SIU PACIFIC DISTRICT PENSION PLAN

SUMMARY PLAN DESCRIPTION

Restated July 2017

Table of Contents

SIU PACIFIC DISTRICT PENSION PLAN

INTRODUCTION

We are pleased to provide you with this summary of the provisions of the SIU Pacific District Pension Plan (the "Plan"). This booklet describes the Plan as specified by the Fourth Amended SIU Pacific District Pension Plan Agreement, effective January 1, 2015, through its second amendment, effective January 1, 2016.

This booklet is intended to be a summary of the most important features of the SIU Pacific District Pension Plan for those Participants eligible to receive benefits under the Plan starting on or after July 1, 2015. The material presented should acquaint you with the benefits to which you may be entitled and with the conditions you must satisfy to qualify for these benefits. The benefits provided by the Plan are in addition to any benefits which you may receive from Social Security.

If you would like to view a more detailed explanation of the provisions, please consult the plan document which sets forth the complete terms of the Plan. In the event of any discrepancy between this summary plan description and the plan document, the plan document will govern.

The Plan is amended from time to time to comply with amendments to the Employee Retirement Income Security Act of 1974 (referred to as ERISA) and the Internal Revenue Code. It is also amended when the collective bargaining parties negotiate changes to the terms of the Plan. The parties responsible for negotiating these changes are the Union and the Employer Parties. The Union is the Seafarers' International Union of North America, Pacific District, comprising the Sailors' Union of the Pacific, the Marine Firemen's Union and the Seafarers' International Union of North America, Atlantic, Gulf, Lakes and Inland Waters, and the Employer Parties are APL Marine Services, Ltd., and Matson Navigation Co., Inc.

We urge you to read this booklet carefully and refer to it again when you are ready to retire. Before you retire, be sure to check with the Plan Office to determine if there have been any subsequent amendments to the provisions of the Plan. If you have any questions or changes in personal information such as address, please contact the Plan Office.

Only the Board of Trustees is authorized to interpret the benefits described in this booklet. No union or employer, nor any representative of any union or employer, is authorized to interpret the Plan on behalf of the Board. Nor can such a person act as agent of the Board of Trustees.

Sincerely,

BOARD OF TRUSTEES

PARTICIPATION

You are eligible to become a **Participant** and earn credit toward a pension benefit once you complete 125 Days of Service within a 12 calendar month period following either your first day of Covered Employment or an anniversary of your first day of Covered Employment. Once you become eligible, your participation will be deemed to have begun on the first day of the first month of the period during which you accumulated the required 125 Days of Service. You are not eligible to become a Participant in this Plan if you do not have at least one day of Covered Employment after December 31, 1975.

In general, a Day of Service is any day for which you are paid or entitled to payment by a Contributing Employer for your Covered Employment or for certain types of contiguous noncovered employment.

Covered Employment includes time worked for past and present Contributing Employers (please see page 23 for a list of the current Contributing Employers) in a capacity for which that employer is required to make a contribution to the Plan at the rate established for that employer. In addition, Covered Employment may include non-working periods such as:

a) Paid Vacation;

b) Under certain circumstances, up to three qualifying years of time spent absent from work due to illnesses or injuries which disable you for at least 90 continuous days. You will be credited with one day of Covered Employment for each day of continuous disability absence up to a maximum of 200 days per year (600 days maximum) provided:

   a. The illness began within 180 days of your most recent day of Covered Employment; or
   b. The injury occurred in the course of (and arose out of) Covered Employment.

   Periods of disability absence between your last day of active Covered Employment and your retirement date will not be counted as days of Covered Employment under this provision.

c) Certain military service which interrupted your work in the West Coast maritime industry;

d) Time spent as a civilian prisoner of war of a foreign nation;

e) Time spent under the SIU Pacific District Supplemental Benefits Plan (formerly known as the SIU Pacific District – PMA Supplemental Benefits Plan) before June 16, 1972;

f) Certain time spent as a nurse prior to 1974 or as a beautician prior to 1965.

Contiguous Noncovered Employment is employment with a Contributing Employer or an affiliated employer in other than Covered Employment if the noncovered employment precedes or follows Covered Employment with the same Contributing Employer or an affiliated employer, and no quit, discharge or retirement occurs between such Covered Employment and the noncovered employment

If you have any question as to whether specific employment is considered Covered Employment or contiquous noncovered employment, please contact the Plan Office.

SERVICE UNDER OTHER PLANS

When determining your service eligibility for all pensions under this Plan other than the Deferred Vested Pension, you may also be able to include time worked under other plans, such as the Seafarer's Pension Plan, the Chevron-SUP Marine Pension Plan, ExxonMobil and the San Francisco Bar Pilots. If you have service with any of these plans please review the following page and consult the Plan Office for details regarding the use of such service for purposes of determining benefits under this Plan.

RECIPROCITY WITH SEAFARERS' PENSION PLAN

The SIU Pacific District Pension Plan has a Reciprocity Agreement with the Seafarers Pension Plan which allows employment under each plan to be combined to qualify for partial benefits from both this Plan and from the Seafarers Pension Plan.

If you would qualify for a benefit from the plan under which you primarily sailed during the period prior to June 16, 1978, then you are entitled to retire and receive a benefit from each plan under the Reciprocity Agreement, as follows:

Your covered employment under both plans generally will be combined to determine your eligibility for benefits under both plans. However, covered employment before January 1, 1979 shall be taken into account only if you have not lost such covered employment by reason of the break-in-service rules of the plan covering such employment.

- Your benefit from the SIU Pacific District Pension Plan is determined in two steps. First, we calculate the benefit amount you would qualify for under the SIU Pacific District Pension Plan based on your combined employment under both plans. Second, we multiply that amount by a fraction, the numerator of which is your Qualifying Time accumulated under the SIU Pacific District Pension Plan and the denominator of which is the total Qualifying Time this Plan requires to obtain the benefit. Payment of such benefit shall be contingent only upon your attainment of the required age contained in the SIU Pacific District Pension Plan and your satisfying the retirement from employment rules of that Plan.

- Your benefit from the Seafarers Pension Plan is also determined in two steps: First, that Plan calculates the benefit amount you would qualify for under the Seafarers Pension Plan based on your combined employment under both Plans. Second, they multiply that amount by a fraction, the numerator of which is your covered employment under that plan and the denominator of which is the total service required for the applicable benefit under the Seafarers Pension Plan. Payment of such benefit shall be contingent only upon your attainment of the required age contained in the Seafarers Pension Plan and your satisfying the retirement from employment rules of that Plan.

- If you are fully qualified under either plan for a benefit under that plan without regard to the Reciprocity Agreement, that plan will pay you that benefit subject to a reduction, if appropriate, as calculated under the Reciprocity Agreement, to ensure that the sum of benefits payable pursuant to the Reciprocity Agreement by both plans is no greater than the highest benefit you would be entitled to under either of the two plans, presuming your service under both plans was combined to determine your pension benefit under each plan.

In addition, the following limitations apply:

1. Covered employment shall not be combined pursuant to the terms of the Reciprocity Agreement for purposes of qualification for a deferred vested pension under either plan or for purposes of satisfying the requirements for participation under either plan.
2. In determining whether you have sufficient service under the Seafarers Pension Plan, any break-in-service resulting because of employment for which an employer is obligated to make a contribution to the other plan shall be disregarded.
3. In order to qualify for a disability pension under both plans pursuant to the Reciprocity Agreement, you will be required to meet each plan's requirements for determining the existence of such disability.
4. If you are seeking to utilize the Reciprocity Agreement to qualify for the pension increments and supplement provided by the Seafarers Pension Plan, you must satisfy all of the terms of such plan for the receipt of those benefits.

If you have any questions about the Reciprocity Agreement and how your benefits may be affected, you should contact the Plan Office.

INTEGRATION AGREEMENTS

The SIU Pacific District Pension Plan has Integration Agreements with the Chevron-SUP Marine Pension Plan, ExxonMobil and the San Francisco Bar Pilots.

This Plan recognizes service under these plans as an unlicensed seaman represented by the Sailors Union of the Pacific or an affiliated union for the purpose of meeting the Qualifying Time requirements as described in greater detail below) for the Basic Pension, Long-Term Pension, Reduced Pension or Disability Pension. You will be eligible for a prorated benefit based on the ratio of the Qualifying Time under this Plan and the Qualifying Time under one of the other Plans. Here is an example of how integration of the benefits works. It assumes (1) the Employee is age 60 (2) has accumulated 25 years of Qualifying Time and (3) is entitled to receive the current maximum monthly benefit of$ $2,075.

	Qualifying Years	**Amount per Qualifying Year ($2,075/32.0 Years)**	**Benefit Amount Summary**
SIU Pacific District Pension Plan	23.0	$64.84375	$1,491.40625
Other Plan	9.0	$64.84375	$583.59375
Total	32.0		$2,075.00

In no event does the SIU Pacific District Pension Plan integrate with any of the other plans for vesting or Deferred Vested Benefit purposes. Contact the Plan Office if you have any questions or need further information.

PENSION BENEFITS

The SIU Pacific District Pension Plan provides two types of pensions:

DEFERRED VESTED PENSIONS COMMENCING AT NORMAL RETIREMENT AGE
and

PENSIONS WHICH VEST AT RETIREMENT

Your eligibility to receive a particular pension is based on your age and service at the time of your retirement. If you qualify for more than one pension, you are entitled to receive only the one that is the largest. Once you accept one particular type of pension, you waive the right to ever receive any other type of pension from this Plan. The limitations prescribed by Sections 401(a)(17) and 415(b) of the Internal Revenue Code with respect to annual compensation and annual pension benefits, respectively, may limit the amount of your benefit, as required by law.

The SIU Pacific District Plan also provides a **SURVIVING SPOUSE PENSION,** whether or not you had started receiving a pension before your death**.** The specific eligibility requirements are described in detail later.

DEFERRED VESTED PENSION COMMENCING AT NORMAL RETIREMENT AGE

If you do not qualify for any of the pension which vest at retirement, as described in the next section, but satisfy the vesting conditions described below, you will be eligible to receive a Deferred Vested Pension at your Normal Retirement Age.

If you retire on or after July 1, 2015, the monthly amount of your Deferred Vested Pension is determined by multiplying your total Vested Pension Credits (including any fractional Vested Pension Credit) by your Vested Benefit Factor shown in the table below.

You will earn one **Vested Pension Credit** for each calendar year you have at least 200 days of Covered Employment. **If you have at least 125 days of Covered Employment but less than 200 in a calendar year, you will receive a pro-rata share of credit for that year**. Your Vested Pension Credit total used to determine your benefit amount cannot be more than 33 1/3 credits.

Your **Vested Benefit Factor** is determined from the following table according to when you earn your most recent **Benefit Accrual Year**.

If your most recent Benefit Accrual Year occurs during the following period:	Your Vested Benefit Factor is:
after December 31, 2014	$62.25
January 1, 2014 –December 31, 2014	$60.00
January 1, 2013 – December 31, 2013	$58.50
January 1, 2011 – December 31, 2012	$51.00
January 1, 2010 – December 31, 2010	$49.38
January 1, 2008 – December 31, 2009	$46.38
January 1, 2007 – December 31, 2007	$37.38
January 1, 2006 – December 31, 2006	$36.33
January 1, 2005 – December 31, 2005	$32.73
January 1, 2002 – December 31, 2004	$30.60
January 1, 1999 – December 31, 2001	$29.10
January 1, 1998 – December 31, 1998	$23.40
January 1, 1997 – December 31, 1997	$20.10
January 1, 1996 – December 31, 1996	$19.50
January 1, 1993 – December 31, 1995	$18.00
January 1, 1990 – December 31, 1992	$15.00
January 1, 1987 – December 31, 1989	$12.00
January 1, 1984 – December 31, 1986	$10.50
January 1, 1976 – December 31, 1983	$9.00
Before January 1, 1976	$4.50

Your Deferred Vested Pension will begin when you retire after reaching Normal Retirement Age (as defined below).

Benefit Accrual Year: You earn a Benefit Accrual Year for any calendar year in which you complete 125 days or more of Covered Employment. Any Benefit Accrual Years you complete before you have a Service Break are disregarded in calculating the amount of your Deferred Vested Pension.

VESTING CONDITIONS

You satisfy the vesting conditions for a Deferred Vested Pension when you have accumulated either:

(a) five Aggregate Years of Vesting Service, provided you have worked at least one Day of Service after July 31, 1999; or

(b) ten Aggregate Years of Vesting Service if you have not worked at least one Day of Service after July 31, 1999.

Please note: If you had more than five but less than ten Aggregate Years of Vesting Service before July 31, 1999 and also, following your most recent year of vesting service, had one or more calendar years with sixty-two or fewer Days of Service before January 1, 1999, you would need to have earned one Year of Vesting Service after 1998 (before incurring a Service Break, as defined below) in order to be vested under the five-year vesting rule.

A Year of Vesting Service is a calendar year in which you have at least 125 Days of Service.

A Day of Service (as defined in the Participation section of this Summary Plan Description) generally includes any day for which you were paid or entitled to be paid by a Contributing Employer for work in Covered Employment or contiguous noncovered employment. You may also receive credit for Days of Service if you were absent because of pregnancy, the birth of your child, or certain time spent in connection with the adoption of a child. To receive credit for these types of absences, you must apply to the Plan Office within ninety days after the absence begins.

LOSS OF VESTED PENSION CREDITS. Once you satisfy the vesting conditions for a Deferred Vested Pension, you cannot lose your accumulated Vested Pension Credits. However, if you are absent from Covered Employment before you meet those conditions and have a Service Break (described below), you lose all of your accumulated Vested Pension Credits. Note that the rules for when you can lose your Years of Qualifying Time are different, as described starting on page 9. Just because you have met the vesting conditions for a Deferred Vested Pension does not mean you necessarily are protected from loss of your Years of Qualifying Time if you are absent from Covered Employment.

Service Break.

You experience a Service Break for purposes of the Deferred Vested Pension when you have at least five consecutive calendar years with sixty-two or fewer Days of Service. If you return to Covered Employment after a Service Break, your Aggregate Years of Vesting Service cannot include any years lost because of that or any prior Service Break.

The Plan protects you from a Service Break if you are absent from Covered Employment during a calendar year for one of the following reasons:

1) You are on a leave of absence granted jointly by your Union and your Contributing Employer.
2) You are unable to work in Covered Employment because of illness or injury, provided that all your periods of absence for these reasons do not add up to more than 5 years total.
3) You are working for a Pacific District Union as an officer or employee.
4) You work at least one day during the calendar year as an unlicensed seaman for the San Francisco Bar Pilots.

5) The calendar year is before 1997 and you worked at least one day during that year as an unlicensed seaman for Chevron in a capacity not covered by the Chevron-SUP Marine Pension Plan. This rule only applies if you maintained seniority shipping rights under the Collective Bargaining Agreement continuously from your last day of Covered Employment under this Plan before your Chevron service through your return to Covered Employment after your Chevron service and your return to Covered Employment was before 1997.
6) You are temporarily employed as a Licensed Officer on an American flag vessel in employment of a type that the Board of Trustees determines would provide pension credits under a pension plan maintained by a Contributing Employer either directly, or through a reciprocal agreement.

You will not have a Service Break once you satisfy the vesting conditions for a Deferred Vested Pension.

NORMAL RETIREMENT AGE

Your Normal Retirement Age under the Plan is age 65, provided you have completed the vesting conditions for the Deferred Vested Pension described above. If upon attaining age 65 you have not satisfied those conditions, your Normal Retirement Age is the 5^{th} anniversary of your initial Participation date, provided you have not had a Service Break.

If you work past your Normal Retirement Age or commence your pension after your Normal Retirement Age, any benefits payable to you shall be no less than the actuarial equivalent of the Deferred Vested Pension to which you would have been entitled at your Normal Retirement Age.

In any case, unless you retire earlier, your benefit must begin by April 1 of the year after you reach age 70-1/2, or if later, the January 1st following the first calendar year in which you complete less than 62 days of Qualifying Time.

PENSIONS WHICH VEST AT RETIREMENT

There are **<u>four types of pensions</u>** you may be eligible to receive which vest at retirement. Eligibility to receive any of these pensions is based on the **Years of Qualifying Time** you have accumulated within a specified **Qualification Period** as of your retirement date.

Basic Pension
Long-Term Pension
Reduced Pension
Disability Pension

Qualification Period: Eligibility for each pension is based upon earning the required number of Years of Qualifying Time within a certain specified number of calendar years called a **Qualification Period**. As described in more detail below, each type of pension has a different Qualification Period The Qualification Period may end with the year in which you retire or with the previous year. The Qualification Period may be extended for a substantial absence due to illness or injury, or for service as an employee of one of the Pacific District Unions. The Qualification Period may also be extended for certain employment as an unlicensed seaman in employment other than Covered Employment. Questions about extensions of the Qualification Period should be addressed to the Plan Office.

A **Year of Qualifying Time** is granted for each calendar year within your **Qualification Period** in which you have at least 200 days of Covered Employment. If you have less than 200 days of Covered Employment during a calendar year, you will receive a pro-rata share of a Year of Qualifying Time. No credit will be earned for Covered Employment in excess of 200 days in any calendar year.

You will be given no Qualifying Time credit for:

(a) Any days of Covered Employment before June 15, 1965 if you did not have seniority shipping rights on that date. You are treated as if you had seniority shipping rights on June 15, 1965 if you were working in Covered Employment on that day or were eligible for registration or employment on a seniority basis on that day at any SIU Pacific District Hiring Hall.

(b) Any days of Covered Employment based on disability absence unless during the applicable Qualification Period you have accumulated 10 Years of Qualifying Time based on Covered Employment with a Contributing Employer and certain other types of Covered Employment recognized by the Plan.

Loss of Qualifying Time

You can lose your accumulated Years of Qualifying Time credit if:

a) you fail to work at least one day in Covered Employment or in a non-covered standby employment for a Contributing Employer in any two-calendar-year period after having attained seniority shipping rights; or

b) you fail to maintain seniority shipping rights under the provisions of the Collective Bargaining Agreement.

The Plan protects you from a loss of Qualifying Time if you are absent from Covered Employment during a calendar year for one of the following reasons:

1) You are on a leave of absence granted jointly by your Union and your Contributing Employer.
2) You are unable to work in Covered Employment because of illness or injury, provided that all your periods of absence for these reasons do not add up to more than 5 years total.
3) You are working for a Pacific District Union as an officer or employee.
4) You work at least one day during the calendar year as an unlicensed seaman for the San Francisco Bar Pilots.
5) The calendar year is before 1997 and you worked at least one day during that year as an unlicensed seaman for Chevron in a capacity not covered by the Chevron-SUP Marine Pension Plan. This rule only applies if you maintained seniority shipping rights under the Collective Bargaining Agreement continuously from your last day of Covered Employment under this Plan before your Chevron service through your return to Covered Employment after your Chevron service and your return to Covered Employment was before 1997.
6) You are temporarily employed as a Licensed Officer on an American flag vessel in employment of a type that the Board of Trustees determines would provide pension credits under a pension plan maintained by a Contributing Employer either directly, or through a reciprocal agreement.
7) The calendar year includes any period after June 15, 1978 in which you would have been eligible for a Basic Pension or a Long-Term Pension had you chosen to retire.

Once you fulfill all of the eligibility requirements for a Long Term or Basic Pension, you cannot lose your accumulated Years of Qualifying Time.

The benefit amounts shown for the following pensions apply to retirements occurring on or after July 1, 2015 and are based on the provisions of the Plan as of that date. Before you decide to retire, you should contact the Plan Office to receive the most up-to-date benefit information about the benefits you could receive if you retire.

BASIC PENSION

A Basic Pension is available to you if you retire at age 55 or later and have accumulated at least 20 Years of Qualifying Time within a Qualification Period of 30 calendar years, including any extension period, if applicable. If you have Qualifying Time before such Qualification Period in calendar years after 1947, such Qualifying Time shall be included for purposes of this determination, unless you lost such Qualifying Time (as described in the "Loss of Qualifying Time" section, above).

If you do not qualify for a Long-Term Pension but satisfy the conditions for a Basic Pension and retire on or after July 1, 2015, the amount of your monthly Basic Pension is:

(a) $1,660.00 if you retire on or after age 60

(b) $1,495.22 if you retire on or after age 55 but prior to age 60

LONG-TERM PENSION

A Long-Term Pension is available to you if you retire at age 55 or later and have accumulated at least 25 Years of Qualifying Time within a Qualification Period of 35 calendar years, including any extension period, if applicable. If you have Qualifying Time before such Qualification Period in calendar years after 1947, such Qualifying Time shall be included for purposes of this determination, unless you lost such Qualifying Time (as described in the "Loss of Qualifying Time" section, above).

If you retire on or after July 1, 2015, the amount of your monthly Long Term Pension is:

(c) $2,075.00 if you retire on or after age 60

(d) $1,733.23 if you retire on or after age 55 but prior to age 60

REDUCED PENSION

A Reduced Pension is available to you if you retire on or after age 65 with at least 15 Years of Qualifying Time within a Qualification Period of 30 calendar years, including any extension period if applicable, and do not qualify for a Basic Pension or a Long-Term Pension.[Comment: This applies to all four pensions and is already discussed above]

If you accumulated at least 15 Years of Qualifying Time between 1949 and 1978 inclusive, you may be eligible to retire as early as age 62.

If you do not qualify for a Long-Term Pension or Basic Pension but satisfy the conditions for a Reduced Pension and retire on or after July 1, 2015, the amount of your monthly Reduced Pension benefit will correspond to the number of Years of Qualifying Time you have according to the following table:

Years of Qualifying Time	Reduced Pension Monthly Benefit
15	$933.75
16	$996.00
17	$1,058.25
18	$1,120.50
19	$1,182.75

DISABILITY PENSION

A Disability Pension is available to you in the amount specified in the table below if you become permanently and totally disabled to perform full sea duty (as defined below) due in whole or in part to injury or illness and have accumulated the corresponding number of Years of Qualifying Time (at least ten of which must be based on active employment or eligible military service) within a Qualification Period of 25 calendar years (30 years if you have 25 or more Years of Qualifying Time), including any extension period, if applicable. You cannot qualify for a Disability Pension if your injury or illness is a workers' compensation type injury or illness which occurs while you are in non-covered employment.

You will be considered to be permanently and totally disabled for full sea duty only if the disability prevents you from engaging in employment under the Collective Bargaining Agreement in a classification for which you are otherwise eligible to work. The disability shall be determined by medical examination conducted by the SIU PD Seafarers' Medical Center. If you disagree with the results, you may at your own option, be examined by the HMO or other health plan you are covered under through the provisions of the welfare plan provided through your employment for a Contributing Employer. Those findings shall be final and binding.

If you satisfy the conditions for a Disability Pension and also meet the age and service eligibility requirements for a Long-Term, Basic or Reduced Pension, the amount of your monthly Disability Pension benefit will be equal to the monthly pension benefit payable under the Long-Term, Basic or Reduced Pension for which you qualify.

For Disability Pensions that take effect on or after July 1, 2015, the amount of your monthly benefit is shown below. You are also eligible to receive a monthly amount of $25.00 for each child under the age of 18.

If you have qualified for or currently are receiving Social Security Disability Benefits at the time of your retirement, you will become eligible for the following monthly Disability Pension payments:

Years of Qualifying Time	Age at Retirement	Monthly Benefit With a Social Security Award
10-14	Any age	$125.00
15-19	Any age	$218.75
20-24	Any age	$1,660.00
25+	Any age	$2,075.00

Without a Social Security Disability Award, your monthly Disability Pension payment will be as follows:

Years of Qualifying Time	Age at Retirement	Monthly Benefit
10-14	Any age	$125.00
15-19	Any age	$187.50
20-24	Under age 55	$250.00
20-24	Ages 55-59	$1,495.22
20-24	Age 60 or older	$1,660.00
25+	Under age 55	$300.00
25+	Ages 55-59	$1,733.23
25+	Age 60 or older	$2,075.00

If you have any questions about whether or not you qualify for a Disability Pension (or the amount of your Disability Pension), please contact the Plan Office.

FORMS OF BENEFIT PAYMENT

All benefits paid from the Plan are in the form of a monthly life annuity. If your monthly benefit from the Plan is less than $10 per month, you may choose to have your benefits paid on an annual basis instead.

SINGLE PARTICIPANTS (Single Life Annuity)

If you are not married at the time of your retirement, your benefit will be paid in the form of a single life annuity. You will receive monthly payments for the duration of your life. There are no other payment forms available for single participants.

BENEFITS FOR YOU AND YOUR SPOUSE

You shall be considered married only if a party to a legal marriage evidenced by a marriage license and certificate issued in accordance with the laws of the state or other jurisdiction where the marriage took place.

PENSIONER AND SPOUSE PENSIONS
(Regular Pensioner and Spouse or Optional Pensioner and Spouse)

If you are married at the time of your retirement and otherwise eligible, you will receive your pension benefit in the form of a REGULAR PENSIONER AND SPOUSE PENSION unless both you and your spouse sign a written waiver of that form of benefit.

In order to waive this form of benefit, you must reject the Regular Pensioner and Spouse Pension within the 180-day period prior to your retirement date and you must receive spousal consent. The spousal consent must be filed with the Plan Office and be witnessed by a Plan representative or notarized. Once given, spousal consent cannot be revoked. If you and your spouse waive the Regular Pensioner and Spouse Pension, then you may elect in lieu of the Regular Pensioner and Spouse Pension either the Single Life Annuity or the Optional Pensioner and Spouse Pension.

The monthly amount of your benefit under a Regular or Optional Pensioner and Spouse Pension is reduced based on the age of you and your spouse at the time of retirement. Please refer to the percentages shown in the attached Appendix.

Regular Pensioner and Spouse Pension The Regular Pensioner and Spouse Pension is a monthly annuity that begins with your retirement and will be paid through your lifetime and your spouse's lifetime after your death. If your spouse survives you, monthly payments will be made to your spouse for the rest of his or her life in the amount of **<u>50% of the monthly benefit you were receiving prior to your death</u>**. If your spouse survives you, the survivor portion will not be paid unless you and your spouse were legally married to each other at the time of your retirement and if you die within one year of retirement, you and your spouse must have been married to each other for the entire one year period before your death.

The chart below includes examples of employee and spousal benefit amounts under the Regular Pensioner and Spouse Pension:

Employee Age	Spouse Age	Employee Benefit	Spouse Benefit (Upon Employee's Death)
65	50	$1,532.18	$766.09
67	60	$1,618.50	$809.25
70	65	$1,623.48	$811.74

Optional Pensioner and Spouse Pension The Optional Pensioner and Spouse Pension is a monthly annuity that begins with your retirement and will be paid throughout your lifetime and your spouse's lifetime after you die. If your spouse survives you, monthly payments will be made to your spouse for the rest of his or her life in the amount of **75% of the monthly benefit you were receiving prior to your death**. If your spouse survives you, the survivor portion will not be paid unless you and your spouse were legally married to each other at the time of your retirement and if you die within one year of retirement, you and your spouse must have been married to each other for the entire one year period before your death.

The chart below includes examples of employee and spousal benefit amounts under the Optional Pensioner and Spouse Pension:

Employee Age	Spouse Age	Employee Benefit	Spouse Benefit (Upon Employee's Death)
65	50	$1,355.18	$1,016.34
67	60	$1,458.10	$1,093.53
70	65	$1,464.12	$1,098.09

You may elect the Optional Pensioner and Spouse Pension at any time within the 180-day period prior to your retirement date and you must receive spousal consent. In order for the Optional Pensioner and Spouse option to become effective, you and your spouse must complete the proper forms rejecting the Regular Pensioner and Spouse Pension.

Special Five-Year Benefit Pop Up Provision

If you elected either the Regular Pensioner and Spouse Pension or Optional Pensioner and Spouse Pension, and your spouse dies before you and within five years of your benefit commencement date, your benefit will pop up to the monthly amount you would have received if you had elected a single life annuity. This increased payment will be payable from the first month after your spouse's death and for the duration of your life. If your spouse predeceases you but the death occurs after five years from the date your benefit commenced, your benefit will not pop up but will remain payable in the same amount as before for the duration of your life.

BENEFITS FOR YOUR SPOUSE ONLY

Survivor Annuity

If you are married and you die before you begin receiving any pension benefits from the Plan, your spouse will be eligible to receive a survivor annuity provided you were legally married for the entire one year period before your death. Your spouse will be eligible to receive this benefit if, at the time of your death, you could have retired and received an immediate benefit from the Plan, or, without further service, you would have received a pension upon reaching retirement age.

The amount of the survivor annuity will be the amount that would have been paid to your spouse after your death had you retired and elected a Regular Pensioner and Spouse Pension. If you could have retired and received a benefit from the Plan on the day before you died, your spouse's survivor annuity will begin the month following your death.

If at the time of your death you were eligible for a Deferred Vested Pension payable at Normal Retirement Age, your spouse's benefit will begin the month after you would have reached Normal Retirement Age.

Qualified Domestic Relations Orders

If the Trustees receive a court order or court approved marital settlement agreement that seeks to award a portion of your pension benefits to a current spouse or former spouse, the Trustees shall determine if the order or agreement meets the requirements to be a Qualified Domestic Relations Order ("QDRO") within the meaning of ERISA and the Internal Revenue Code. If it is determined that an order or agreement is a QDRO, the Trustees will be responsible for administering applicable distributions pursuant to the QDRO. Participants and Beneficiaries can obtain a free copy of the Plan's QDRO procedures from the Plan Office.
In no event shall a benefit to a surviving spouse or former spouse be payable if:

(1) You and your former spouse were not married for at least a year on the date the marriage terminated, or

(2) Your spouse or former spouse dies before the benefit is to begin under the QDRO.

RETIREMENT AND WITHDRAWAL FROM EMPLOYMENT

In order to retire, you must agree to completely withdraw from:

- Covered Employment, and
- Any employment in any seagoing capacity on any vessel operated by a Contributing Employer, and
- Any employment ashore under a collective bargaining agreement between any seagoing union and any Contributing Employer or the Association if, as a result of such employment, you are entitled to pension credits under a pension plan to which any Contributing Employer contributes, and
- Any employment under any agreement to which a Union is a party, and
- Any employment by a Union, and
- Any seagoing employment in any capacity in the Maritime Industry which shall include American and Foreign Flag vessels and shall include employment on board commercial, exploratory, service or other vessels moving on the high seas, inland waterways, Great Lakes, coastal zones, harbors and noncontiguous areas, or on offshore ports, platforms or similar sites but shall not include the longshore industry or the ship construction or repair industry, and
- Any other employment for which contributions to this Plan are payable

PROHIBITED EMPLOYMENT AFTER RETIREMENT – SUSPENSION OF BENEFITS

If you have retired from the Plan and are currently receiving benefits, you must not work in the kinds of employment outlined above ("prohibited employment") after you retire.

If you are receiving benefits under this Plan and return to prohibited employment *prior* to reaching your Normal Retirement Age, your benefits will be suspended. If you notify the Plan Office in writing *before* engaging in prohibited employment, your pension will be suspended for any calendar month during which you work in prohibited employment at least one day. If you engage in prohibited employment *without* notifying the Plan Office beforehand, your pension benefits shall be suspended two months for every one calendar month during which you work at least one day in prohibited employment.

In no event will benefits be suspended or reduced because of work in prohibited employment for any month during or after you reach your Normal Retirement Age. If you have specific questions on what is considered to be prohibited employment, contact the Plan Office.

APPLICATION PROCEDURE

If you believe you are entitled to a pension under this Plan, you should obtain and fill out a Pension Benefit Application form provided by the Plan Office. It may be necessary for you to provide the following documents:

1. Coast Guard summary of your employment,
2. proof of each illness or injury of 90 continuous days or more,
3. proof of service, if in the Armed Forces of the United States,
4. proof of internment as a Prisoner of War,
5. verification of employment with participating Unions.

If you are applying for a Disability Pension benefit, please have the SIU PD Seafarers' Medical Center complete the Disability Retirement section of the Application. Include certificates of birth of your dependent children under age 18, if any.

If you are married, attach proof of birth of your spouse and your marriage license. A separate form called the Marital Election Form will be sent to you for completion by you and your spouse.

You should file your pension application sufficiently in advance of the time you wish to retire in order to allow enough time for the complete processing of your application. No payments can be made until all the prescribed forms and the necessary supporting proof have been received by the Trustees.

The Plan Office will process your application for retirement and will determine if you are eligible to receive benefits.

If the Plan Office determines that you are eligible to receive benefits, an explanation of your available benefit payment options, including applicable benefit amounts will be provided to you at the time you apply for retirement. If you have followed the application procedures and provided all the necessary supporting proof, monthly benefit installments may start as early as the first day of the following month.

APPEAL PROCEDURE

Any person whose application for benefits under the Plan has been denied in whole or in part by the Trustees, or whose claim to benefits is otherwise denied by the Trustees, shall receive a Notice of Denial of a Claim for Benefits. The claimant shall be notified of such adverse benefit determination in writing from the Plan Office. The notice will be written so that it can be understood clearly by the claimant and will contain the following:

(1) The specific reason or reasons for the denial;

(2) Specific reference to pertinent Plan provisions on which the denial is based;

(3) A description of any additional material or information necessary for the claimant to justify the claim and an explanation of why such material or information is necessary;

(4) Appropriate information as to the steps to be taken if the claimant wishes to submit the claim for review; and

(5) A right to bring a civil action under ERISA section 502(a), if the claim is still denied after further review,

The Notice of Denial shall be provided within ninety (90) days after a claim is filed. If an extension is required, written notice shall be furnished to the claimant within ninety (90) days after a claim is filed, stating the special circumstances requiring an extension of time and the date by which a decision on the claim can be expected. If such Notice of Denial is not given within the time required, the claimant may proceed to the review stage described below as though the claim has been denied.

The claimant or the claimant's duly authorized representative may petition the Trustees to reconsider its decision by submitting an Application for Review. A Claimant is entitled to receive, upon request and free of charge any documents, records and information (other than those protected by legal privilege) relevant to the claim for benefits. The Application for Review shall be in writing, shall state in clear and concise terms the reason or reasons for disagreement with the decision of the Trustees and shall be filed with or received by the Plan Office within sixty (60) days after receipt of written Notice of Denial. Upon good cause shown, the Board may permit the appeal to be amended or supplemented. Any dispute as to eligibility, type, amount, or duration of benefits shall be resolved by the Board of Trustees under and pursuant to the Pension Plan, and its decision of the dispute shall be final and binding upon all parties thereto.

Except for good cause shown, the failure to file an Application for Review within such 60-day period shall constitute a waiver of the claimant's right to review the decision on the basis of the information and evidence submitted prior to the decision. Such failure will not, however, prevent the claimant from establishing eligibility for benefits at a later date based on additional information and evidence which was not available to the claimant at the time of the decision.

The 60-day period of time for filing a written Application for Review by a Claimant who is at sea when the Notice of Denial is sent, shall begin upon termination of the voyage.

Review Procedure.

Application for Review. The claimant, or the claimant's duly authorized representative, may request a review of the claim denial by filing a written application for such review within the 60 day time period after receipt of the written Notice of Denial. The Trustees may consider a late application if they conclude the delay in filing was for reasonable cause.

Review Procedure. When any such application is received, the claim and its denial shall receive a full and fair review by the Trustees or any subcommittee to which it delegates this function. As part of the review procedure, the claimant, or the claimant's duly authorized representative, may review pertinent documents and submit issues and comments in writing, but shall have no right to appear personally before the reviewing group unless that group concludes that such an appearance would be of value in enabling it to perform its obligations hereunder.

Notice of Decision on Review.

Contents of Notice. The notice of decision on the appeal of a claim denial shall be furnished to the claimant in writing and shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, as well as specific references to the pertinent Plan provisions on which the decision is based. The decision shall be furnished to the claimant as promptly as possible after a decision is reached within the time period described below, and if not so furnished, the claimant may consider it to have been denied.

Time of Notice. A properly filed Application for Review (appeal) will be reviewed by the Board of Trustees at its next regularly scheduled meeting. However, if the appeal is received within 30 days prior to the meeting, the appeal may be reviewed at the second meeting following receipt of your appeal.

If special circumstances beyond the control of the Plan (such as the need to hold a hearing) require an extension of time, the Board of Trustees will render a decision at the third scheduled Board meeting following receipt of the appeal. The Plan will provide you, prior to the start of the extension, with a written notice of the extension describing the special circumstances and the date that the Board of Trustees will make its decision. A written notice of the decision on an Application for Review will be provided to you within 5 calendar days following the Board of Trustees meeting.

In the event that you want or need additional time to present evidence in support of your petition for review, you may request such additional time in writing. The Trustees will grant your written request for additional time necessary to perfect a petition for review, provided the written request is received before the Trustees issue their decision. Requests for additional time and requests to submit additional information received after the Trustees' decision has been rendered will be denied, unless the Trustees, in their sole discretion, determine that the information is material to the petition and could not have been provided earlier.

SUPPLEMENTAL PLAN INFORMATION

Official Plan Name

The official name of this pension plan is the "SIU Pacific District Pension Plan."

Plan Identification

The Employer Identification Number (EIN) and Plan Number are as follows:

EIN: 94-6061923
Plan Number: 001

Type of Plan

The SIU Pacific District Pension Plan is a multi-employer, collectively bargained, defined benefit pension plan. Contributing Employers pay the entire cost to fund the Plan. No contributions from employees are permitted.

Collective Bargaining Agreements

The Plan is maintained under separate collective bargaining agreements between the Union and APL Marine Services, Ltd., and Matson Navigation Company, Inc.

The Union is the Seafarers' International Union of North America, Pacific District, comprised of the Sailors' Union of the Pacific, the Marine Firemen's Union and the Seafarers' International Union of North America, Atlantic, Gulf, Lakes & Inland Waters.

Certain other employers are parties to collective bargaining agreements with the Union, or with the Sailors' Union of the Pacific, requiring the employers to make contributions to the Plan for their employees covered by those agreements.

The Sailors Union of the Pacific and the Marine Firemen's Union have entered into written agreements with the Board of Trustees of the Pension Plan requiring those unions to make contributions to the Plan for their employees who are not represented by the Office and Professional Employees Union.

Copies of the collective bargaining agreements between the Union and Employers who contribute to the Plan, as well as copies of the official plan documents, can be obtained by you or your spouse by writing to the Plan Office. A copy of each document is also available for inspection at the Plan Office and Union Offices.

Current Contributing Employers

American Ship Management, LLC
American President Lines Marine Services, Ltd.
Andrew Furuseth School of Seamanship
Foss Maritime Company
Marine Firemen, Oilers, Watertenders and Wipers Association
Matson Navigation Company
Patriot Contract Services, LLC
Sailors' Union of the Pacific

Contributing Employers

If you or your spouse want to find out if a specific employer is or has been a Contributing Employer under the Plan, you or your spouse may submit a written inquiry to the Plan Office. If the employer is a Contributing Employer, you will be provided with the employer's address.

Funding

All contributions to the plan are made by Employers in accordance with collective bargaining agreements or other written agreements. Benefits are provided directly from the fund's assets which are held in trust in accordance with the SIU Pacific District Pension Plan-Declaration of Trust.

Fiscal Year/Plan Year

The Plan's fiscal year and plan year are the same. It is the 12-month period beginning August 1 and ending July 31 each year.

Plan Documents

This booklet, called a "summary plan description," describes the major provisions of the SIU Pacific District Pension Plan. It does not replace the official documents which legally govern the Plan's operations. Copies of the plan documents and any other materials pertaining to the plan are available for review. If you wish to obtain copies of any of these documents, please contact the Plan Office.

Plan Administrator

The Plan Administrator of the SIU Pacific District Pension Plan is the Board of Trustees. The members of the Board of Trustees are:

EMPLOYER TRUSTEES

Thomas Percival
Matson Navigation Company, Inc.
555 - 12th Street, Suite 800
Oakland, California 94607

UNION TRUSTEES

Gunnar Lundeberg
Sailors Union of the Pacific
450 Harrison Street
San Francisco, California 94105

Bob Stephens
APL Marine Services, Ltd.
730 Harrison Street, Suite 400
San Francisco, CA 94107

Anthony Poplawski
Marine Firemen's Union
240 Second Street
San Francisco, California 94105

Nicholas Marrone
Seafarers International Union
1121 – 7th Street
Oakland, California 94607

EMPLOYER ALTERNATE TRUSTEES

Timothy J. Windle
APL Marine Services, Ltd.
8731 E Arroyo Seco Rd
Scottsdale, AZ 85266

Dale MacGillivray
Matson Navigation Company, Inc.
555 - 12th Street, Suite 800
Oakland, California 94607

UNION ALTERNATE TRUSTEES

Dave Connolly
Sailors Union of the Pacific
450 Harrison Street
San Francisco, California 94105

I. "Cajun" Callais
Marine Firemen's Union
240 Second Street
San Francisco, California 94105

The Trustees maintain the Plan Office at:

730 Harrison Street, Suite 400
San Francisco, CA 94107
(415) 764-4987

For any inquiries regarding general or specific plan issues or for questions regarding the day-to-day administration of the plan, please contact Michelle Chang at the Plan Office at the above address or phone number.

Plan Amendment or Termination

Only the SIU Pacific District Unions, APL Marine Services Ltd. and Matson Navigation Company, Inc., acting by joint written agreement, have the power to amend or terminate the Pension Plan.

Plan Amendment. Plan amendments may modify benefit levels and change eligibility requirements. Subject to legal restrictions, these Plan amendments may apply to you even if they result in lower benefit levels and/or stricter eligibility rules.

Except as required by law, Plan amendments cannot adversely affect any benefits that are already being paid to a pensioner or spouse. In certain circumstances, federal law might require changes in the Plan resulting in reduced benefits. This could happen, for example, if the Plan should face severe financial difficulties.

Plan Termination. Should the Plan terminate, the assets of the Pension Trust can never be used for any purpose other than to provide Plan benefits and pay reasonable administrative expenses of operating and winding up affairs of the Pension Trust.

If there are not enough assets in the Pension Trust when the Plan terminates to pay all benefits each person is entitled to receive, the law establishes priorities on how benefits are paid. This could mean that an individual might receive a smaller pension than if the Plan had continued. Some individuals who are not vested could receive no benefits at all. As explained below, the **Pension Benefit Guaranty Corporation**, by law, guarantees that certain vested benefits are paid in the event of Plan termination where the Plan has insufficient assets.

Legal Process

The agent for service of legal process on the Pension Plan is:

Michelle Chang
730 Harrison Street, Suite 400, San Francisco, CA 94107

Legal process may also be served on the Pension Plan by serving any member of the Board of Trustees or the Board of Trustees collectively in care of the Plan Office.

PENSION BENEFIT GUARANTY CORPORATION

Your pension benefits under this multiemployer Plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. A multiemployer plan is a collectively bargained pension arrangement involving two or more unrelated employers, usually in a common industry.

Under the multiemployer plan program, the PBGC provides financial assistance through loans to plans that are insolvent. A multiemployer plan is considered insolvent if the plan is unable to pay benefits (at least equal to the PBGC's guaranteed benefit limit) when due.

The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a Participant's years of service multiplied by (1) 100% of the first $11 of the monthly benefit accrual rate and (2) 75% of the next $33. The PBGC's maximum guarantee, therefore, is $35.75 per month times a Participant’s years of Credited Service.

The PBGC guarantee generally covers: (1) Normal and early retirement benefits; (2) disability benefits if you become disabled before the plan becomes insolvent; and (3) certain benefits for your survivors.

The PBGC guarantee generally does not cover: (1) Benefits greater than the maximum guaranteed amount set by law; (2) benefit increases and new benefits based on plan provisions that have been in place for fewer than 5 years at the earlier of: (i) The date the plan terminates or (ii) the time the plan becomes insolvent; (3) benefits that are not vested because you have not worked long enough; (4) benefits for which you have not met all of the requirements at the time the plan becomes insolvent; and (5) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at http://www.pbgc.gov.

For more information about the PBGC and the benefits it guarantees, You may write the PBGC at the address below or call the PBGC at (800) 400-7242. TTY/TDD users may call the federal relay service toll- free at 1-800-877-8339 and ask to be connected to 800-400-7242.

PBGC
PO Box 151750
Alexandria, VA 22315-1750

YOUR RIGHTS AS A PLAN PARTICIPANT

As a Participant in the SIU Pacific District Pension Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). ERISA provides that all plan Participants shall be entitled to:

Receive Information About Your Plan and Benefits

- Examine, without charge, at the Plan Office and at other specified locations, such as worksites and Union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series). The Plan Administrator may make a reasonable charge for the copies.

- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each Participant with a copy of this Annual Funding Notice.

- Obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age (age 65) and if so, what your benefits would be at Normal Retirement Age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

Annual Funding Notice

Receive basic information about the funding status and financial condition of the Plan including the Plan's funding percentage, assets and benefits guaranteed by the PBGC.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan Participants ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and Beneficiaries. No one, including your employer, your Union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court; however, your right to sue may be limited by the court if you have failed to exhaust your plan appeal rights. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Office. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications toll-free hotline of the Employee Benefits Security Administration at (866) 444-3272.