

# Yarmouth Ferry Key Facts

**November 12, 2013**

The province and STM Quest Inc. have finalized and signed a financial agreement to start and operate the new Yarmouth to Maine cruise ferry service.

STM Quest is a joint venture between Singapore Technologies (ST) Marine Ltd. and Quest Navigation, Inc. The cruise ferry service will operate under the brand name Nova Star Cruises and provide daily round-trip service within 24 hours, from May 1 to November 2 next year.

Some amendments have been made to the letter of offer, including:

- Clarifying language and adding more detail to provide clearer definition in some sections, including how the province will disburse funding to the company during the start-up phase and the terms of the deferral of senior management salaries in years during the start-up phase and when the service has operating losses, and reflect the progress made to date on some items;
- Revising deadlines for the conditions the company must meet;
- Clarifying how and when ST Marine will provide its \$3 million contribution—it will be made after the province provides its \$21 million; and
- Adding the ability of the province to audit the ferry service's accounting records, improving accountability.

To date, the company has met some of the province's conditions, including:

- Provided evidence that the vessel, the Nova Star, can navigate and turn in Yarmouth harbour;
- Delivered a detailed marketing plan for the new ferry service; and
- Provided evidence that the company has an agreement for the operation of the ferry service with a third party, International Shipping Partners (ISP) Inc.



Additional examples of terms and conditions the company must meet for the province's financial assistance and to earn forgiveness for this loan include:

- Operating the service on the agreed upon sailing schedule;
- Finalizing a joint venture agreement between ST Marine and Quest Navigation;
- Acquiring all licences and permits required to operate a ferry service;
- Providing evidence of an operating line of credit and agreement with the State of Maine for a guarantee;
- Providing evidence that arrangements for border services in both ports have been made; and
- Providing evidence that berthing agreements with the port authorities in Yarmouth and Portland are in place.

The Nova Star will depart Yarmouth daily at 9 a.m. and arrive in Portland at 5 p.m., local time. The return trip will leave Portland at 8 p.m. and arrive in Yarmouth at 7 a.m., local time.

Other key elements and work required by other partners, including STM Quest, and other levels of government in Canada and in Maine, to support a Spring 2014 start-up include:

- border services in both ports;
- upgrades to the Yarmouth ferry terminal;
- berthing agreements with the two port authorities;
- all licences and permits required to operate a ferry service;
- marketing of the new service.