and momentum and diversification continues to build

- In September, Disney Cruise Line announced it will sail from NOLA in early 2020
- The 2,700 passenger Disney Wonder will embark on a variety of Caribbean and Bahamian cruises from New Orleans—marking the first time Disney Cruise Line will have a homeport in Louisiana
- In addition to Disney, the Port's most prolific cruise tenant—Carnival Cruise Line—will increase capacity in its four- and five-day cruise program, replacing the Carnival Triumph on March 1 with the 2,800-passenger Carnival Glory
 - ♦ The Carnival Glory will sail the four-and five-day itineraries until May 19 when it begins seven-day, year-round itineraries
 - ♦ 2,980-passenger Carnival Valor arrives to sail year-round four- and five-day schedules
- The Port of New Orleans is the sixth largest cruise port in the United States and made headlines in November 2018 when it welcomed its largest cruise ship to date, the 4,000-passenger Norwegian Breakaway, which will sail seven-day cruises through April 2019
- December 2018 also marked the return of Royal Caribbean International when the 2,050-passenger Vision of the Seas arrived sailing seven-day itineraries through March 2019.
- In November 2019, Norwegian Cruise Line will replace the Breakaway with its newer sister ship, the Norwegian Getaway.



USMX PORT ASSOCIATION MEMBERS



River Cruise Statistics: In Addition to oceangoing ships, guests traveling along the Mississippi River on the five riverboats homeported in New Orleans also set a modern-day record at 30,298 million passenger movements in 2018

- The American Queen Steamboat Company currently homeports from New Orleans the 436-passenger ship American Queen, and the 166-passenger ship American Duchess
- American Cruise Line offers inland cruises on the 150-passenger Queen of the Mississippi and the 185-passenger America
 - ♦ The Company's 184-passenger American Song, the first modern riverboat in the U.S. on the Mississippi, debuted in 2018 and will be replaced in 2019 by her new sister ship American Harmony

Near-Term Capital Investments: These investments in cargo, cruise, and industrial property projects will enhance efficiency, expand port capacity, and address maintenance needs of existing Port facilities, wharves, and bridges

Achieving this scale of capital investment must include aggressive pursuit of external funding through state and federal grants, public-private partnerships and joint ventures; looking ahead, near-term capital investment needs within the next four to five years total approximately \$366 million

- | | |
|-------------------------------------|---------------------------------------|
| • \$113M Other Infrastructure (31%) | • \$109M Container (30%) |
| • \$ 85M Breakbulk (23%) | • \$ 37M Industrial Real Estate (10%) |
| • \$ 15M Rail (4%) | • \$ 8M Cruise/Tourism (2%) |

Total Economic Impact

- 19,050 jobs and \$3.9B of output (Jurisdiction)
- 21,700 jobs, \$4.3B of output (State)
- 119,510 jobs, nearly \$30B of output (National)
- \$74,000 average salary of Port NOLA tenant employees—41% higher than the local average

USMX PORT ASSOCIATION MEMBERS

PORTS OF THE WEST GULF

West Gulf Maritime Association
Shareen Larmond, President



WEST GULF
MARITIME ASSOCIATION

ABOUT THE WEST GULF MARITIME ASSOCIATION

The West Gulf Maritime Association represents almost 200 members along the West Gulf from Lake Charles, Louisiana to Brownsville, Texas. Members include almost every segment of the maritime industry, namely steamship owners, vessel operators, agents, stevedores and terminal companies.

WEST GULF PORTS: REGIONAL FACTS

- West Gulf ports generate over \$617 billion in economic activity
- West Gulf ports handle more than 565 million tons of foreign and domestic cargo—approximately 22% of all U.S. port tonnage
- West Gulf ports handle over 2.7 million containers
- Seven West Gulf ports rank in the top 50 of all U.S. ports in terms of annual tonnage, according to the U.S. Army Corps of Engineers, including Houston (2nd), Beaumont (5th), Corpus Christi (6th), Lake Charles (12th), Texas City (15th), Port Arthur (20th) and Freeport (33rd)

WGMA MEMBER SERVICES

Labor Relations: WGMA labor relations promote peaceful and harmonious relations between employers and employees by establishing wage and working conditions that are fair and just to both. The Association and the International Longshoremen's Association (ILA) concluded local negotiations and are now implementing new labor contracts throughout the West Gulf. This includes the implementation of several WGMA-ILA programs governed jointly such as the Joint Selection Committee, the Joint Automated Dispatch Committee and the Joint Training Committee.

Payroll: The Association processes all ILA payroll on behalf of stevedores in the West Gulf. This enables detailed record keeping for the industry. Thirty employers process payroll through the WGMA, paying ILA workers who work on virtually every type of cargo. Labor is dispatched by over 20 locals. A worker may work for multiple stevedores, rates of pay, or locals in one week, but receive one paycheck with appropriate taxes and fees deducted. Workers now also receive information regarding individual gross pay and hours through a mobile app. Workers are also able to track MILA hours through the app. This year, employers and locals will soon be able to utilize WGMA's online reporting system to obtain reports and manipulate data to suit their needs.



Training: The Association also coordinates training of the ILA Workers. WGMA has implemented an online training program allowing workers access to hazmat training and tests 24 hours a day with immediate feedback. The Association also implemented two new crane simulators as part of its training program. In addition, the Association maintains a real-time tracking system that updates the training status of all ILA workers. The status is posted on the WGMA website to allow locals, workers and stevedores access to the certification status of each worker. Workers are also able to view their certifications via the ILA app.





Dispatch: The Association utilizes an automated dispatch system, allowing the stevedores to place labor orders electronically, simplify the dispatch process for the locals and allow workers to receive job notifications by text, email or phone.

Communication and Advocacy: WGMA provides daily industry updates to its members, monthly or bi-monthly membership meetings in multiple ports, and frequently interacts with governmental and regulatory agencies, including Coast Guard and Customs and Border Protection (CBP) to advance the interests of industry. The Association also coordinates legislative advocacy trips to Austin, Baton Rouge and Washington D.C., advocating on issues important to industry such as Longshore Act reform.

Litigation and Administrative Matters: On behalf of its member stevedores, the Association responds to EEOC and NLRB charges, responds to unemployment claims and represents stevedores in litigation arising out of the employment of workers under the multiemployer collective bargaining agreements.



SHIPPING INDUSTRY MUTUAL ASSURANCE ASSOCIATION LIMITED (SIMAS)

SIMAS HISTORY & 2018 HIGHLIGHTS

Purpose The Shipping Industry Mutual Assurance Association Limited (SIMAS) was created in 1981 by special act of the Legislature of Bermuda to provide insurance coverage to the maritime industry that was unavailable in the commercial marketplace. This Financial Injury Coverage indemnifies USMX and its Carrier members for the legal costs incurred as a result of the implementation and enforcement of the USMX-ILA Master Contract or any other labor contract negotiated by USMX.

Financial Injury Coverage is provided in the following instances:

- Court Actions and Adjudicatory Proceedings before maritime or labor-related agencies
- Third-Party Claims against the insureds
- Arbitrations
- Strikes
- Work Stoppages

Excess Directors' and Officers' (D&O) Coverage is provided by SIMAS to the Directors and Officers of USMX and CCC Service Corporation.

Excess Fiduciary Liability Coverage is provided by SIMAS to the Management Trustees of the Management-ILA (MILA) Managed Health Care Trust Fund.

- A 2005 civil RICO action still pending in the U.S. District Court for the Eastern District of New York is the subject of a claim under this coverage.

2018 Legal Matters During 2018, USMX Carrier members were able to avail themselves of coverage through SIMAS for the following legal matters:

- Representation of USMX Carrier members in the Port of Hampton Roads, Virginia in an arbitration regarding set-back and cancellation criteria as set forth in Paragraph I of the 2018-2024 USMX-ILA Master Contract Memorandum of Settlement
- Resolution of a potential work stoppage in the Port of Philadelphia, Pennsylvania during 2018 local contract negotiations

Governance SIMAS is governed by a Board of Directors that meets annually.

- SIMAS Directors are chosen from among the USMX Board of Directors and USMX Staff
- SIMAS is administered locally by Marsh Management Services (Bermuda) Limited.
- SIMAS premiums are funded through an assessment paid by USMX's Carrier members and are evaluated annually by its actuary.



*The organizing committee of
the Bermuda Captive Conference is delighted to induct*

**Shipping Industry Mutual
Assurance Association Limited**

into

Bermuda's Captive Hall of Fame

*in recognition for their commitment to
Bermuda as a captive domicile as of 2015 for*

34 Years

Terrence M. Mahon
Chairman, Bermuda Captive Conference
June 9th, 2015



MASTER CONTRACT ISSUES: USMX-ILA JURISDICTION COMMITTEE

Port of Charleston

The Jurisdiction Committee met with labor and management representatives in April 2018 to review issues regarding deck and dock jurisdiction and determined that management was performing certain ILA clerical work. The Committee later issued a report that directed labor and management to implement procedures to ensure that the ILA-represented workers perform specific functions with respect to the receipt of cargo, including lining up trucks and instructing drivers during vessel operations, making changes to the bay plan, verifying and correcting orders in the computer system, entering stowage information, and maintaining the stowage plan. The report also recognized the right of the employers in Charleston to manage their operations.

Port of New Orleans

During 2018, the Jurisdiction Committee addressed the ILA's claims that employers were not complying with the awards that had been issued in 2017, which reaffirmed the work to be performed by ILA longshore employees at the inbound and outbound gates, at the gate-house, in the container yard, and at computers located on the terminal.

The Committee met with labor and management representatives in May and visited the marine terminals at issue. At the conclusion of its investigation the Committee agreed that the employers were complying with the Master Contract regarding both timekeeping requirements and gate operations.

Port of Hampton Roads

On September 25, 2018, USMX and the ILA executed the 2018-2024 USMX-ILA Master Contract Memorandum of Settlement (MOS) that contains set-back and cancellation criteria to be employed to provide flexibility in work starting times when oceangoing-vessel arrivals have been delayed.

The four (4) ILA locals in Hampton Roads that perform work covered by the MOS had not reached agreement on their local contract by September 25 and refused to adhere to the set-back and cancellation criteria set forth in the MOS. USMX had taken the position that in the absence of set-back and cancellation criteria in a local agreement that are consistent with and supplement those in the USMX-ILA MOS, the MOS criteria govern local port operations.

USMX demanded expedited arbitration on the issue, which was to be held on November 6, 2018. In advance of the hearing the arbitrator issued an award directing labor and management to follow the set-back and cancellation criteria in the MOS, pending a final determination of the issue.

On November 6, the parties reached agreement on all local issues, including additional set-back and cancellation criteria that are consistent with and supplement those in the MOS. The members of the four (4) ILA locals ratified the local collective bargaining agreement on November 19, 2018, thereby resolving the matter.

2018 FEDERAL JUDICIAL, LEGISLATIVE, AND REGULATORY ACTIVITY

FEDERAL LEGISLATION

The *Frank LoBiondo Coast Guard Authorization Act of 2018* (Act) became Public Law No. 115-282 in late 2018. The Act authorizes appropriations for the United States Coast Guard and the Federal Maritime Commission through Fiscal Year 2019 and modifies the regulation of vessel-incidental discharge and ballast water. The Act also amends the *Shipping Act of 1984* by addressing antitrust issues related to recent consolidations in the maritime industry and to the ongoing formation of ocean-carrier alliances. These amendments are designed to protect marine-terminal operators and other U.S. marine-equipment-and-service providers and to safeguard investment in U.S. shore-side maritime infrastructure.

FEDERAL MARITIME COMMISSION (FMC)

Demurrage, Detention, and Per Diem Charges

In 2016, the Coalition for Fair Port Practices petitioned the FMC to initiate a rulemaking proceeding to clarify what constitutes "just and reasonable rules and practices" with respect to the assessment of demurrage, detention, and per diem charges by ocean common carriers and marine-terminal operators. The FMC accepted comments to the record in 2017 and held public hearings in early 2018. Later that year the FMC issued *Interim and Final Reports on Conditions and Practices Relating to Detention, Demurrage, and Free Time in International Oceanborne Commerce*.

The FMC's eight-month investigation found that demurrage and detention charges can incentivize cargo to move expeditiously and that standardizing practices for when these fees are levied would improve the speed at which cargo is handled at ports. Another important finding was

that focusing demurrage practices on notice of when cargo is available would likely eliminate many of the circumstances that lead to the imposition of demurrage fees. In order to accomplish that goal, the FMC will create Innovation Teams in 2019 that will address how to provide transparent, standardized language and clear, simplified, billing practices. The report also recommended the establishment of a Shipper Advisory Board.

NATIONAL LABOR RELATIONS BOARD (NLRB)

Definition of "Joint Employer" Is Expanded

In August 2015, the NLRB significantly expanded the definition of a "joint employer" to include employers who have minimal or only indirect control through an intermediary over the working conditions of employees or who merely reserve the right to exercise such control. *Browning-Ferris Industries of California, Inc.*, 362 N.L.R.B. No. 186 (2015). Under this revised standard, two or more entities could be found to be joint employers of a single work force, if they share or co-determine those matters governing the essential terms and conditions of the employees' employment, such as hiring, firing, discipline, supervision, direction of work or hours, and wages.

In late 2018, the Court of Appeals for the District of Columbia Circuit upheld the expanded definition of a "joint employer" but remanded the case to the NLRB for clarification as to what constitutes indirect control by an employer. The decision by the Court of Appeals is at odds with the NLRB's September 2018 Notice of Proposed Rulemaking (NPRM) requesting comments on a rule that would reverse the NLRB's August 2015 decision and define a joint employer only where the two employers share or co-determine an employee's essential terms and conditions of employment, such as hiring, firing, discipline, supervision, and direction. Comments on the NPRM were to be filed with the NLRB by January 2019.

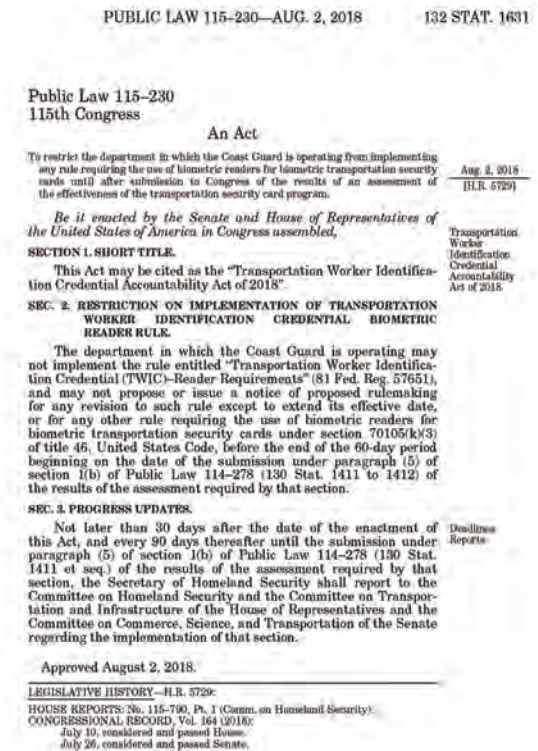
TRANSPORTATION WORKER IDENTIFICATION CREDENTIAL (TWIC)

Enrollment

At year-end there were 5.125 million TWIC enrollments since inception in 2007, with 2.257 million active TWIC cards in use. The OneVisit Enrollment Program, which was implemented in June 2014 to streamline the TWIC-enrollment process and to eliminate the need for a second visit to an enrollment center to pick up an issued TWIC, has been a success. At year-end there were 1.596 million OneVisit enrollments, which constituted 83% of all enrollments.

TWIC-Reader Rule

The Final TWIC-Reader Rule that was published on August 23, 2016, requires higher-risk vessels and facilities regulated by the Maritime Transportation Security Act of 2002 (Risk Group A) to conduct electronic TWIC inspections for access to secure areas or to board vessels. Risk Group A includes vessels or facilities that carry or handle "Certain Dangerous Cargo (CDC)" in bulk or facilities that receive vessels carrying more than 1,000 passengers. Approximately 525 facilities have been designated as being in Risk Group A. Container terminals are in Group B, which is exempt from the Rule. The TWIC-Reader Rule was to have taken effect on August 23, 2018, but legislation signed on August 2, 2018, prohibits the Coast Guard from implementing the Rule until the Department of Homeland Security has submitted an assessment of the TWIC program to Congress.





ABOUT THE FIRM

At The Lambos Firm, LLP the emphasis is on finding creative solutions for problems that plague businesses in these competitive times. Our reputation lies in our ability to bring parties together to resolve disputes without unnecessary legal intervention. This is achieved

through a proactive approach to our clients' needs by seeking to protect them from potential exposure by thoughtful strategic planning. However, when litigation is unavoidable, our clients appreciate The Lambos Firm, LLP's reputation for vigorous and tenacious advocacy. The hallmark of the firm is its proven experience in handling clients' legal matters successfully and cost-effectively.

The Lambos Firm, LLP is a full-service law firm concentrating in the areas of labor and employment, ERISA, administrative, business, and insurance law. The Lambos Firm, LLP's clients span a broad spectrum of industries and include maritime entities, employer associations, transportation companies, banking and financial services corporations, manufacturing concerns, real estate developers and construction contractors, health care organizations, and social service agencies.

The firm has an active trial practice, jury and non-jury, in federal and state jurisdictions. The Lambos Firm, LLP has an extensive appellate practice, including successful U.S. Supreme Court advocacy. In addition, our attorneys are also actively engaged in non-judicial dispute resolution forums, including arbitrations, mediations, and administrative proceedings.

The Lambos Firm, LLP is a law firm with close ties to the maritime community that are manifested through active participation in long-standing maritime associations and support of charitable causes important to the industry. The attorneys of The Lambos Firm, LLP are dedicated and fully committed to serving the interests of the maritime community as well as recognizing the excellence the community brings out in its own.



THE LAMBOS FIRM, LLP

The attorneys of The Lambos Firm are pictured front row, left to right: Ann Marie Flynn, Esq. and Carol Notias Lambos, Esq., Back row, left to right: Ian A. Weinberger, Esq., William M. Spelman, Esq., Donato Caruso, Esq., Richard J. Ciampi, Jr., Esq., and James R. Campbell, Esq.

INDUSTRY HAPPENINGS

NEW YORK
NEW JERSEY
FOREIGN FREIGHT
FORWARDERS AND BROKERS
ASSOCIATION INC.
FOUNDED 1917

2018
PERSON
OF THE
YEAR

101ST ANNUAL DINNER
HONORING
ROY AMALFITANO
VICE CHAIRMAN
EVERGREEN SHIPPING
AGENCY (AMERICA) CORP

We Proudly Salute the New York New Jersey
Foreign Freight Forwarders & Brokers Association's
2018 PERSON OF THE YEAR

MR. ROY AMALFITANO
VICE CHAIRMAN
EVERGREEN SHIPPING AGENCY (AMERICA) CORP.



UNITED STATES MARITIME ALLIANCE, LTD.

25th
25TH ANNUAL
INTERNATIONAL MARITIME
HALL OF FAME
2018 AWARDS



MAY 9, 2018
International Maritime Hall of Fame
Awards Reception & Dinner
at the Grand Hyatt New York

25th Annual International
Maritime Hall of Fame Awards
*Congratulations to the 2018
Ship's Lookout Award Honorees*

Donato Caruso, Esq.
Managing Partner & Management Labor Attorney
The Lamken Firm, LLP

Juergen Pump
Senior Vice President
Hamburg Sud North America, Inc.

Adam M. Goldstein
President & Chief Operating Officer
Royal Caribbean Cruises Ltd.

Polys Hajioannou
Chairman & Director
Safe Bulk Inc.

Michael A. Jordan, SE
Chief Structural Engineer, Principal
Lifetech Consultants Inc.

US MX United States Maritime Alliance, Ltd.

Celebrating the 49th Annual AOTOS Event

**Admiral of the
Ocean Sea Awards**


to

SALVADOR "TONY" BRUNO
President & CEO
Hapag-Lloyd USA

PAUL DOELL
National President
American Maritime Officers

RAYMOND F. FITZGERALD
Chairman
ARC Group

Presented by
United Seamen's Service



CONGRATULATIONS
2018 AOTOS HONOREES

SALVADOR "TONY" BRUNO
President & CEO
Hapag-Lloyd USA

PAUL DOELL
National President
American Maritime Officers

RAYMOND FITZGERALD
Chairman
ARC Group

WE SALUTE YOUR
OUTSTANDING CONTRIBUTIONS
AND COMMITMENT TO
THE U.S. MARITIME INDUSTRY

US MX
United States Maritime Alliance, Ltd.

BOY SCOUTS OF AMERICA
37TH ANNUAL
**MARITIME INDUSTRY
"GOOD SCOUT" AWARD LUNCHEON**

FRIDAY
NOVEMBER 16
2018

JAMES R. MARA
President
Metropolitan Marine Maintenance
Contractors Association, Inc.

JOHN J. DAGGETT
Vice President & Executive Board
Atlantic Coast District
Business Agent, IIA Local 1804-1

ANNETTE M. QUIJANO
New Jersey Assemblywoman
District 20
Deputy Majority Leader

JAMES E. WEST
Award Recipient

HILTON GARDEN INN
1100 SOUTH AVENUE, STATEN ISLAND, NY 10314
RECEPTION 11:45AM | LUNCHEON 12:30PM

BOY SCOUTS OF AMERICA
GREATER NEW YORK COUNCIL

Carol M. Lambos, Esq.
The Lamken Firm, LLP

John Nardi
New York Shipping Association

United States Maritime Alliance, Ltd.
&
CCC Service Corporation

ARE PROUD TO SUPPORT THE
Boy Scouts of America
GREATER NY COUNCIL'S & PATRIOTS' PATH COUNCIL'S
37TH ANNUAL MARITIME INDUSTRY
GOOD SCOUT AWARD LUNCHEON

"GOOD SCOUT" HONOREES"

JAMES R. MARA
President
Metropolitan Marine Maintenance
Contractors Association, Inc.

JOHN J. DAGGETT
Vice President & Executive Board
Atlantic Coast District
Business Agent, IIA Local 1804-1

AND JAMES E. WEST AWARD RECIPIENT
ANNETTE M. QUIJANO
New Jersey Assemblywoman
District 20
Deputy Majority Leader

CONGRATULATIONS!!

INDUSTRY HAPPENINGS



Please join us for our 2018 Annual Luncheon

Tuesday, February 20, 2018
12:30 PM - 3:00 PM

at
The Newark-Liberty International Airport Marriott
1 Hotel Road, Newark, NJ

We are pleased to welcome guest speaker,
The Honorable Annette Quijano
Assemblywoman, District 20
of the New Jersey General Assembly

Please contact Elaine Lew regarding your attendance
at 732-452-7821 or at elaw@nysanet.org

HOTEL PARKING: We have made arrangements with the Marriott for parking. Please arrive at the hotel parking lot through the hotel, walk and travel to the rear of the hotel and park on either side of the throughway. A valet will be given to you at the meeting to enhance your entrance to the event. Please arrive on time. Please do not drink and drive. Thank you for your attendance. Valet Parking will be in a main event area.



JOIN THE DISCUSSION MAY 9-11, 2018
"TRENDS & DISRUPTORS IN GLOBAL LOGISTICS"
VAMARITIME.COM/SYMPOSIUM



Join Georgia Gov. Nathan Deal,
the Georgia Ports Authority,
and the Propeller Club of the United States - Port of Savannah
for the 2018 Savannah State of the Port
on Thursday, September 20, 2018,
at the Savannah International Trade and Convention Center.

GPA's Executive Director Griff Lynch will present the
latest developments at the Georgia Ports Authority.
Join us early for a networking reception.

Networking Reception / Coffee Bar: 10:30 a.m.
Luncheon: 11:45 a.m. - 1:30 p.m.



USMX
The United States Maritime Alliance, Ltd.
Salutes the 2018 HONOREES of the
ILA Civil, Human & Women's Rights Committee's
Sixth Annual Awards Dinner

Martin Luther King, Jr. Award
MR. WILLIE SEYMORE
Vice President,
International Longshoremen's Association, AFL-CIO
&
Executive Vice President,
ILA South Atlantic & Gulf Coast District

Humanitarian Award
MR. GRIFFITH LYNCH
Executive Director,
Georgia Ports Authority

Labor Leader Award
MR. ANDREW LEE LAWS
Representative,
ILA South Atlantic & Gulf Coast District

Women's Rights Award
MS. YVETTE FLOWERS
Financial Secretary,
ILA Local 1422

CONGRATULATIONS and BEST WISHES !!



INDUSTRY HAPPENINGS



CONNIE AWARDS 2018

Michael B. Wilson

In his current position as Senior Vice President of Business Operations for Hamburg Süd North America, Mike Wilson is responsible for all marine & terminal operations, equipment & materials, Finance & Accounting, Information Technology, Human Resources, quality management and administration.

Mike has over 30 years of experience in International Shipping, where his past duties have included senior positions in Logistics, Operations, and Customer Service covering a geographical scope that includes North America, Europe, Central America, the Caribbean and North Coast of South America. Mike has worked for some well known companies in the industry including United States Lines, Crowley Maritime, United Arab Shipping, and Atlantic Container Line, in addition to Hamburg Süd.

LIFETIME ACHIEVEMENT AWARD

Roy A. Schleicher

Roy Schleicher is a seasoned transportation & logistics professional with over 40 years of experience in various positions in the industry. Prior to Roy forming his own company, Schleicher Services LLC, he was, for the last 17 years, the Executive Vice President & Chief Commercial Officer at the performance Port Authority. Along with leading the port's logistics development programs, Roy was also involved in every facet of the port's operations, terminal expansion and strategic planning.

CII LIFETIME ACHIEVEMENT AWARDS

Michael B. Wilson
Joseph B. Berman
James P. "Jack" Carter
Joseph Carter

Honorary of International Council (ICC)
Dr. Geraldine Evans
Geraldine Evans

Stanley D. Shaw
William A. Berman
Barbara Berman-Hawkins
The Trustees

RESERVE NOW SEATING IS LIMITED

CONNIE AWARD LUNCHEON 2018

Monday, December 10
11:00am - 2:00pm
Hawthorne Hotel, Airport Hotel
1000 Spring Street, Elizabeth, NJ

REGISTRATION FEES
\$250 per ticket (includes \$2,500 table of food)

SPONSORSHIP
• \$10,000 Platinum Sponsorship, 2 tables of 10 (includes a \$1,000 named scholarship in your company's name)
• \$5,000 Principal Sponsorship, a table of 10
• \$2,500 Gold Sponsorship, includes 5 tickets
• \$1,000 Silver Sponsorship, includes 2 tickets

EVENT SPONSORSHIPS
• Pre-Event Cocktail Reception \$2,500
• Scholarship Reception \$2,000
• Table Wine \$2,000
• Photographer \$750

SCHOLARSHIP
Fund a 2018 named scholarship for your organization (\$1,000 maximum). Of with work with you to secure the right candidate and all funds go to the student. There will be a scholarship reception at 10:00am prior to the start of the luncheon.

REGISTER
Please go to <https://www.greenvelope.com/evms/2018-Connie-Award-Honorees> to register. You can pay by credit card or check.

Please mail check made out to Constellation & Intermodal Institute for 980 Hoesland Road, Bldg. 2, Suite 201, Hoesland, NJ 07033

FOR MORE INFORMATION:
If you have any questions, please call (732) 817-8131, fax (732) 817-1411 or email conniework@constellation.org



The Propeller Club of Charleston
Cordially Invites You to the Annual
State of the Port Address

With Guest Speaker
James I. Newsome, III
President & CEO, South Carolina Ports Authority

Monday, October 29, 2018
11:00 a.m. Networking Reception & Registration
11:30 a.m. Briefing & Lunch Served

Charleston Area Convention Center
5001 Coliseum Drive, North Charleston, SC 29418

Registration Details
• \$2500 Event Sponsor, Reserved Table of 10 in Premier Location, Recognition from Podium
• \$1000 Table Sponsor, Reserved Table of 10, Recognition
• \$600 Reserved Table of 10 (\$600 after August 31)
• \$60 Individual Registration (\$60 after August 31)

PLEASE JOIN MAPONY/NJ Networking Luncheon with Maritime Administrator Mark Buzby – Nov. 9, 2018

JOIN ADMINISTRATOR BUZBY
Dear US MARITIME ALLIANCE, LTD,
You are invited to our first Networking Luncheon with featured speaker Mark Buzby, Maritime Administrator.

This luncheon is the perfect opportunity to speak one-on-one with Maritime Administrator Buzby and network with other members of the maritime industry.

Come and enjoy an open beer/wine bar, sit-down lunch, and an all-around great time with the Maritime Association of the Port of New York/New Jersey.

Click on the link below to register or RSVP.
[Get more information](#)
REGISTER NOW!
[Last minute!](#)

For additional information about this event, please contact: Tiffany Torrey at ttorrey@torrey-enterprises.com or (516) 817-2597. We look forward to seeing you at our event!

Sincerely,
Tiffany Torrey
Maritime Association of the Port of NY/NJ
ttorrey@torrey-enterprises.com
(516) 817-2597

Maritime Association of the Port of NY/NJ, 17 Battery Place, Suite 913
New York, NY 10004

NMSA
Dedicated to Maritime Safety & Health

June 27 – 29, 2018
Hilton Philadelphia at Penn's Landing
Philadelphia, PA

Challenges in Maritime Safety: From Operations to Regulations

Under the chairmanship of Erick Hawley-Sala and guidance of The Ports of the Delaware River Marine Trade Association, the NMSA 2018 Annual Meeting was not only record-setting in attendance but was inspiring in its sharing of ideas to educate and protect employees in the marine cargo handling industry.



INDUSTRY HAPPENINGS

FEDERAL MEDIATION & CONCILIATION SERVICE 2018 NATIONAL LABOR-MANAGEMENT CONFERENCE HEARS FROM TOP LABOR EXPERTS, U.S. SECRETARY OF LABOR

The FMCS 2018 National Labor-Management Conference concluded August 23 in Chicago after hearing from a lineup of distinguished speakers during the three-day event, including U.S. Secretary of Labor Alex Acosta as well as experts on dispute resolution, negotiation, collective bargaining and other labor relations topics.



Morgan Lewis | You're Invited

23RD COLLECTIVE BARGAINING CONFERENCE

Please join us for our 23rd Collective Bargaining Conference.

Change has been the order of the day since we met last year. We will consider changes in the law, trends in the unionized sector, change in composition of the National Labor Relations Board (NLRB), and case studies. We are delighted to welcome back former NLRB Chairman Philip Miscimarra, who has just rejoined us at the firm and who was involved in nearly every major NLRB decision in the last four years. Join Morgan Lewis lawyers, senior-level labor relations professionals, in-house labor and employment counsel, and other professionals for an in-depth discussion and unique perspectives on the ever-changing landscape of labor law.

CREDIT
0.5 credit in HR, 0.2 (via reciprocity), PA, IL, VA, CA, RI, and TX is currently pending approval. There is no fee to attend this event.

REGISTER NOW

WHEN

RECEPTION
Monday, April 9, 2018
5:30 pm

Additional details to follow.

CONFERENCE
Tuesday, April 10, 2018
8:00-8:30 am
Registration and breakfast
8:30 am-4:30 pm
Conference

WHERE

Morgan Lewis
1111 Pennsylvania Ave., NW
Conference Room 201
Washington, DC 20004

HOTELS

A block of rooms has been reserved for the night of Monday, April 9 at the Kington Hotel Monaca.

REMARKS TO ILA WAGE SCALE DELEGATES USMX-ILA 2018-2024 AGREEMENT

DAVID F. ADAM
CHAIRMAN & CEO

TUESDAY, JUNE 5, 2018
DELRAY BEACH, FLORIDA



SPEAKERS LIST SOUTH ATLANTIC & GULF COAST DISTRICT ILA 91ST ANNUAL CONVENTION MONDAY, JULY 16, 2018

RINGING OF THE J.I.L. "BUDDY" RASPBERRY BELL
BY Velda Raspberry, GWYNOLYN PITTMAN,
LISA BOWERS AND JUDY KELLY

FAIRLAWN TRIO

INVOCATION BY LARRY SOPCHAK, SACCO VICE PRESIDENT

PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA
BY BILL WILLIAMS, SR., SECRETARY TREASURER, SOUTH ATLANTIC AND
GULF COAST DISTRICT, INTERNATIONAL LONGSHOREMEN'S ASSOCIATION,
AFL-CIO AND INTERNATIONAL VICE PRESIDENT

SINGING OF THE STAR-SPANGLED BANNER BY JAMES MCNAMARA,
DIRECTOR OF PUBLIC RELATIONS,
INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO

WELCOME TO THE STATE OF FLORIDA

CYNTHIA STAFFORD, STATE REPRESENTATIVE DISTRICT 109
MARIO DIAZ-BALART, U.S. CONGRESSMAN, DISTRICT 25, MIAMI, FL

AL GREEN, U.S. CONGRESSMAN, DISTRICT 9, HOUSTON, TX

ALAN A. ROBB, PRESIDENT,
SOUTH ATLANTIC AND GULF COAST DISTRICT, ILA
AND ASST. GEN. OBG., ILA, AFL-CIO

HAROLD DAGGETT, PRESIDENT,
INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO

JUAN M. KURYLA, PORT DIRECTOR/CEO, PORT MIAMI

PAUL COZZA, EXECUTIVE DIRECTOR, NORTH CAROLINA PORTS AUTHORITY

DAVID ADAM, CHAIRMAN AND CEO, USMX

BENEDICTION T. L. SIMON, DISTRICT VICE PRESIDENT



US Labor and Employee Relations Network

October 18-19, 2018
Washington, DC

We look forward to seeing you at the upcoming US Labor and Employee Relations Network Fall Session. The session will take place October 18-19 at The Ritz-Carlton, Washington, DC. We have a great session planned with agenda is attached for your review.

Our guest speakers at the session will be Sean McDermey, President, Trades Union, Brian Marston, President and CEO of National Business Group on Health, NLRB Member William Emmanuel and James O'Hara, St. Thomas More Professor of Law and Legal History, Georgetown Law.

If you have not registered for the session you may do so [HERE](https://www.mercer.com/events/2018/10/18-us-labor-and-employee-relations-network).

AGENDA HIGHLIGHTS

- Inside the Delivery: Beyond Twitter, What is the Impact on US Business?
- Solving the World's Problems at the Bargaining Table - Technology, Communication, Safety and Social Issues
- Is Your Company Ready for the Future?
- National Labor Relations Board Update
- Building a Diverse Future Workforce in the Skilled Trades
- Employee Morale in the Era of Trump
- Labor Arbitration Trends
- Recent Bargaining With BCTGM
- Regional Executive Roundtable Discussions Regarding Current Challenges

ILA Children's Fund Golf Tournament 2018



INDUSTRY HAPPENINGS

HAPPY 25th ANNIVERSARY! ILA Children's Fund Hole in the Wall Gang Camp Golf Tournament



PROUD INDUSTRY PARTNERS



NOV 2, 2018

0900 – 1600

SCI'S INT'L SEAFARERS' CENTER
118 EXPORT STREET, PORT NEWARK

Each year the Seafarers' Church Institute (SCI) delivers boxes containing some of the comforts of home (including hand-knitted garments and toiletries) to seafarers aboard vessels in the Port. Who would love your help putting some of the packages together?

Come by our Center any time between 10:00 am and 4:00 pm—for as little as 15 minutes you'll be making a difference. We'll have coffee, tea and snacks on hand for volunteers throughout the day.

If you can't come for packing (or even if you can't), you can help by dropping off unopened toiletries and/or gently used items. Visit our Amazon Wish List for inspiration or to order! seachurch@seafarers.org

For questions or to reserve a spot! portpacking@seafarers.org

Saddle Up

Camp is at the epicenter of a caring community. Our gratitude goes out to all who host and organize fundraising events in support of Camp's mission.

It's not often a friendship spans 25 years—in fact, it's pretty incredible when it happens. So, celebrating this milestone with the International Longshoreman's Association, AFL-CIO/United States Maritime Alliance, Ltd. (ILA/USMX) is nothing short of special.

It all started in 1992 when John Bowers, then president of the ILA, had the idea to identify a primary charity partner to which the organization could consolidate its giving through the ILA Children's Fund. With the help of Camber Communications, they found Camp, and thought it was a wonderful charity.

"Camp was only four years old then, so we had a great opportunity to really make a difference," said Jim McNamara, director of public relations for the ILA. "Being able to help a camp for seriously ill children immediately appealed to all of us."

That first year, they raised \$100,000. The following year, the organizations began hosting an annual golf tournament. They have since raised nearly \$4 million in support of Hole in the Wall's year-round programs. It's a relationship that has spanned three different organizational presidents and many changes in officers.

"Initially, we had no idea this partnership would last a quarter of a century," Jim said. "But Camp is magic, and it's the easy and natural thing for us to continue to be involved. From the outset, all the officers and members up and down the coast immediately fell in love with Camp. When you meet the campers and families each year, it would be impossible not to."

Harold Daggett, current president of the ILA, has also become a huge advocate for Camp, bringing the partnership to a new level and working tirelessly to increase donations.

"Hole in the Wall is incredibly fortunate to have had such stalwart friends in the ILA/USMX," said Jimmy Canton, CEO for Camp. "We are humbled by the generosity extended at all levels of both organizations and championed by the outstanding advocacy of Harold Daggett at the ILA and David Adam at USMX."

To learn more about becoming a FUN raiser for Camp, visit www.holeinthewallgang.org/FUN-raiser, or contact Andrea Keefe, manager, peer-to-peer programs at andrea.keefe@holeinthewallgang.org or (203) 772-0522.



CCC SERVICE CORPORATION

2018 CCCSC UPDATE

CCC Service Corp. (CCCSC) is a division of USMX and is responsible for providing essential services, such as member assessments reporting, service agreements, managed services and information technology services, for USMX and its various Master Contract trust funds

Member Assessments Reporting: CCCSC is responsible for the administration of the reporting and payment of Master Contract assessments by USMX's members

- CCCSC, in conjunction with the Container Royalty Central Collection Fund (CRCCF), has successfully transitioned all major carriers over to CRCCF's central collection reporting system
 - ♦ Currently, receivables achieved by the centralized collection process stand at a very respectable 33 days

Service Agreements: CCCSC has established Service Agreements with the following organizations/trust funds/programs

- Management-ILA Managed Healthcare (MILA) Trust Fund
- Carrier-ILA Container Freight Station (CFS) Trust Fund
- Carrier-ILA Container Royalty (CR4) Trust Fund
- Carrier-ILA Container Royalty 5 (CR5) Trust Fund
- Container Royalty Central Collection Fund (CRCCF)
- Shipping Industry Mutual Assurance Association Limited (SIMAS)
- New York Shipping Association Port of Discovery (NYSAPOD) Program

Managed Services Provider: CCCSC provides payroll, general accounting and financial reporting services for itself, USMX, CRCCF, CFS, CR5 and CRF, along with IT administration for itself, USMX and CRCCF

- In 2018, the IT group developed, tested and deployed three (3) major release updates for the CRCCF application
- The IT group also developed additional monthly and quarterly tonnage reports to assist in reporting and monitoring growth by port and carrier
- As of December 31, 2018, all USMX member terminals on the East and Gulf Coasts of the United States have completed the NYSAPOD redistribution project

Notable Accomplishments: CCCSC has maintained long-term success with regard to headcount productivity and financial management:

- Headcount productivity continues to increase
 - ♦ There has been staff reduction of two over the last eight years, with tonnage increasing 46% over the same time period
- USMX/CCCSC financial results continue to meet or exceed budget guidelines by nearly 15%, while maintaining the USMX operational assessment at \$.04 per ton since 1/1/16



The Staff of CCCSC are front row, left to right:
Kelly Ryan, Emma Roginskaya, Diane Trapp; and back row, left to right:
Andrew Heo, Nigel Jenkins, Joseph Marino, Anthony Dalonges, Daniel Melvin, Richard Glogowski;
Not pictured: Naum Samardin

Personnel

- On Jan. 1, 2018, Mary Ann Decha, Executive Assistant, retired from CCCSC after 21.5 years of service in the maritime industry
- Eva Bata, Manager of Payroll/Accounts Receivable, will retire from CCCSC on Feb. 1, 2019, after 39 years of service in the maritime industry
- Daniel Melvin, Manager of Assessment Reporting & Collection, will leave CCCSC on Mar. 31, 2019, to serve as a full-time pastor at his church
- We wish all three the best of luck in their future endeavors



CCCSC Retirees:
Mary Ann Decha (left) and Eva Bata

USMX OFFICERS & STAFF



Thomas J. Simmers
Executive Vice President



David F. Adam
Chairman & Chief Executive Officer



Anissa Frucci
Vice President



F. Paul De Maria
Vice President, Labor Relations



Thomas P. Sullivan
Director, Labor Relations



Beth Monica
Corp. Secretary/Director, Communications



Anthony J. Dalonges
Corp. Treasurer/CCCSC President



Kim F. Perez
Executive Assistant



Roberta L. Beasley
South Atlantic District Contract Administrator



Candace Love
South Atlantic District Secretary

ACKNOWLEDGMENTS

THANK YOU FROM USMX

We would like to express our sincere appreciation for the editorial and photo contributions to the 2018 USMX Annual Report made by:

- The Board of Directors, Staff and Counsel of USMX
- Our USMX Carrier, Direct Employer and Port Association Members, and the Ports Authorities of the U.S. East & Gulf Coasts
 - ◆ MASSPORT
 - ◆ Port Authority of NY/NJ
 - ◆ PhilaPort
 - ◆ Maryland Port Authority
 - ◆ Port of Virginia
 - ◆ South Carolina Ports Authority
 - ◆ Georgia Ports Authority
 - ◆ JAXPORT
 - ◆ Ports of Southeast FL: PortMiami, Port Everglades and Port Canaveral
 - ◆ New Orleans Port Authority
 - ◆ The Port of Houston Authority

ADDITIONAL PHOTOS & GRAPHICS

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ABOUT THE 2018 USMX ANNUAL REPORT

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USMX BARGAINING COMMITTEE

USMX Bargaining Committee members pictured on September 25, 2018 are (left to right): Thomas Simmers, Frank Grossi, Paul De Maria, Roy Amalfitano, John Walsh, Anthony Dalonges, Thomas Sullivan, Anissa Frucci, David Adam, John Nardi, James Gray and Anthony Ray.

Bargaining Committee members not pictured are: Ian Cairns, Richard Carthas, David Daly, Thomas Engel, Albert Gebhardt, Roger Giesinger, Daniel Hall, Christopher Parvin and James Pelliccio.

USMX Counsel Donato Caruso, Esq., and William Spelman, Esq., are not pictured.

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