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May 26, 2014

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Captain Mike Armstrong  
Canadian Merchant Service Guild  
218 Blue Mountain Street, Suite 310  
Coquitlam, BC  
V3K 4H2

Dear Mike:

As you are aware, our attempts to negotiate a new collective agreement between the parties have to date been unsuccessful. The statutory freeze on the terms and conditions of employment of your members expired on March 28, 2014.

Over the course of bargaining, we have reviewed with you extensively the business imperatives which underlie our proposals. Given the lack of progress in our negotiations for a new collective agreement, we can no longer wait to implement the terms and conditions of employment we consider necessary to place Seaspan on a competitive and sound footing.

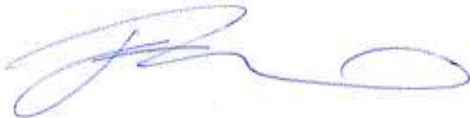
Accordingly, please accept this letter as formal notice of our intent to unilaterally implement the terms and conditions of employment set out in our most recent bargaining proposals. Enclosed for your reference is an Outline of Changes and a copy of the new Collective Agreement. Over the course of the next three months, we will proceed to implement the terms and conditions of employment set out in this collective agreement in accordance with the following schedule:

June 9, 2014	All terms and conditions shown in the Outline of Changes with the exception of the following:	
July 21, 2014	changes to...	Pension Plan contributions Statutory Holiday compensation Leave factors Wage Rates (retroactive to October 1, 2013) Payment for Excessive Hours Flat rate payments
September 1, 2014	changes to...	Benefit Plan contributions

Prior to executing the attached schedule, we would like to extend an invitation to you to discuss this matter with Seaspan directly. We will not issue any communications to employees regarding these changes until May 30, 2014 in order to provide you a reasonable opportunity to consider and respond to the above.

Should you wish to meet, please contact me as soon as possible.

Yours truly,



Lisa Bumbaco  
Vice President, Human Resources

cc: John Rooney, Conciliation Officer/Mediator, Human Resources and Skills  
Development Canada  
Jonathan Whitworth, CEO, Seaspan ULC