INLANDBOATMEN'S UNION OF THE PACIFIC NATIONAL PENSION PLAN

June 2019

SUMMARY PLAN DESCRIPTION

ADMINISTRATIVE OFFICE

BeneSys, Inc.
5331 SW Macadam Avenue
Suite 258, PMB #116
Portland, OR 97239
Telephone: (503) 224-0048
Toll Free: (800) 547-4457
www.ibubenefits.org
Email: ibu@benesys.com

INLANDBOATMEN'S UNION OF THE PACIFIC NATIONAL PENSION PLAN

TO: ALL PARTICIPANTS AND BENEFICIARIES

The Inlandboatmen's Union of the Pacific National Pension Plan (the "Plan") was established July 1, 1981, pursuant to the Trust Agreement between the Inlandboatmen's Union of the Pacific and several Employers. The Plan was established to provide a supplement to employees' retirement income.

The benefits provided by this Plan are separate from, and in addition to, the benefits under the federal Social Security Program and any other retirement plans established by the Union and any Employers, including the Inlandboatmen's Union of the Pacific National 401(k) Plan.

The Board of Trustees may, at any time, increase or decrease the benefits to be earned in the future. The Board of Trustees may also reduce benefits to satisfy minimum funding requirements under the Employee Retirement Income Security Act of 1974 ("ERISA") and the Pension Protection Act of 2006 ("PPA").

This booklet contains the Plan summary required by federal law. In the event of conflict between the booklet and the Plan Document, the Plan Document will control. You may request a copy of the Plan Document by contacting the Administrative Office.

Most of the provisions in this booklet apply to Participants who retire after December 31, 2018. This booklet does not describe the benefits that may be available to you if you were covered under plans that merged with the Inlandboatmen's Union of the Pacific National Pension Plan including the Columbia River Retirement Plan, Inland Waters Pension Plan and Ferry Concessions Pension Plan. You may contact the Administrative Office for the terms of these plans prior to their merger into this Plan.

This Plan is governed by the Board of Trustees of the Inlandboatmen's Union of the Pacific National Pension Trust (the "Trust"). All questions should be directed to the Administrative Office. No employer, union or employee of any such entity has authority to interpret the Plan Document or make statements or commitments that are binding on the Board of Trustees, Plan and Trust. Actions by the Board of Trustees are binding, but individual Trustees are not authorized to bind the Plan or Trust by statements or actions that are inconsistent with Board of Trustees' approved documents, decisions, policies and procedures.

If you have any questions, you should call the Administrative Office at (503) 224-0048, toll free (800) 547-4457.

Please read this booklet carefully and refer to it from time to time so that you will be fully aware of the benefits and the conditions under which they are available.

THE BOARD OF TRUSTEES

TABLE OF CONTENTS

Page

QUESTIONS AND ANSWERS

Words with the first letter capitalized are defined terms and found in the Definitions section.

A. COVERAGE AND RETIREMENT AGES

1. What is the Purpose of the Plan?

The Plan provides you with retirement benefits in addition to Social Security, your personal savings, and any benefits you may have from a 401(k) plan.

2. When did the Plan Start?

The effective date of the Plan is July 1, 1981.

3. Who Pays for Plan Benefits?

The collective bargaining agreement between the Union and your Employer or the Joinder Agreement between your Employer or the Union and the Trust, Plan or Board of Trustees requires your Employer or the Union to contribute an amount of money to the Plan on your behalf as specified in the collective bargaining agreement or Joinder Agreement and Trust rules. The contributions from all Employers and the Union are invested and held in a trust for the purpose of paying Plan benefits to eligible Participants and beneficiaries and for paying expenses associated with the administration of the Plan and Trust. You may not self-contribute to this Plan.

4. When Am I Eligible to Participate in the Plan?

Prior to July 1, 2018, you became a Participant in the Plan on the first day of the month following the later of (a) the date your Employer began contributing to the Plan under the terms of a collective bargaining agreement with the Union or a Joinder Agreement with the Trust, Plan or Board of Trustees, or (b) the date you were employed by an Employer in a position that required the Employer to make contributions to the Plan on your behalf, or, if you were an employee of the Union, the date the Union was required to make contributions to the Plan under the terms of a Joinder Agreement.

Effective July 1, 2018, a new employee (defined as a person who has not worked for an Employer or the Union in a position covered by a collective bargaining agreement or Joinder Agreement before July 1, 2018, or a person who previously worked for an Employer or the Union in a position covered by a collective bargaining agreement or Joinder Agreement before July 1, 2018, but incurred a Permanent Break in Service before July 1, 2018, and before becoming Vested) will become a Participant in the Plan on the first day of the month coinciding with or next following 12 months after the first Hour of Service worked for an Employer or the Union in a job classification covered by a collective bargaining agreement or Joinder Agreement.

A new employee will not begin to earn a pension benefit until he/she becomes a Participant.

Once a new employee becomes a Participant, the Hours of Service earned since he/she started to work for an Employer or the Union in a job classification covered by a collective bargaining agreement or Joinder Agreement shall be counted in determining a year of Future Credited Service for vesting purposes and Future Benefit Service for determining his/her accrued benefit base percentage factor if he/she meets the hours requirement. See Questions 7, 9, 25, 26 and 27.

5. When May I Retire?

Your Normal Retirement Date is generally the first of the month following your 65th birthday. However, if you have not completed five years of Credited Service or participated in the Plan for five years on your 65th birthday, your Normal Retirement Date will be delayed until you have completed the five years.

You may be able to elect an Early Retirement Date if you have completed 10 years of Credited Service. If you have completed 10 years of Credited Service, your Early Retirement Date can be the first day of any month after your 55th birthday and prior to your 65th birthday.

You will have a Postponed Retirement Date if you remain employed after your Normal Retirement Date with an Employer or if you work in employment of the type described in Question 37 after your Normal Retirement Date. The Postponed Retirement Date will be the first day of any month following your Normal Retirement Date and after you cease working with all Employers or work in employment of the type described in Question 37.

Question 37 describes the conditions under which you may return to work after you retire. If you are nearing your 65th birthday and plan to continue to work past your Normal Retirement Date, contact the Administrative Office.

B. CREDITED SERVICE AND VESTING

6. What is a Plan Year?

All records are kept on a 12-month basis that begins on July 1st of each year and ends on June 30th of the following year. This 12-month period of time is known as the Plan Year. Benefit accruals and service are determined on a Plan Year basis, rather than on a calendar year basis.

7. *How Do I Earn Credited Service?*

You earn "credit" for employment with an Employer or the Union. Credited Service is equal to the sum of your Past Credited Service plus Future Credited Service.

Up to 15 years of Past Credited Service may, under special circumstances, be awarded to a Participant as a result of service with a new Employer.

Future Credited Service is earned for Hours of Service with an Employer or the Union after the Employer or the Union has agreed to contribute to this Plan for you.

Prior to July 1, 1984, you must have earned at least 500 Hours of Service in a Plan Year to earn one year of Future Credited Service.

For each Plan Year after June 30, 1984, and before July 1, 2018, you must have earned at least 240 Hours of Service in a Plan Year to earn one year of Future Credited Service.

Effective July 1, 2018, a year of Future Credited Service will be earned when you earn the following Hours of Service in a Plan Year:

(a) If you work for an Employer or the Union that is subject to the 2018 Preferred Schedule, you must earn at least 240 Hours of Service in a Plan Year to earn one year of Future Credited Service.

(b) If you work for an Employer or the Union that is subject to the 2018 Default Schedule, you must earn at least 1,000 Hours of Service in a Plan Year to earn one year of Future Credited Service, unless (e) applies.

(c) If, in a Plan Year, you work for multiple Employers and become covered by the 2018 Default Schedule and the 2018 Preferred Schedule, you must earn at least 240 Hours of Service in a Plan Year to earn one year of Future Credited Service.

(d) If, in a Plan Year, you work for an Employer or the Union before the Employer or Union is subject to the 2018 Default Schedule or 2018 Preferred Schedule, you must earn at least 1,000 Hours of Service in a Plan Year to earn one year of Future Credited Service, unless (e) applies. If during that Plan Year your Employer or the Union becomes subject to the 2018 Preferred Schedule, you must earn at least 240 Hours of Service in the Plan Year to earn one year of Future Credited Service.

(e) If you have earned three or more years of Future Credited Service prior to July 1, 2018, that has not been lost due to a Permanent Break in Service, but have not yet earned a Vested interest in your retirement benefit, you must earn at least 240 Hours of Service in a Plan Year to earn one year of Future Credited Service, even if you work for an Employer or the Union that is subject to the 2018 Default Schedule or has not yet adopted a schedule.

EXAMPLE 1. Assume that during the July 1, 2018, to June 30, 2019 Plan Year, your Employer is not yet subject to the 2018 Default Schedule or 2018 Preferred Schedule. You must earn at least 1,000 Hours of Service between July 1, 2018, and June 30, 2019, to earn one year of Future Credited Service.

EXAMPLE 2. Assume that during the July 1, 2018, to June 30, 2019 Plan Year, your Employer becomes subject to the 2018 Preferred Schedule on May 1, 2019. You must earn at least 240 Hours of Service in the July 1, 2018, to June 30, 2019 Plan Year to earn one year of Future Credited Service.

EXAMPLE 3. Assume you have earned three years of Future Credited Service as of June 30, 2018, you are not yet Vested, you have not incurred a Permanent Break in Service and during the July 1, 2018, to June 30, 2019 Plan Year, you work for an Employer that is subject to the 2018 Default Schedule. You must earn at least 240 Hours of Service in the Plan Year to earn one year of Future Credited Service. You are not subject to the 1,000 Hours of Service rule because you had earned at least three years of Future Credited Service prior to July 1, 2018, and are not yet Vested.

No partial years of Credited Service may be earned and no more than one year of Credited Service may be earned in any Plan Year.

8. WILL I RECEIVE FUTURE CREDITED SERVICE FOR SERVICE WITH OTHER PENSION PLANS OR FROM PENSION PLANS THAT MERGED WITH THIS PLAN?

Generally, yes. The Trust has entered into two types of reciprocity agreements to help protect your pension benefits if you split your employment between different pension plans in the maritime industry on the West Coast. Each type of reciprocity agreement is discussed below.

Related Credit Reciprocity Agreements. The Trust has entered into related credit reciprocity agreements with the following related plans:

- Northwest Marine Pension Plan
- Southwest Marine Pension Plan
- Alaska Longshore Pension Plan
- Alaska State Ferries Pension Plan

- Washington State Ferries Pension Plan
- Masters, Mates & Pilots Individual Retirement Account Plan
- Crown Zellerbach Pension Plan

The Future Credited Service you earn under this Plan, plus the Future Credited Service you earn under related plans above (excluding any earned in continuous non-covered employment), will make up your combined Future Credited Service. You can use your combined Future Credited Service in this Plan for the following purposes:

- To determine whether you have incurred a Break in Service under this Plan;
- To determine whether you have incurred a Permanent Break in Service under this Plan;
- To determine whether you have a Vested interest to a pension benefit in this Plan; and
- To determine your accrued benefit base percentage factor in this Plan (see Question 24, Example 2).

You cannot earn Future Credited Service under this Plan and a related plan at the same time. You cannot earn more than one year of Future Credited Service under this Plan in a Plan Year.

Any pension paid by this Plan will be based only on the contributions paid or required to be paid to this Plan or transferred to this Plan under a pension contribution transfer reciprocity agreement described below.

<u>Pension Contribution Transfer Reciprocity Agreement</u>. Effective January 1, 2014, the Trust and the Southwest Marine Pension Trust entered into a reciprocity agreement that allows for the transfer of pension contributions between the two pension trusts.

If you are temporarily working in Southern California for an employer that contributes to the Southwest Marine Pension Trust, you may complete an authorization form requesting that the Southwest Marine Pension Trust transfer the pension contributions that are made on your behalf to this Trust. The authorization form must be completed within sixty (60) days after your employer begins making pension contributions for you to the Southwest Marine Pension Trust. Call or write the Administrative Office for the authorization form.

You can have pension contributions transferred from the Southwest Marine Pension Trust to this Trust only if you have earned more Future Credited Service under this Plan than you have earned under the Southwest Marine Pension Plan.

If you do not have your pension contributions transferred to this Trust, you will still be able to use your Southwest Marine Pension Plan Future Credited Service under the related credit reciprocity agreements described above.

Credited Service under Merged Plans. The Columbia River Retirement Plan, Inland Waters Pension Plan, and Ferry Concessions Pension Plan merged with this Plan. All credits earned for participating in these plans before the merger are added to the Credited Service with this Plan in accordance with the rules in these prior pension plans and the applicable merger agreements with this Plan. However, the benefits that are paid as a result of service in these prior pension plans will be governed by the rules of those pension plans prior to the merger except as amended by the Board of Trustees.

Your Records. You should keep a record of your service under this Plan and the other pension plans listed in this section to ensure that the Administrative Office is aware of all your Future Credited Service when you apply for retirement benefits.

9. How Do I Earn Benefit Service?

Benefit Service is equal to the sum of your Past Benefit Service plus Future Benefit Service.

A year of Past Benefit Service is the total of your Past Credited Service.

A year of Future Benefit Service is earned as described below.

Prior to July 1, 1984, you must have earned at least 500 Contributory Hours in a Plan Year to earn one year of Future Benefit Service.

For each Plan year after June 30, 1984, and before July 1, 2018, you must have earned at least 240 Contributory Hours in a Plan Year to earn one year of Future Benefit Service.

Effective July 1, 2018, a year of Future Benefit Service will be earned when you have become a Participant and have earned the following Contributory Hours in a Plan Year:

(a) If you work for an Employer or the Union that is subject to the 2018 Preferred Schedule, you must earn at least 240 Contributory Hours in a Plan Year to earn one year of Future Benefit Service.

(b) If you work for an Employer or the Union that is subject to the 2018 Default Schedule, you must earn at least 1,000 Contributory Hours in a Plan Year to earn one year of Future Benefit Service.

(c) If, in a Plan Year, you work for multiple Employers and become covered by the 2018 Default Schedule and the 2018 Preferred Schedule, you must earn at least 240 Contributory Hours in a Plan Year to earn one year of Future Benefit Service.

(d) If, in a Plan Year, you work for an Employer or the Union before the Employer or the Union is subject to the 2018 Default Schedule or the 2018 Preferred Schedule, you must earn at least 1,000 Contributory Hours in a Plan Year to earn one year of Future Benefit Service. If during that Plan Year your Employer or the Union becomes subject to the 2018 Preferred Schedule, you must earn at least 240 Contributory Hours in the Plan Year to earn one year of Future Benefit Service.

(e) If you became a Participant in the Plan after July 1, 2018, you will earn one year of Future Benefit Service during the first 12 months of employment with your Employer for the purpose of determining your accrued benefit base percentage factor if you met the applicable hours requirement above.

No partial years of Benefit Service may be earned and no more than one year of Benefit Service may be earned in any Plan Year.

10. Is There a Maximum Amount of Credited Service or Benefit Service I May Earn?

No, there is no limit or maximum number of years of Credited Service or Benefit Service you may earn under the Plan, but you cannot earn more than one year of Credited Service and Benefit Service in one Plan Year.

11. Can I Lose Credited Service and Benefit Service?

Yes. A Permanent Break in Service is the permanent forfeiture of Credited Service, Benefit Service and benefits as described below. Only Participants who are not Vested (see Question 12) can incur a Permanent Break in Service.

For each Plan Year starting July 1, 2018, if you earn less than 240 Hours of Service or 500 Hours of Service in a Plan Year, you will incur one Break in Service year. See Question 7 to determine if you are subject to the 240 Hours of Service or the 1,000 Hours of Service requirement in a Plan Year. If you must earn at least 1,000 Hours of Service in a Plan Year to earn one year of Future Credited Service and you earn more than 500 Hours of Service, but less than 1,000 Hours of Service in a Plan Year, that Plan Year is considered a “neutral” year in which you do not earn one year of Future Credit Service and do not incur a Break in Service year.

For each Plan Year between July 1, 1984, and June 30, 2018, if you earned less than 240 Hours of Service in a Plan Year, you incurred one Break in Service year.

Prior to July 1, 1984, if you earned less than 500 Hours of Service in a Plan Year, you incurred one Break in Service year.

If you do not receive Future Credited Service under a reciprocal agreement (see Question 8), and if you do not earn the required minimum number of Hours of Service for an Employer or the Union in a Plan Year as described above, that year is considered to be a Break in Service year. You will not receive any Future Credited Service for that Plan Year.

If you are not Vested and your Break in Service years occurred prior to July 1, 1985, you suffered a Permanent Break in Service if the number of consecutive Break in Service years equaled or exceeded the number of years of Credited Service you earned prior to the break.

If you are not Vested and your Break in Service years occur after June 30, 1985, you will suffer a Permanent Break in Service when the number of consecutive Break in Service years equals or exceeds the greater of the number of years of Credited Service or five years.

EXAMPLE 1

Plan Year (July 1 to June 30)	**Hours of Service**	
2010-2011	240	
2011-2012	240	
2012-2013	0	Break in Service Year
2013-2014	0	Break in Service Year
2014-2015	0	Break in Service Year
2015-2016	0	Break in Service Year
2016-2017	0	Break in Service Year
2017-2018	240	

In Example 1, the Participant earned two years of Future Credited Service prior to July 1, 2012, and was not Vested. The Participant suffered a Permanent Break in Service at the end of the July 1, 2016, to June 30, 2017 Plan Year because the number of consecutive Break in Service years is five (five is greater than the two years of Future Credited Service the Participant earned prior to the Break in Service). Therefore, all Credited Service, Benefit Service and benefits earned prior to July 1, 2017 are permanently forfeited.

EXAMPLE 2

Plan Year (July 1 to June 30)	Hours of Service	
2010-2011	240	
2011-2012	240	
2012-2013	0	Break in Service Year
2013-2014	0	Break in Service Year
2014-2015	0	Break in Service Year
2015-2016	0	Break in Service Year
2016-2017	240	
2017-2018	240	
2018-2019	1,200	

In Example 2, the Participant earned two years of Future Credited Service prior to July 1, 2012 and was not Vested. The Participant does not suffer a Permanent Break in Service on June 30, 2016, because the number of consecutive Break in Service years (four) is less than five. The Participant became Vested on June 30, 2019, because he earned five years of Future Credited Service and did not incur a Permanent Break in Service. Therefore, all Credited Service, Benefit Service and benefits will be counted.

EXAMPLE 3

Plan Year (July 1 to June 30)	Hours of Service	
2012-2013	240	
2013-2014	240	
2014-2015	0	Break in Service Year
2015-2016	0	Break in Service Year
2016-2017	0	Break in Service Year
2017-2018	0	Break in Service Year
2018-2019	600	Under the 2018 Default Schedule
2019-2020	1,100	Under the 2018 Default Schedule
2020-2021	1,000	Under the 2018 Default Schedule
2021-2022	1,100	Under the 2018 Default Schedule

In Example 3, the Participant worked for an Employer that was subject to the 2018 Default Schedule during the July 1, 2018, to June 30, 2022 Plan Years and needed 1,000 or more Hours of Service during the Plan Year to earn one Year of Credited Service. The Participant earned two years of Credited Service prior to July 1, 2014, and was not Vested. The July 1, 2018, to June 30, 2019 Plan Year was a neutral year in which the Participant did not earn one year of Future Credited Service and did not incur a Break in Service year because the Participant earned more than 500 but less than 1,000 Hours of Service. The Participant became Vested on June 30, 2022, because he earned five years of Future Credited Service and did not incur a Permanent Break in Service. Therefore, all Credited Service, Benefit Service, and benefits except for the July 1, 2018, to June 30, 2019 Plan Year (which was a neutral Plan Year) will be counted.

If you are granted a leave of absence by your Employer or Union for certain reasons, you will not suffer a Break in Service year. Absence for paternity or maternity leave, as permitted by law, will not constitute a Break in Service year. If you are on leave due to military service for more than 30 days, you will earn Credited Service, Benefit Service and benefits for your military leave of absence if you return to work with your same Employer or Union within the timeframe prescribed by law. You will not suffer a Break in Service year if you return to employment from sick leave within the timeframe specified by the Board of Trustees.

You should pay careful attention to the rules covering Breaks in Service if you are not Vested (see Question 12) in order to avoid a permanent forfeiture of prior non-Vested service credits and benefits.

12. When Will I Become Vested?

If you are Vested, you have a non-forfeitable right to your normal retirement benefit and service you have earned. Your normal retirement benefit will not be lost even if you terminate employment with your Employer, leave the industry, or leave the geographical area where you work.

If you are a Participant in the Plan on or after July 1, 1997, you will be 100% Vested after earning five years of Credited Service and none of your Credited Service was forfeited due to a Permanent Break in Service (see Question 11).

If you earned more than five but fewer than ten years of Credited Service between July 1, 1986 and June 30, 1997, you will be 100% Vested provided you earned at least two Hours of Service with an Employer after June 30, 1997 and none of your Credited Service was forfeited due to a Permanent Break in Service (see Question 11).

If you earned at least one year of Credited Service after June 30, 1986, but did not earn at least two Hours of Service with an Employer after June 30, 1997, you will be Vested according to the following schedule provided none of your Credited Service was forfeited due to a Permanent Break in Service (see Question 11):

Years of Credited Service	**Vested Interest**
Fewer than 5	0%
5	50%
6	60%
7	70%
8	80%
9	90%
10 or more	100%

Prior to July 1, 1986, if you stopped working for all Employers and under all plans for which this Plan recognizes reciprocal service, you will be Vested if you earned at least ten years of Credited Service. However, if you entered the Plan at age fifty-five (55) or older prior to July 1, 1986, you will be 100% Vested after five years of Credited Service, or if you entered the Plan at age sixty-two (62) or older prior to July 1, 1986, you will be 100% Vested after three years of Credited Service.

C. 2011 AND 2018 REHABILITATION PLANS

13. What is the Plan's PPA (Pension Protection Act) Zone Status?

The Plan's actuary is required to submit a certification to the U.S. Department of the Treasury and to the Board of Trustees concerning the Plan's zone status under the Pension Protection Act of 2006 ("PPA") within 90 days of the beginning of each Plan Year.

Under the PPA, a pension plan generally will be considered to be in endangered status ("yellow zone") if, at the beginning of the Plan Year, the funded percentage is less than 80%, in critical status ("red zone") if, at the beginning of the Plan Year, the funded percentage is less than 65% (other factors may also apply), or in critical and declining status ("deep red zone") if, at the beginning of the Plan Year, the pension plan is in critical status and projected to be insolvent within 15 years (or in some situations, 20 years). If a pension plan enters the yellow zone, the trustees of the pension plan are required to adopt a funding improvement plan. If a pension plan enters the red zone or the deep red zone, the trustees of the pension plan are required to adopt a rehabilitation plan. Rehabilitation and funding improvement plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time. If the pension plan is not in the yellow zone, the red zone, or the deep red zone, it is in the green zone.

The Plan's actuary certified that the Plan was in the red zone for the July 1, 2009, to June 30, 2012 Plan Years. The Board of Trustees elected to defer the Plan's red zone status until the July 1, 2010, to June 30, 2011 Plan Year to provide more time to develop a rehabilitation plan under the Worker, Retiree, and Employer Recovery Act of 2008. Because of the red zone certification, the Board of Trustees adopted the 2011 Rehabilitation Plan (see Question 14) to improve the Plan's funded status over a specified period of time.

The Plan's actuary certified that the Plan was in the green zone for the July 1, 2012, to June 30, 2017 Plan Years. Although the Plan was in the green zone, the changes made by the 2011 Rehabilitation Plan remain in place in order for the Plan's funded status to improve.

The Plan's actuary certified that the Plan was in the red zone for the July 1, 2017, to June 30, 2018 Plan Year. Because of the red zone certification, the Board of Trustees adopted the 2018 Rehabilitation Plan (see Question 16) to improve the Plan's funded status over a specified period of time. The Plan continued to be in the red zone for the July 1, 2018, to June 30, 2019 Plan Year.

You will be sent a notice for each Plan Year the Plan is certified in the yellow zone, red zone, or deep red zone. In addition, the Plan's PPA zone status for the prior Plan Year will be disclosed on the Plan's annual funding notice sent to you in October each Plan Year.

14. What is the 2011 Rehabilitation Plan?

The Board of Trustees adopted the 2011 Rehabilitation Plan on January 31, 2011 to improve the funded status of the Plan. The 2011 Rehabilitation Plan included two schedules, the 2011 Default Schedule and the 2011 Preferred Schedule, which generally reduced benefits for Active Participants and Terminated Participants who retired after August 1, 2011 and required Employer Supplemental Contributions (under the 2011 Preferred Schedule only).

The Board of Trustees sent the 2011 Rehabilitation Plan to the Union and Employers who, through collective bargaining, could adopt either the 2011 Default Schedule or 2011 Preferred Schedule on behalf of Active Participants. All Employers and the Union adopted the 2011 Preferred Schedule. The Board of Trustees adopted the 2011 Rehabilitation Plan for Terminated Participants.

The 2011 Preferred Schedule did not change the accrued benefit base percentage factor, also known as the benefit multiplier, and allowed Active Participants who met the Rule of 85 Requirements (see Question 28B) to retire using the reduction factors in effect prior to the 2011 Rehabilitation Plan. For Active Participants who did not meet the Rule of 85 Requirements, the 2011 Preferred Schedule reduced the early retirement benefit (see Question 28C). The 2011 Preferred Schedule required a four-year increase in Employer and Union contributions compounded annually based on the month and year the bargaining parties adopted the 2011 Preferred Schedule. These contribution increases (known as Supplemental Contributions) are in addition to the contributions paid or required to be paid on your behalf by the collective bargaining agreement or Joinder Agreement and are not taken into account when determining your accrued benefit.

The 2011 Rehabilitation Plan reduced the early retirement benefit for Terminated Participants to an actuarially equivalent (unsubsidized) early retirement benefit (see Question 28A) and reduced the death benefit payable to a surviving spouse of a Terminated Participant (see Question 47). In addition, the 2011 Rehabilitation Plan eliminated the cash death benefit for all Participants who die after October 26, 2010.

15. *Does the 2011 Rehabilitation Plan Affect Me?*

If you died prior to October 26, 2010, the cash payment death benefit for your survivors was not affected by the 2011 Rehabilitation Plan. If you died after October 26, 2010, there is no cash death benefit for your survivors.

If you retired prior to August 2, 2011, you received retirement benefits based on the Plan in effect prior to the 2011 Rehabilitation Plan. If you return to work after August 1, 2011, any accrued benefits you earn following your return to work were affected by the 2011 Rehabilitation Plan.

If you retired after August 1, 2011, and before January 1, 2019, your benefits were generally based on the Plan as changed by the 2011 Rehabilitation Plan. Early retirement benefits for Active Participants and Terminated Participants were reduced (see Question 28). If you died after June 30, 2011, and before July 1, 2018, the death benefit payable to a surviving spouse of a Terminated Participant was reduced (see Question 47).

Regardless of when you retire, the 2011 Rehabilitation Plan protects the amount of your retirement benefit that is payable at your Normal Retirement Date.

16. *What is the 2018 Rehabilitation Plan?*

The Board of Trustees adopted the 2018 Rehabilitation Plan on May 16, 2018, to improve the funded status of the Plan. The 2018 Rehabilitation Plan includes two schedules, the 2018 Default Schedule and the 2018 Preferred Schedule. The Board of Trustees sent the 2018 Rehabilitation Plan to the Union and Employers which, through collective bargaining, can adopt either the 2018 Default Schedule or 2018 Preferred Schedule on behalf of Active Participants. The Board of Trustees adopted the 2018 Rehabilitation Plan for Terminated Participants Under the 2018 Rehabilitation Plan. You can check with the Plan Administrator to determine if your Employer or Union has adopted the 2018 Default Schedule or 2018 Preferred Schedule.

(a) 2018 Default Schedule. A general description of the changes made by the 2018 Default Schedule (in addition to the changes described in Questions 4, 7, 9, 11 and 25) for an Active Participant Under the 2018 Default Schedule at retirement includes:

(1) The accrued benefit base percentage factor, also known as the benefit multiplier, is 1% of Employer contributions (less any Supplemental Contributions) paid or required to be paid to the Plan effective the first day of the month in which your Employer or Union adopts the 2018 Default Schedule or the first day of the month following the date the 2018 Default Schedule is imposed by the PPA.

See Question 26. An accrued benefit is earned only if you earn Future Benefit Service for that year (See Question 9). See Question 25 for how your accrued benefit is determined for the July 1, 2018, to June 30, 2019 Plan Year.

(2) For retirements after December 31, 2018, the normal retirement annuity form of payment is a single life annuity, rather than the 60-month certain & life annuity for the accrued benefit you earn after December 31, 2018. The normal retirement annuity form of payment is the 60-month certain & life annuity for the accrued benefit you earned prior to January 1, 2019. See Question 33.

(3) The optional lump sum retirement benefit that is greater than $5,000 but less than $10,000 is eliminated for the accrued benefit you earn after June 30, 2018. See Question 34.

(4) For retirements after December 31, 2018, if you elect an Early Retirement Date and meet the Rule of 85 Requirements, you will receive the Rule of 85 Benefit based on your accrued benefit earned through June 30, 2018, and your early retirement benefit based on your accrued benefit earned after June 30, 2018, will be equal to the Unsubsidized Early Retirement Benefit. See Question 29B.

(5) For retirements after December 31, 2018, if you elect an Early Retirement Date and do not meet the Rule of 85 Requirements, your early retirement benefit will be equal to the following:

(i) Your accrued benefit earned through June 30, 2018, will be reduced by 0.4167% per month between the ages of 55 and 62 and 0.25% per month between age 62 and your Normal Retirement Date; and

(ii) Your accrued benefit earned after June 30, 2018, will be equal to the Unsubsidized Early Retirement Benefit.

See Question 29C.

(6) If your date of disability is found to be after December 31, 2018, you will not be eligible for disability benefits. See Question 43.

(7) For retirements after December 31, 2018, if you are an Active Participant Under the 2018 Default Schedule at retirement, but you were a Terminated Participant Under the 2018 Rehabilitation Plan on June 30, 2018, your early retirement benefit, if elected, will be equal to the Unsubsidized Early Retirement Benefit.

(8) The optional surviving spouse preretirement 120-month certain death benefit and the optional lump sum death benefit that is greater than $5,000 but less than $10,000 were eliminated effective November 1, 2017. See Questions 47 and 48.

(9) The surviving spouse benefit for pre-retirement deaths after June 30, 2018, will be the benefit described in Question 48.

(b) 2018 Preferred Schedule. A general description of the changes made by the 2018 Preferred Schedule (in addition to the changes described in Questions 4 and 25) for an Active Participant Under the 2018 Preferred Schedule at retirement includes:

(1) The accrued benefit base percentage factor, also known as the benefit multiplier, did not change, except:

(i) For the July 1, 2018, to June 30, 2019 Plan Year, the accrued benefit base percentage factor, also known as the benefit multiplier, will be zero. See Question 25.

(ii) After June 30, 2019, 30% of the Employer contributions that would have been applied to the accrued benefit base percentage factor, also known as the benefit multiplier, will be reallocated to help improve the Plan's funded status. See Question 27.

(2) For retirements after December 31, 2018, the normal retirement annuity form of payment is a single life annuity, rather than the 60-month certain and life annuity based on your entire accrued benefit. See Question 33.

(3) The optional lump sum retirement benefit that is greater than $5,000 but less than $10,000 is eliminated effective November 1, 2017. See Question 34.

(4) If your date of disability is found to be after December 31, 2018, you will receive a disability retirement benefit equal to the Unsubsidized Early Retirement Benefit based on your entire accrued benefit and you will choose a retirement benefit form. If your date of disability is prior to age 55, the disability retirement benefit will be the same amount you would have received had you become disabled at age 55. See Question 44.

(5) For retirements after December 31, 2018, if you elect an Early Retirement Date and meet the Rule of 85 Requirements, you will receive the Rule of 85 Benefit. See Question 29B.

(6) For retirements after December 31, 2018, if you elect an Early Retirement Date and do not meet the Rule of 85 Requirements, your early retirement benefit will be equal to the following:

(i) If you retire prior to age 62, you will receive the Unsubsidized Early Retirement Benefit based on your entire accrued benefit.

(ii) If you retire at age 62 or older, your accrued benefit will be reduced by 0.25% per month between age 62 and your Normal Retirement Date.

See Question 29C.

(7) For retirements after December 31, 2018, if you are an Active Participant Under the 2018 Preferred Schedule at retirement, but you were a Terminated Participant Under the 2018 Rehabilitation Plan on June 30, 2018, your early retirement benefit, if elected, for the accrued benefit earned through June 30, 2018, will be equal to the Unsubsidized Early Retirement Benefit and the early retirement benefit for the accrued benefit earned after June 30, 2018, will be as described in Question 16(b)(5) or 16(b)(6).

(8) The optional surviving spouse preretirement 120-month certain death benefit and the optional lump sum death benefit that is greater than $5,000 but less than $10,000 were eliminated effective November 1, 2017. See Questions 47 and 48.

(9) The surviving spouse benefit for pre-retirement deaths after June 30, 2018, will be the benefit described in Question 48.

You may obtain a copy of the 2018 Rehabilitation Plan and the actuarial and financial data that demonstrates any action taken by the Board of Trustees toward fiscal improvement by contacting the Administrative Office.

17. DOES THE 2018 REHABILITATION PLAN AFFECT ME?

If you retire, are found to be disabled, or die before December 31, 2018, you will, as a general rule, receive retirement benefits based on the Plan in effect prior to the 2018 Rehabilitation Plan, except as described in Questions 7, 9, 16(a)(1), 16(a)(3), 16(a)(8), 16(a)(9), 16(b)(1), 16(b)(3), 16(b)(8), 16(b)(9), 25, 47 and 48. If you return to work after December 31, 2018, any accrued benefits you earn following your return to work will be affected by the 2018 Rehabilitation Plan.

Regardless of when you retire, the 2018 Rehabilitation Plan protects your retirement benefit that is payable at your Normal Retirement Date.

18. WHO IS AN ACTIVE PARTICIPANT FOR RETIREMENTS BEFORE JANUARY 1, 2019?

You are an Active Participant if you earn 240 or more Contributory Hours in the Plan Year of your retirement or in the preceding Plan Year. Contributory Hours are hours for which Employer contributions are paid or required to be paid to the Plan on your behalf pursuant to the terms of a collective bargaining agreement or Joinder Agreement and hours for which contributions are transferred to the Trust from the Southwest Marine Pension Trust under the Pension Contribution Reciprocity Agreement.

<u>EXAMPLE</u>. If you had 750 Contributory Hours in the July 1, 2017, to June 30, 2018 Plan Year and 160 Contributory Hours in July 2018 and you terminate employment and retire on August 1, 2018, you are an Active Participant because you had more than 240 Contributory Hours in the Plan Year prior to your retirement.

19. WHO IS A TERMINATED PARTICIPANT FOR RETIREMENTS BEFORE JANUARY 1, 2019?

You are a Terminated Participant if you earn less than 240 Contributory Hours during the July 1, 2009, to June 30, 2010 Plan Year. You are also a Terminated Participant if you are not an Active Participant as described in Question 18.

<u>EXAMPLE 1</u>. If you had 1,000 Contributory Hours in the July 1, 2015, to June 30, 2016 Plan Year and you retire December 1, 2018, you are a Terminated Participant because you did not earn 240 Contributory Hours in the Plan Year of your retirement (July 1, 2018, to June 30, 2019) or the prior Plan Year (July 1, 2017, to June 30, 2018).

<u>EXAMPLE 2</u>. If you had 1,000 Contributory Hours in the July 1, 2016, to June 30, 2017 Plan Year, you move into a management position with the same Employer on July 1, 2017, and work 1,000 hours for which Employer contributions are not required to be paid to the Plan in the July 1, 2017, to June 30, 2018 Plan Year and you terminate employment and retire December 1, 2018, you are a Terminated Participant because you did not earn 240 Contributory Hours in the Plan Year of your retirement (July 1, 2018 to June 30, 2019) or the prior Plan Year (July 1, 2017, to June 30, 2018).

20. WHO IS AN ACTIVE PARTICIPANT UNDER THE 2018 PREFERRED SCHEDULE FOR RETIREMENTS AFTER DECEMBER 31, 2018?

You are an Active Participant Under the 2018 Preferred Schedule if you earn 240 or more Contributory Hours in the Plan Year of your retirement or in the prior Plan Year and the majority of Contributory Hours earned after June 30, 2018, were under the 2018 Preferred Schedule.

21. Who is an Active Participant under the 2018 Default Schedule for Retirements After December 31, 2018?

You are an Active Participant Under the 2018 Default Schedule if you earn 1,000 or more Contributory Hours in the Plan Year of your retirement or in the prior Plan Year and the majority of Contributory Hours earned after June 30, 2018, were under the 2018 Default Schedule. There is one exception to this rule. If you retire during the July 1, 2018, to June 30, 2019 Plan Year, you will be an Active Participant Under the 2018 Default Schedule if you earned 240 or more Contributory Hours in the July 1, 2017, to June 30, 2018 Plan Year or you earn 1,000 or more Contributory Hours in the July 1, 2018, to June 30, 2019 Plan Year.

22. Who is an Active Participant under the 2018 Rehabilitation Plan for Retirements After December 31, 2018, and Before Your Employer or Union Adopts the 2018 Preferred Schedule or 2018 Default Schedule or had the 2018 Default Schedule Imposed by the PPA?

You are an Active Participant Under the 2018 Rehabilitation Plan if you earn 1,000 or more Contributory Hours in the Plan Year of your retirement or the preceding Plan Year and you retire before your Employer or Union has adopted the 2018 Preferred Schedule or 2018 Default Schedule or had the 2018 Default Schedule imposed by the PPA. There is one exception to this rule. If you retire during the July 1, 2018, to June 30, 2019 Plan Year, you will be an Active Participant Under the 2018 Rehabilitation Plan if you earned 240 or more Contributory Hours in the July 1, 2017, to June 30, 2018 Plan Year or you earn 1,000 or more Contributory Hours in the July 1, 2018, to June 30, 2019 Plan Year.

23. Who is a Terminated Participant under the 2018 Rehabilitation Plan for Retirements After December 31, 2018?

You are a Terminated Participant Under the 2018 Rehabilitation Plan if you earn less than 240 Contributory Hours during the July 1, 2017 to June 30, 2018 Plan Year. You are also a Terminated Participant Under the 2018 Rehabilitation Plan if you are not an Active Participant Under the 2018 Default Schedule or 2018 Preferred Schedule in the Plan Year of your retirement. See Questions 20, 21 and 22 for the requirements to be an Active Participant under the 2018 Default Schedule and 2018 Preferred Schedule for retirements after December 31, 2018.

D. CALCULATION OF YOUR BENEFIT

24. How do I Calculate my Accrued Benefit if I Stop Working Before July 1, 2018?

Benefits are based on your number of years of Benefit Service (see Question 9) and contributions paid or required to be paid by Employers on your behalf (less any Supplemental Contributions). Your accrued benefit is a monthly benefit payable in the Normal Form (see Question 33) at your Normal Retirement Date equal to (a) plus (b) below.

(a) $25.00 multiplied by the number of years of Past Benefit Service.

(b) For each Plan Year (July 1 to June 30) through June 30, 2018, that you are credited with Future Benefit Service the appropriate base percentage factor from the table below is multiplied by the Employer contributions paid or required to be paid on your behalf for that Plan Year (less any Supplemental Contributions):

Future Benefit Service for Plan Years prior to June 30, 2003 and from July 1, 2003, to December 31, 2003

1st through 9th years	=	2.25%
10th through 19th years	=	2.50%
20 years and over	=	2.75%

Future Benefit Service from January 1, 2004 to June 30, 2004 and Plan Years from July 1, 2004, to June 30, 2018

1st through 9th years	=	1.40%
10th through 19th years	=	1.55%
20 years and over	=	1.70%

The following benefit improvements have been made:

(a) Benefits earned each Plan Year from July 1, 1981, to June 30, 2003, were increased by 10%. Benefits earned from July 1, 2003, to December 31, 2003 were increased 10%.

(b) Benefits earned during the July 1, 1986 to June 30, 1987, July 1, 1987, to June 30, 1988, and July 1, 1988, to June 30, 1989 Plan Years were increased an additional 100%. The 100% increase does not include doubling the 10% increase listed in item (a) above.

EXAMPLE 1

A Participant earned 5 years of Past Benefit Service with a new Employer that commenced participation in this Plan effective July 1, 2001 and that purchased Past Service benefits for its employees. The Participant retired on June 30, 2018. The accrued benefit is equal to the benefit in (a) plus (b) below:

(a) Benefits attributable to Past Benefit Service $25.00 x 5 =$125.00
(b) Benefits attributable to Future Benefit Service

Plan Year	Contributory Hours	Total Future Benefit Service	Employer Contribution	Base % Factor	Basic Monthly Pension Earned	Increase Approved By Trustees	10% Increased Monthly Pension	Yearly Pension Earned	Cumulative Pension Earned
2001-02	1,000	1	$2,500	2.25%	$56.25	10%	$5.63	$61.88	$61.88
2002-03	1,000	2	$2,500	2.25%	$56.25	10%	$5.63	$61.88	$123.76
2003-04	1,000	3	$2,500	2.25%	$28.13	10%	$2.81	$48.44	$172.20
				1.40%	$17.50	0%	$0.00		
2004-05	1,000	4	$2,700	1.40%	$37.80	0%	$0.00	$37.80	$210.00
2005-06	1,000	5	$2,700	1.40%	$37.80	0%	$0.00	$37.80	$247.80
2006-07	1,000	6	$2,700	1.40%	$37.80	0%	$0.00	$37.80	$285.60
2007-08	1,000	7	$2,900	1.40%	$40.60	0%	$0.00	$40.60	$326.20
2008-09	1,000	8	$2,900	1.40%	$40.60	0%	$0.00	$40.60	$368.80
2009-10	1,000	9	$2,900	1.40%	$40.60	0%	$0.00	$40.60	$407.40
2010-11	1,000	10	$3,100	1.55%	$48.05	0%	$0.00	$48.05	$455.45
2011-12	1,000	11	$3,100	1.55%	$48.05	0%	$0.00	$48.05	$503.50
2012-13	1,000	12	$3,100	1.55%	$48.05	0%	$0.00	$48.05	$551.55
2013-14	1,000	13	$3,300	1.55%	$51.15	0%	$0.00	$51.15	$602.70
2014-15	1,000	14	$3,300	1.55%	$51.15	0%	$0.00	$51.15	$653.85
2015-16	1,000	15	$3,300	1.55%	$51.15	0%	$0.00	$51.15	$705.00
2016-17	1,000	16	$3,500	1.55%	$54.25	0%	$0.00	$54.25	$759.25
2017-18	1,000	17	$3,500	1.55%	$54.25	0%	$0.00	$54.25	$813.50

The total monthly accrued benefit earned as of July 1, 2018 is $125.00 + $813.50 = $938.50 per month, payable at your Normal Retirement Date in the Normal Form.

EXAMPLE 1 (cont.)

In Example 1, the base percentage factor, also known as the benefit multiplier, for the July 1, 2003, to June 30, 2004 Plan Year was 2.25% for the first half of the Plan Year (from July 1, 2003, to December 31, 2003) and 1.40% for the second half of the Plan Year (from January 1, 2004, to June 30, 2004). Furthermore, the benefit earned from July 1, 2003, to December 31, 2003, was increased 10%. The benefit earned for the July 1, 2003, to June 30, 2004 Plan Year was calculated as follows:

	(a) Base % Factor	(b) Employer Contribution	(c) Fraction of Plan Year		(d) Benefit (a) x (b) x (c)
1. 07/01/2003 – 12/31/2003	2.25%	$2,500	0.50	=	$28.13
2. 10% Increase 0.10 x 1(d)				=	$2.81
3. 01/01/2004 – 06/30/2004	1.40%	$2,500	0.50	=	$17.50
4. Yearly Pension Earned (1+2+3)					$48.44

EXAMPLE 2

A Participant earned 5 years of Credited Service under the Northwest Marine Pension Plan prior to July 1, 1981. The Participant retired on June 30, 2018. The accrued benefit is equal to the benefit in (a) plus (b) below:

(a) Benefits attributable to Past Benefit Service $25.00 x 0 = $0.00

(b) Benefits attributable to Future Benefit Service

Plan Year	Hours of Service	Total Future Benefit Service	Employer Contribution	Base % Factor	Basic Monthly Pension Earned	Increase Approved By Trustees	10% Increased Monthly Pension	Increase Approved By Trustees	Bonus Pension	Yearly Pension Earned	Cumulative Pension Earned
1981-82	1,000	6	$1,300	2.25%	$29.25	10%	$2.93			$32.18	$32.18
1982-83	1,000	7	$1,300	2.25%	$29.25	10%	$2.93			$32.18	$64.36
1983-84	1,000	8	$1,300	2.25%	$29.25	10%	$2.93			$32.18	$96.54
1984-85	1,000	9	$1,500	2.25%	$33.75	10%	$3.38			$37.13	$133.67
1985-86	1,000	10	$1,500	2.50%	$37.50	10%	$3.75			$41.25	$174.92
1986-87	1,000	11	$1,500	2.50%	$37.50	10%	$3.75	100%	$37.50	$78.75	$253.67
1987-88	1,000	12	$1,700	2.50%	$42.50	10%	$4.25	100%	$42.50	$89.25	$342.92
1988-89	1,000	13	$1,700	2.50%	$42.50	10%	$4.25	100%	$42.50	$89.25	$432.17

EXAMPLE 2 (cont.)

Plan Year	Hours of Service	Total Future Benefit Service	Employer Contribution	Base % Factor	Basic Monthly Pension Earned	Increase Approved By Trustees	10% Increased Monthly Pension	Increase Approved By Trustees	Bonus Pension	Yearly Pension Earned	Cumulative Pension Earned
1989-90	1,000	14	$1,700	2.50%	$42.50	10%	$4.25			$46.75	$478.92
1990-91	0	14	$0	2.50%	$0.00	10%	$0.00			$0.00	$478.92
1991-92	0	14	$0	2.50%	$0.00	10%	$0.00			$0.00	$478.92
1992-93	1,000	15	$1,900	2.50%	$47.50	10%	$4.75			$52.25	$531.17
1993-94	1,000	16	$1,900	2.50%	$47.50	10%	$4.75			$52.25	$583.42
1994-95	1,000	17	$2,100	2.50%	$52.50	10%	$5.25			$57.75	$641.17
1995-96	1,000	18	$2,100	2.50%	$52.50	10%	$5.25			$57.75	$698.92
1996-97	1,000	19	$2,100	2.50%	$52.50	10%	$5.25			$57.75	$756.67
1997-98	1,000	20	$2,300	2.75%	$63.25	10%	$6.33			$69.58	$826.25
1998-99	1,000	21	$2,300	2.75%	$63.25	10%	$6.33			$69.58	$895.83
1999-00	1,000	22	$2,300	2.75%	$63.25	10%	$6.33			$69.58	$965.41
2000-01	1,000	23	$2,500	2.75%	$68.75	10%	$6.88			$75.63	$1,041.04
2001-02	1,000	24	$2,500	2.75%	$68.75	10%	$6.88			$75.63	$1,116.67
2002-03	1,000	25	$2,500	2.75%	$68.75	10%	$6.88			$75.63	$1,192.30
2003-04	1,000	26	$2,700	2.75%	$37.13	10%	$3.71			$63.79	$1,256.09
				1.70%	$22.95	0%	$0.00				
2004-05	1,000	27	$2,700	1.70%	$45.90	0%	$0.00			$45.90	$1,301.99
2005-06	1,000	28	$2,700	1.70%	$45.90	0%	$0.00			$45.90	$1,347.89
2006-07	1,000	29	$2,900	1.70%	$49.30	0%	$0.00			$49.30	$1,397.19
2007-08	1,000	30	$2,900	1.70%	$49.30	0%	$0.00			$49.30	$1,446.49
2008-09	1,000	31	$2,900	1.70%	$49.30	0%	$0.00			$49.30	$1,495.79
2009-10	1,000	32	$3,100	1.70%	$52.70	0%	$0.00			$52.70	$1,548.49
2010-11	1,000	33	$3,100	1.70%	$52.70	0%	$0.00			$52.70	$1,601.19
2011-12	1,000	34	$3,100	1.70%	$52.70	0%	$0.00			$52.70	$1,653.89
2012-13	1,000	35	$3,300	1.70%	$56.10	0%	$0.00			$56.10	$1,709.99
2013-14	1,000	36	$3,300	1.70%	$56.10	0%	$0.00			$56.10	$1,766.09
2014-15	1,000	37	$3,300	1.70%	$56.10	0%	$0.00			$56.10	$1,822.19
2015-16	1,000	38	$3,500	1.70%	$59.50	0%	$0.00			$59.50	$1,881.69
2016-17	1,000	39	$3,500	1.70%	$59.50	0%	$0.00			$59.50	$1,941.19
2017-18	1,000	40	$3,500	1.70%	$59.50	0%	$0.00			$59.50	$2,000.69

EXAMPLE 2 (cont.)

The total monthly accrued benefit earned as of July 1, 2018 is \$0.00 + \$2,000.69 = \$2,000.69 per month, payable at your Normal Retirement Date in the Normal Form.

The Participant in Example 2 did not earn at least 240 Contributory Hours in the July 1, 1990 to June 30, 1991 or July 1, 1991, to June 30, 1992 Plan Years. Therefore, he or she did not earn a year of Future Benefit Service and did not earn a benefit in those years.

25. *How is my Accrued Benefit Determined for the July 1, 2018, to June 30, 2019 Plan Year?*

Your Accrued Benefit for the July 1, 2018, to June 30, 2019 Plan Year will be zero unless your Employer adopted the 2018 Default Schedule or the 2018 Default Schedule is imposed by the PPA. If this occurs, the Accrued Benefit earned from the first day of the month the 2018 Default Schedule is adopted or the first day of the month following the date the 2018 Default Schedule is imposed through June 30, 2019, will be 1% of Employer Contributions paid or required to be paid on your behalf for the remainder of the Plan Year (less any Supplemental Contributions).

26. *How do I Calculate my Accrued Benefit if I Work under the 2018 Default Schedule After June 30, 2018?*

Benefits are based on your number of years of Benefit Service (see Question 9) and contributions paid or required to be paid by Employers on your behalf (less any Supplemental Contributions). Your accrued benefit is a monthly benefit payable in the Normal Form (see Question 33) at your Normal Retirement Date equal to the sum of (a) through (d) below.

(a) $25.00 multiplied by the number of years of Past Benefit Service.

(b) For each Plan Year (July 1 to June 30) through June 30, 2018, that you are credited with Future Benefit Service, the appropriate base percentage factor from the table below is multiplied by the Employer contributions paid or required to be paid on your behalf for that Plan Year (less any Supplemental Contributions):

Future Benefit Service for Plan Years prior to June 30, 2003 and from July 1, 2003, to December 31, 2003

1st through 9th years	=	2.25%
10th through 19th years	=	2.50%
20 years and over	=	2.75%

Future Benefit Service from January 1, 2004, to June 30, 2004 and Plan Years from July 1, 2004, to June 30, 2018

1st through 9th years	=	1.40%
10th through 19th years	=	1.55%
20 years and over	=	1.70%

(c) For the July 1, 2018, to June 30, 2019 Plan Year, your base percentage factor, also known as the benefit multiplier, is 0% from July 1, 2018 to the first day of the month your Employer or Union adopts the 2018 Default Schedule or the first of the month following the date the 2018 Default Schedule is imposed by the PPA. Thereafter, it is 1% of Employer contributions paid or required to be paid to the Plan (less any Supplemental Contributions) if you are credited with Future Benefit Service.

(d) For each Plan Year after June 30, 2019, that you are credited with Future Benefit Service, your base percentage factor, also known as the benefit multiplier, for work performed under the 2018 Default Schedule is 1% of Employer contributions paid or required to be paid to the Plan (less any Supplemental Contributions).

The following benefit improvements have been made:

(a) Benefits earned each Plan Year from July 1, 1981, to June 30, 2003, were increased by 10%. Benefits earned from July 1, 2003, to December 31, 2003, were increased 10%.

(b) Benefits earned during the July 1, 1986, to June 30, 1987, July 1, 1987, to June 30, 1988, and July 1, 1988, to June 30, 1989 Plan Years were increased an additional 100%. The 100% increase does not include doubling the 10% increase listed in item (a) above.

EXAMPLE 1

A Participant worked for an Employer that adopted the 2018 Default Schedule effective January 1, 2019. The Participant's accrued benefit is determined as follows:

Plan Year	Contributory Hours	Total Future Benefit Service	Employer Contribution	Base % Factor	Basic Monthly Pension Earned	Increase Approved By Trustees	10% Increased Monthly Pension	Yearly Pension Earned	Cumulative Pension Earned
2001-02	1,000	1	$2,500	2.25%	$56.25	10%	$5.63	$61.88	$61.88
2002-03	1,000	2	$2,500	2.25%	$56.25	10%	$5.63	$61.88	$123.76
2003-04	1,000	3	$2,500	2.25%	$28.13	10%	$2.81	$48.44	$172.20
				1.40%	$17.50	0%	$0.00		
2004-05	1,000	4	$2,700	1.40%	$37.80	0%	$0.00	$37.80	$210.00
2005-06	1,000	5	$2,700	1.40%	$37.80	0%	$0.00	$37.80	$247.80
2006-07	1,000	6	$2,700	1.40%	$37.80	0%	$0.00	$37.80	$285.60
2007-08	1,000	7	$2,900	1.40%	$40.60	0%	$0.00	$40.60	$326.20
2008-09	1,000	8	$2,900	1.40%	$40.60	0%	$0.00	$40.60	$368.80
2009-10	1,000	9	$2,900	1.40%	$40.60	0%	$0.00	$40.60	$407.40
2010-11	1,000	10	$3,100	1.55%	$48.05	0%	$0.00	$48.05	$455.45
2011-12	1,000	11	$3,100	1.55%	$48.05	0%	$0.00	$48.05	$503.50
2012-13	1,000	12	$3,100	1.55%	$48.05	0%	$0.00	$48.05	$551.55
2013-14	1,000	13	$3,300	1.55%	$51.15	0%	$0.00	$51.15	$602.70
2014-15	1,000	14	$3,300	1.55%	$51.15	0%	$0.00	$51.15	$653.85
2015-16	1,000	15	$3,300	1.55%	$51.15	0%	$0.00	$51.15	$705.00
2016-17	1,000	16	$3,500	1.55%	$54.25	0%	$0.00	$54.25	$759.25
2017-18	1,000	17	$3,500	1.55%	$54.25	0%	$0.00	$54.25	$813.50
7/1/18 to 12/31/18	500		$1,750	0.00%	$0.00	0%	$0.00		
1/1/19 to 6/30/19	500	18	$1,750	1.00%	$17.50	0%	$0.00	$17.50	$831.00
2019-20	1,000	19	$3,500	1.00%	$35.00	0%	$0.00	$35.00	$866.00

The base percentage factor, also known as the benefit multiplier, is zero from July 1, 2018, to December 31, 2018, before the Employer adopted the 2018 Default Schedule on January 1, 2019. Future Benefit Service after June 30, 2018, is not earned unless the Participant has 1,000 Contributory Hours in a Plan Year.

The total monthly accrued benefit earned as of June 30, 2020, is $866.00 per month, payable at your Normal Retirement Date in the Normal Form.

27. *HOW DO I CALCULATE MY ACCRUED BENEFIT IF I WORK UNDER THE 2018 PREFERRED SCHEDULE AFTER JUNE 30, 2018?*

Benefits are based on your number of years of Benefit Service (see Question 9) and contributions paid or required to be paid by Employers on your behalf (less any Supplemental Contributions). Your accrued benefit is a monthly benefit payable in the Normal Form (see Question 33) at your Normal Retirement Date equal to the sum of (a) through (d) below.

(a) $25.00 multiplied by the number of years of Past Benefit Service.

(b) For each Plan Year (July 1 to June 30) through June 30, 2018, that you are credited with Future Benefit Service, the appropriate base percentage factor from the table below is multiplied by the Employer contributions paid or required to be paid on your behalf for that Plan Year (less any Supplemental Contributions):

Future Benefit Service for Plan Years prior to June 30, 2003, and from July 1, 2003, to December 31, 2003

1st through 9th years	=	2.25%
10th through 19th years	=	2.50%
20 years and over	=	2.75%

Future Benefit Service from January 1, 2004, to June 30, 2004, and Plan Years from July 1, 2004, to June 30, 2018

1st through 9th years	=	1.40%
10th through 19th years	=	1.55%
20 years and over	=	1.70%

(c) For the July 1, 2018, to June 30, 2019 Plan Year, your base percentage factor, also known as the benefit multiplier, is 0%. See Question 25.

(d) For each Plan Year after June 30, 2019, that you are credited with Future Benefit Service, and after the date your Employer has adopted the 2018 Preferred Schedule, the appropriate base percentage factor from the table below is multiplied by 70% of the Employer contributions paid or required to be paid on your behalf for the Plan Year (less any Supplemental Contributions):

Future Benefit Service for Plan Years on and after July 1, 2019

1st through 9th years	=	1.40%*
10th through 19th years	=	1.55%*
20 years and over	=	1.70%*

* 30% of the Employer contributions paid or required to be paid on your behalf (less any Supplemental Contributions) will not be taken into account when determining your accrued benefit.

The following benefit improvements have been made:

(a) Benefits earned each Plan Year from July 1, 1981, to June 30, 2003, were increased by 10%. Benefits earned from July 1, 2003, to December 31, 2003, were increased 10%.

(b) Benefits earned during the July 1, 1986, to June 30, 1987, July 1, 1987, to June 30, 1988, and July 1, 1988, to June 30, 1989 Plan Years were increased an additional 100%. The 100% increase does not include doubling the 10% increase listed in (a) above.

EXAMPLE 1

A Participant worked for an Employer that adopted the 2018 Preferred Schedule effective January 1, 2019. The Participant's accrued benefit is determined as follows:

Plan Year	Contributory Hours	Total Future Benefit Service	Employer Contribution	Base % Factor	Basic Monthly Pension Earned	Increase Approved By Trustees	10% Increased Monthly Pension	Yearly Pension Earned	Cumulative Pension Earned
2001-02	1,000	1	$2,500	2.25%	$56.25	10%	$5.63	$61.88	$61.88
2002-03	1,000	2	$2,500	2.25%	$56.25	10%	$5.63	$61.88	$123.76
2003-04	1,000	3	$2,500	2.25%	$28.13	10%	$2.81	$48.44	$172.20
				1.40%	$17.50	0%	$0.00		
2004-05	1,000	4	$2,700	1.40%	$37.80	0%	$0.00	$37.80	$210.00
2005-06	1,000	5	$2,700	1.40%	$37.80	0%	$0.00	$37.80	$247.80
2006-07	1,000	6	$2,700	1.40%	$37.80	0%	$0.00	$37.80	$285.60
2007-08	1,000	7	$2,900	1.40%	$40.60	0%	$0.00	$40.60	$326.20
2008-09	1,000	8	$2,900	1.40%	$40.60	0%	$0.00	$40.60	$368.80
2009-10	1,000	9	$2,900	1.40%	$40.60	0%	$0.00	$40.60	$407.40
2010-11	1,000	10	$3,100	1.55%	$48.05	0%	$0.00	$48.05	$455.45
2011-12	1,000	11	$3,100	1.55%	$48.05	0%	$0.00	$48.05	$503.50
2012-13	1,000	12	$3,100	1.55%	$48.05	0%	$0.00	$48.05	$551.55
2013-14	1,000	13	$3,300	1.55%	$51.15	0%	$0.00	$51.15	$602.70
2014-15	1,000	14	$3,300	1.55%	$51.15	0%	$0.00	$51.15	$653.85
2015-16	1,000	15	$3,300	1.55%	$51.15	0%	$0.00	$51.15	$705.00
2016-17	1,000	16	$3,500	1.55%	$54.25	0%	$0.00	$54.25	$759.25
2017-18	1,000	17	$3,500	1.55%	$54.25	0%	$0.00	$54.25	$813.50
2018-19	1,000	18	$3,500	0.00%	$0.00 *	0%	$0.00	$0.00	$813.50
2019-20	1,000	19	$3,500	1.55%	$37.98 **	0%	$0.00	$37.98	$851.48

* The base percentage factor, also known as the benefit multiplier, is zero for the July 1, 2018, to June 30, 2019 Plan Year. See Question 25.

EXAMPLE 1 (cont.)

** 70% of the Employer contribution ($2,450) was multiplied by the base percentage factor of 1.55% to arrive at the basic monthly pension earned of $37.98. 30% of the Employer contribution ($1,050) was not taken into account when determining the accrued benefit. See Question 27(d).

The total monthly accrued benefit earned as of June 30, 2020, is $851.48 per month, payable at your Normal Retirement Date in the Normal Form.

28. *IS MY BENEFIT REDUCED IF I ELECT AN EARLY RETIREMENT DATE BEFORE JANUARY 1, 2019?*

Yes. If you are eligible for and elect an Early Retirement Date (see Question 5), your retirement benefit will be reduced from the accrued benefit payable on the Normal Retirement Date. The benefit is reduced to reflect the longer period of time payments are expected to be paid to you. The amount your accrued benefit is reduced depends on whether you are an Active Participant or a Terminated Participant at retirement.

If you are receiving a disability benefit (see Question 40) that started before January 1, 2019, you are not required to but may elect an Early Retirement Date. The amount your accrued benefit is reduced depends on whether you are an Active Participant or a Terminated Participant at retirement. Since you do not earn Contributory Hours while receiving disability benefits, you could be considered a Terminated Participant for the purposes of calculating your benefit at your Early Retirement Date.

A. <u>Early Retirement Benefit for Retirements Before January 1, 2019 for Terminated Participants at the Time of Retirement</u>

If you retire before January 1, 2019, you are a Terminated Participant at the time of retirement, and are eligible for and elect to start your retirement benefits prior to your Normal Retirement Date, you will receive an Unsubsidized Early Retirement Benefit that reflects the actuarial cost of providing more payments over your lifetime. The unsubsidized early retirement reduction factors are as follows:

Age at Retirement	**Early Retirement Reduction Factor**
55	0.3791
56	0.4148
57	0.4545
58	0.4986
59	0.5478
60	0.6029
61	0.6645
62	0.7338
63	0.8118
64	0.9000

<u>EXAMPLE</u>. A Participant's normal retirement benefit at age 65 is $1,000.00. If the Participant is a Terminated Participant at the time of retirement and retires at age 58, the early retirement benefit is 49.86% of the normal retirement benefit, a reduction of 50.14% (100% – 49.86%). The early retirement benefit would be:

$1,000.00 x 0.4986 = $498.60

B. <u>Early Retirement Benefit for Retirements Before January 1, 2019 for Active Participants who Meet the Rule of 85 Requirements at the Time of Retirement</u>

You meet the Rule of 85 Requirements if you meet the following criteria:

1. You were age 55 or older but had not yet reached age 65 as of June 30, 2011;

2. You were not a Terminated Participant as of June 30, 2011;

3. You earned 240 or more Contributory Hours in the July 1, 2010, to June 30, 2011 Plan Year; and

4. Your age plus years of service (as defined below) equal or exceed 85 as of June 30, 2011.

In addition to meeting the four criteria above, you must also meet one of the following criteria: (i) for retirements between July 1, 2011, and June 30, 2018, you must have retired as an Active Participant, or (ii) for retirements after June 30, 2018, you must have retired as an Active Participant Under the 2018 Default Schedule or the 2018 Preferred Schedule.

Years of service for the Rule of 85 Requirements means years or partial years of Future Credited Service that you earned under this Plan, the Columbia River Retirement Plan, the Inland Waters Pension Plan, and/or the Ferry Concessions Pension Plan (IBU Credited Service) that has not been permanently forfeited due to a Permanent Break in Service. If you earned 20 or more years of IBU Credited Service without a Permanent Break in Service as of June 30, 2011, you may also count years or partial years of Future Credited Service earned under the Northwest Marine Pension Plan, Southwest Marine Pension Plan, Alaska Longshore Pension Plan, Washington State Ferries Pension Plan, Crown Zellerbach Plan and Masters, Mates & Pilots Individual Retirement Account Plan provided the Future Credited Service has not been forfeited due to a Permanent Break in Service.

If you retire before January 1, 2019, are an Active Participant at the time of retirement and meet the Rule of 85 Requirements, your retirement benefit will depend on whether you were an Active Participant or a Terminated Participant for the July 1, 2009, to June 30, 2010 Plan Year and at the time of your retirement.

1. <u>Active Participant during the July 1, 2009, to June 30, 2010 Plan Year and at Retirement</u>. If you were an Active Participant during the July 1, 2009, to June 30, 2010 Plan Year and at the time of your retirement, and meet the Rule of 85 Requirements, your retirement benefit will be reduced from the accrued benefit payable on your Normal Retirement Date by 0.25% for each month that your retirement precedes age 62. This is a 3% reduction for each 12 months. If you retire at age 62 or older, you will receive your accrued benefit without any reduction due to early retirement before reaching age 65.

   <u>EXAMPLE</u>. A Participant's normal retirement benefit at age 65 is $1,000.00. If the Participant meets the Rule of 85 Requirements and retires at age 58 and 6 months, the early retirement benefit is reduced 42 months from age 62. The early retirement benefit would be calculated as follows:

   0.25% x 42 = 0.105
   1.000 – 0.105 = 0.895

   The early retirement benefit would be:

   $1,000.00 x 0.895 = $895.00

2. <u>Terminated Participant during the July 1, 2009, to June 30, 2010 Plan Year but an Active Participant at Retirement</u>. If you were a Terminated Participant for the July 1, 2009, to June 30, 2010 Plan Year and an Active Participant at the time of your retirement, and meet the Rule of 85 Requirements, different early retirement reductions factors will apply to the accrued benefit earned prior to July 1, 2010 and the accrued benefit earned after June 30, 2010. Your retirement benefit earned prior to July 1, 2010 will be reduced based on the early retirement factors in Question 28A. Your retirement benefit earned after June 30, 2010 will be reduced based on the early retirement factors in Question 28B.1.

   <u>EXAMPLE</u>. A Participant's normal retirement benefit at age 65 is $1,000.00. The Participant earned $750 of the benefit prior to July 1, 2010 and $250 of the benefit after June 30, 2010, and before July 1, 2018. The Participant was a Terminated Participant for the July 1, 2009, to June 30, 2010 Plan Year and an Active Participant at the time of retirement at age 57. The early retirement benefit would be calculated as follows:

   Pre-July 1, 2010 Early Retirement Benefit:

   $750 x 0.4545 = $340.88

Post June 30, 2010 Early Retirement Benefit:

0.25% x 60 = 0.1500
1.000 – 0.1500 = 0.8500
$250 x 0.8500= $212.50

The early retirement benefit would be:

$340.88 + $212.50 = $553.38

C. Early Retirement Benefit for Retirements Before January 1, 2019 for Active Participants who do not Meet the Rule of 85 Requirements at the Time of Retirement

If you retire before January 1, 2019, are an Active Participant at the time of retirement and do not meet the Rule of 85 Requirements, your retirement benefit will depend on whether you were an Active Participant or a Terminated Participant for the July 1, 2009, to June 30, 2010 Plan Year and at the time of your retirement.

1. Active Participant during the July 1, 2009, to June 30, 2010 Plan Year and at Retirement. If you were an Active Participant during the July 1, 2009, to June 30, 2010 Plan Year and at the time of your retirement, your retirement benefit will be reduced from the accrued benefit payable on the Normal Retirement Date by 0.25% per month that your early retirement precedes age 65 to age 62 and by 0.4167% per month that your early retirement precedes age 62.

EXAMPLE. A Participant's normal retirement benefit at age 65 is $1,000.00. The Participant was an Active Participant for the July 1, 2009, to June 30, 2010 Plan Year, is an Active Participant at the time of retirement and does not meet the Rule of 85 Requirements. If he retires at age 58 and 6 months, the early retirement benefit is reduced 36 months from age 65 to age 62 and 42 months from age 62 to age 58 and 6 months. The early retirement reduction factor would be:

0.25% x 36 = 0.0900
0.4167% x 42 = 0.1750
0.1750 + 0.0900 = 0.2650
1.000 – 0.2650 = 0.7350

The early retirement benefit would be:

$1,000.00 x 0.7350 = $735.00

2. <u>Terminated Participant during the July 1, 2009, to June 30, 2010 Plan Year but an Active Participant at Retirement</u>. If you were a Terminated Participant for the July 1, 2009, to June 30, 2010 Plan Year and an Active Participant at the time of your retirement, different early retirement reductions factors will apply to the accrued benefit earned prior to July 1, 2010 and the accrued benefit earned after June 30, 2010. Your retirement benefit earned prior to July 1, 2010 will be reduced based on the early retirement factors in Question 28A. Your retirement benefit earned after June 30, 2010 will be reduced based on the early retirement factors in Question 28C.1.

<u>EXAMPLE</u>. A Participant's normal retirement benefit at age 65 is $1,000.00. The Participant earned $750 of the benefit prior to July 1, 2010 and $250 of the benefit after June 30, 2010, and before July 1, 2018. The Participant was a Terminated Participant for the July 1, 2009, to June 30, 2010 Plan Year and an Active Participant at the time of retirement at age 57. The early retirement benefit would be calculated as follows:

Pre-July 1, 2010 Early Retirement Benefit:

$750 x 0.4545 = $340.88

Post June 30, 2010 Early Retirement Benefit:

0.25% x 36 = 0.0900
0.4167% x 60 = 0.2500
0.2500 + 0.0900 = 0.3400
1.000 – 0.3400 = 0.6600
$250 x 0.6600= $165.00

The early retirement benefit would be:

$340.88 + $165.00 = $505.88

29. IS MY BENEFIT REDUCED IF I ELECT AN EARLY RETIREMENT DATE AFTER DECEMBER 31, 2018?

Yes. If you are eligible for and elect an Early Retirement Date (see Question 5), your retirement benefit will be reduced from the accrued benefit payable on your Normal Retirement Date. The benefit is reduced to reflect the longer time period payments are expected to be paid to you. The amount your accrued benefit is reduced depends on whether you are a Terminated Participant Under the 2018 Rehabilitation Plan at retirement, an Active Participant Under the 2018 Default Schedule at retirement, or an Active Participant Under the 2018 Preferred Schedule at retirement.

A. Early Retirement Benefit for Retirements After December 31, 2018 for Terminated Participants under the 2018 Rehabilitation Plan at the Time of Retirement

If you retire after December 31, 2018, are a Terminated Participant Under the 2018 Rehabilitation Plan at the time of retirement, and are eligible for and elect to start your retirement benefits prior to your Normal Retirement Date, your early retirement benefit will be determined as described in Question 28A.

B. Early Retirement Benefit for Retirements After December 31, 2018 for Active Participants Under the 2018 Default Schedule or 2018 Preferred Schedule who Meet the Rule of 85 Requirements at the Time of Retirement

If you retire after December 31, 2018, you are an Active Participant Under the 2018 Default Schedule or 2018 Preferred Schedule at the time of retirement and meet the Rule of 85 Requirements (see Question 28B), your retirement benefit will be reduced. The amount of the reduction depends on whether you are an Active Participant Under the 2018 Default Schedule or an Active Participant Under the 2018 Preferred Schedule at the time of your retirement. In addition, if you were a Terminated Participant during the July 1, 2009, to June 30, 2010 Plan Year, the early retirement reductions factors in Question 28A will apply to the accrued benefit earned prior to July 1, 2010. If you were a Terminated Participant during the July 1, 2017, to June 30, 2018 Plan Year, the early retirement reduction factors in Question 28A will apply to the accrued benefit earned prior to July 1, 2018.

1. Rule of 85 Benefit for Active Participants Under the 2018 Default Schedule. If you retire after December 31, 2018, you were an Active Participant during the July 1, 2009, to June 30, 2010, and July 1, 2017, to June 30, 2018 Plan Years, are an Active Participant Under the 2018 Default Schedule at the time of retirement, and meet the Rule of 85 Requirements, your retirement benefit will be reduced from the accrued benefit payable on your Normal Retirement Date. Your accrued benefit earned through June 30, 2018 will be reduced by 0.25% for each month that your retirement precedes age 62. Your accrued benefit earned after June 30, 2018, is the Unsubsidized Early Retirement Benefit described in Question 28A.

   EXAMPLE. A Participant's normal retirement benefit at age 65 is $1,000.00. The Participant earned $750.00 of the benefit prior to July 1, 2018, and $250.00 of the benefit after June 30, 2018. The Participant was an Active Participant during the July 1, 2009, to June 30, 2010, and July 1, 2017, to June 30, 2018 Plan Years, was an Active Participant Under the 2018 Default Schedule, met the Rule of 85 Requirements at the time of retirement and retired at age 60. The early retirement benefit would be calculated as follows:

Pre-July 1, 2018 Early Retirement Benefit:

0.25% x 24 = 0.06
1.00 – 0.06 = 0.94
$750.00 x 0.94 = $705.00

Post-June 30, 2018 Early Retirement Benefit:

$250.00 x 0.6029 = $150.73

The early retirement benefit would be:

$705.00 + $150.73 = $855.73

2. Rule of 85 Benefit for Active Participants Under the 2018 Preferred Schedule. If you retire after December 31, 2018, you were an Active Participant during the July 1, 2009, to June 30, 2010, and July 1, 2017, to June 30, 2018 Plan Years, are an Active Participant Under the 2018 Preferred Schedule at the time of retirement, and meet the Rule of 85 Requirements, your retirement benefit will be determined as described in Question 28B.1. If you retire after December 31, 2018, are an Active Participant Under the 2018 Preferred Schedule at the time of retirement, meet the Rule of 85 Requirements, but were a Terminated Participant during the July 1, 2017, to June 30, 2018 Plan Year, the early retirement reduction factors in Question 28A will apply to the accrued benefit earned prior to July 1, 2018.

EXAMPLE. A Participant's normal retirement benefit at age 65 is $1,000.00. The Participant earned $750 of the benefit prior to July 1, 2018 and $250 of the benefit after June 30, 2018. The Participant was a Terminated Participant for the July 1, 2017, to June 30, 2018 Plan Year and an Active Participant at the time of retirement at age 57. The early retirement benefit would be calculated as follows:

Pre-July 1, 2018 Early Retirement Benefit:

$750 x 0.4545 = $340.88

Post June 30, 2018 Early Retirement Benefit:

0.25% x 60 = 0.1500
1.000 – 0.1500 = 0.8500
$250 x 0.8500= $212.50

The early retirement benefit would be:

$340.88 + $212.50 = $553.38

C. Early Retirement Benefit for Retirements After December 31, 2018 for Active Participants Under the 2018 Default Schedule and 2018 Preferred Schedule who do not Meet the Rule of 85 Requirements at the Time of Retirement

If you retire after December 31, 2018, are an Active Participant Under the 2018 Default Schedule or Under the 2018 Preferred Schedule at the time of retirement and do not meet the Rule of 85 Requirements, the amount of your early retirement benefit depends on whether you are an Active Participant Under 2018 Default Schedule or an Active Participant Under the 2018 Preferred Schedule at the time of your retirement. In addition, if you were a Terminated Participant during the July 1, 2009, to June 30, 2010 Plan Year, the early retirement reductions factors in Question 28A will apply to the accrued benefit earned prior to July 1, 2010. If you were a Terminated Participant during the July 1, 2017, to June 30, 2018 Plan Year, the early retirement reduction factors in Question 28A will apply to the accrued benefit earned prior to July 1, 2018.

1. Active Participant Under the 2018 Default Schedule. If you retire after December 31, 2018, you were an Active Participant during the July 1, 2009, to June 30, 2010, and July 1, 2017, to June 30, 2018 Plan Years, are an Active Participant Under the 2018 Default Schedule at the time of retirement, and do not meet the Rule of 85 Requirements, your retirement benefit will be reduced based on your accrued benefit earned through June 30, 2018, by 0.25% for each month that your early retirement precedes age 65 to age 62, and by 0.4167% for each month that your early retirement precedes age 62. Your accrued benefit earned after June 30, 2018, is the Unsubsidized Early Retirement Benefit described in Question 28A.

   EXAMPLE. A Participant's normal retirement benefit at age 65 is $1,000.00. The Participant earned $750.00 of the benefit prior to July 1, 2018, and $250.00 of the benefit after June 30, 2018. The Participant was an Active Participant during the July 1, 2009, to June 30, 2010, and July 1, 2017, to June 30, 2018 Plan Years, was an Active Participant Under the 2018 Default Schedule at the time of retirement, does not meet the Rule of 85 Requirements and retires at age 60. The early retirement benefit would be calculated as follows:

   Pre-July 1, 2018 Early Retirement Benefit:

   0.25% x 36 = 0.0900
   0.4167% x 24 = 0.1000
   0.0900 + 0.1000 = 0.1900
   1.000 – 0.1900 = 0.8100
   $750.00 x 0.8100 = $607.50

Post-June 30, 2018 Early Retirement Benefit:

$250.00 x 0.6029 = $150.73

The early retirement benefit would be:

$607.50 + $150.73 = $758.23

2. Active Participant Under the 2018 Preferred Schedule. If you retire after December 31, 2018, you were an Active Participant during the July 1, 2009, to June 30, 2010, and July 1, 2017, to June 30, 2018 Plan Years, are an Active Participant Under the 2018 Preferred Schedule at the time of retirement, and do not meet the Rule of 85 Requirements, your retirement benefit will be reduced. The amount of the reduction depends on the age at which you retire. If you retire prior to age 62, you will receive an Unsubsidized Early Retirement Benefit as described in Question 28A. If you retire at age 62 or older, your retirement benefit will be reduced from the accrued benefit payable on the Normal Retirement Date by 0.25% for each month that your early retirement precedes age 65.

EXAMPLE 1. A Participant's normal retirement benefit at age 65 is $1,000.00. The Participant retires after December 31, 2018, was an Active Participant during the July 1, 2009, to June 30, 2010, and July 1, 2017, to June 30, 2018 Plan Years, is an Active Participant Under the 2018 Preferred Schedule at the time of retirement, does not meet the Rule of 85 Requirements, and retires at age 60. The early retirement benefit would be calculated as follows:

$1,000 x 0.6029 = $602.90

The benefit would be the same Unsubsidized Early Retirement Benefit if the Participant was a Terminated Participant during the July 1, 2009, to June 30, 2010, or the July 1, 2017, to June 30, 2018 Plan Years,

EXAMPLE 2. A Participant's normal retirement benefit at age 65 is $1,000.00. The Participant retires after December 31, 2018, was an Active Participant during the July 1, 2009, to June 30, 2010, and July 1, 2017, to June 30, 2018 Plan Years, is an Active Participant Under the 2018 Preferred Schedule at the time of retirement, does not meet the Rule of 85 Requirements, and retires at age 63. The early retirement benefit would be calculated as follows:

0.25% x 24 = 0.0600
1.000 – 0.0600 = 0.9400
$1,000 x 0.9400 = $940.00

EXAMPLE 3. A Participant's normal retirement benefit at age 65 is \$1,000.00. The Participant earned \$750.00 of the benefit prior to July 1, 2018, and \$250.00 of the benefit after June 30, 2018. The Participant was a Terminated Participant during the July 1, 2017, to June 30, 2018 Plan Year, is an Active Participant Under the 2018 Preferred Schedule at the time of retirement, does not meet the Rule of 85 Requirements and retires at age 63. The early retirement benefit would be calculated as follows:

Pre-July 1, 2018 Early Retirement Benefit:

\$750.00 x 0.8118 = \$608.85

Post-June 30, 2018 Early Retirement Benefit:

0.25% x 24 = 0.0600
1.000 – 0.0600 = 0.9400
\$250 x 0.9400 = \$235.00

The early retirement benefit would be:

\$608.85 + \$235.00 = \$843.85

30. *HOW IS MY BENEFIT DETERMINED IF I RETIRE OR BECOME DISABLED AFTER DECEMBER 31, 2018 AND BEFORE MY EMPLOYER HAS ADOPTED THE 2018 DEFAULT SCHEDULE OR 2018 PREFERRED SCHEDULE?*

If you are an Active Participant Under the 2018 Rehabilitation Plan at the time you retire or become disabled and your Employer has not yet adopted the 2018 Default Schedule or 2018 Preferred Schedule, your accrued benefit will be initially calculated and temporarily paid as follows:

(a) The accrued benefit base percentage factor, also known as the benefit multiplier, shall be zero for the July 1, 2018, to June 30, 2019 Plan Year (see Question 25).

(b) The accrued benefit base percentage factor, also known as the benefit multiplier, shall be calculated as described in Question 26(a), (b), and (d) for the Plan Years after the July 1, 2018, to June 30, 2019 Plan Year. You need 1,000 Contributory Hours in a Plan Year to earn one year of Future Benefit Service (see Question 9(b)).

(c) If you elect an Early Retirement Date, you will receive an Unsubsidized Early Retirement Benefit based on your entire accrued benefit. See Question 28A.

(d) You will not be eligible for a disability benefit or disability retirement benefit.

After your Employer has adopted the 2018 Default Schedule or 2018 Preferred Schedule, the Administrative Office will recalculate your accrued benefit based on the terms and conditions of the 2018 Default Schedule or 2018 Preferred Schedule that was adopted. If the recalculation of your accrued benefit results in a higher monthly benefit, the higher monthly benefit will be paid in a lump sum retroactive to your retirement date with interest on the lump sum payment at the rate of 6.5% per annum. If the recalculation of your accrued benefit results in a lower monthly benefit, your monthly benefit will be reduced starting the first day of the month in which your Employer adopted the 2018 Default Schedule or 2018 Preferred Schedule.

31. How is my Benefit Determined if I Retire or Become Disabled After December 31, 2018, After the 2018 Default Schedule has been Temporarily Imposed on my Employer and Before my Employer has Adopted the 2018 Default Schedule or 2018 Preferred Schedule?

Under the Pension Protection Act, an Employer and the Union have 180 days after the collective bargaining agreement in effect when the Plan was certified in the red zone expires to adopt the 2018 Default Schedule or the 2018 Preferred Schedule. If the Employer and the Union have not adopted a schedule within 180 days, the 2018 Default Schedule is temporarily imposed on the Employer until the Employer and the Union agree to adopt the 2018 Default Schedule or 2018 Preferred Schedule.

If you are an Active Participant Under the 2018 Rehabilitation Plan at the time you retire or become disabled and the 2018 Default Schedule has been imposed on your Employer, your accrued benefit will be initially calculated and temporarily paid as follows:

(a) The accrued benefit base percentage factor, also known as the benefit multiplier, shall be zero from July 1, 2018, to the earlier of June 30, 2019, or the first day of the month following the date the 2018 Default Schedule is imposed on your Employer. For example, assume the 2018 Default Schedule was imposed on your Employer on December 15, 2018. Your accrued benefit base percentage factor is zero from July 1, 2018, through December 31, 2018. Effective January 1, 2019, your accrued benefit base percentage factor shall be calculated as described in Question 26(a), (b) and (d). You need 1,000 Contributory Hours in a Plan Year to earn one year of Future Benefit Service (see Question 9(b)).

(b) If you elect an Early Retirement Date while the 2018 Default Schedule is imposed, you will receive an Unsubsidized Early Retirement Benefit based on your entire accrued benefit. See Question 28A.

(c) You will not be eligible for a disability benefit or disability retirement benefit.

After your Employer has adopted the 2018 Default Schedule or 2018 Preferred Schedule, the Administrative Office will recalculate your accrued benefit based on the terms and conditions of the 2018 Default Schedule or 2018 Preferred Schedule that was adopted effective the first day of the month in which the 2018 Default Schedule or 2018 Preferred Schedule was adopted.

If the recalculation of your accrued benefit results in a lower monthly benefit, your monthly benefit will be reduced prospectively.

If the recalculation of your accrued benefit results in a higher monthly benefit, the higher monthly benefit will be paid in a lump sum retroactive to your retirement date with interest on the lump sum payment at the rate of 6.5% per annum, but the higher monthly benefit will not be paid during the months that the 2018 Default Schedule was imposed.

For example, assume the 2018 Default Schedule was imposed on your Employer on January 1, 2019, you retired as an Active Participant Under the 2018 Rehabilitation Plan on March 1, 2019, with a benefit initially calculated to be $1,000 per month. On December 31, 2019, the Employer and Union adopt the 2018 Preferred Schedule. The Administrative Office recalculated your accrued benefit to be $1,010 per month. Your monthly benefit will increase to $1,010 per month effective December 1, 2019. Your monthly benefit will not increase to $1,010 per month retroactive to your retirement date (March 1, 2019) because the 2018 Default Schedule was imposed on your Employer for the months of March 2019 through November 2019.

32. What is my Benefit if I Retire After my Normal Retirement Date?

If you continue to work past your Normal Retirement Date (see Question 5) for an Employer or work in employment of the type described in Question 37, you will receive a suspension of benefits notice from the Administrative Office. This notice explains that your benefits will be suspended because you are continuing to work. Your accrued benefit on your Postponed Retirement Date will include all Future Credited Service, Future Benefit Service and benefits earned after your Normal Retirement Date and calculated as described in Questions 7, 9, 25, 26 and 27.

Your benefit may be further adjusted if you work past age 70½ (see Question 35).

E. RETIREMENT BENEFITS

33. How is the Amount of my Retirement Benefit Determined?

If you retire prior to January 1, 2019, the Normal Form of retirement benefit is a monthly benefit payable as a 60-month certain and life annuity. This is an annuity payable for your life with 60 monthly payments guaranteed to be paid to you or, if you die prior to receiving 60 monthly payments, to your beneficiary until a total of 60 payments have been made between you and your beneficiary.

If you retire on or after January 1, 2019, and are a Terminated Participant Under the 2018 Rehabilitation Plan or an Active Participant Under the 2018 Preferred Schedule, the Normal Form of retirement benefit is a life annuity. The life annuity will provide a monthly payment to you for the remainder of your life. Payments end at your death regardless of the number of payments made.

If you retire on or after January 1, 2019, and are an Active Participant Under the 2018 Default Schedule, the Normal Form of retirement benefit is as follows:

(a) A life annuity based on your accrued benefit earned after December 31, 2018; and

(b) A 60-month certain and life annuity based on your accrued benefit earned prior to January 1, 2019.

When you retire, your benefit is adjusted for the following:

(a) Timing of Benefit Commencement. If you elect an Early or Postponed Retirement Date, the benefit is determined as shown in Questions 28, 29 or 30 to account for a benefit commencement that is earlier or later than the Normal Retirement Date.

(b) Optional Form of Payment. If you choose to receive a benefit in a form other than the Normal Form, the benefit is adjusted to take into account how long benefits are expected to be paid to you and your beneficiary, if applicable.

(c) Rounding. All monthly benefits are rounded up to the next $1.00 after all adjustments in (a) and (b) have been applied.

34. What Optional Forms of Retirement Benefits are Available?

All optional forms of retirement benefits are actuarially adjusted from the Normal Form to take into account how long benefits are expected to be paid to you and your beneficiary, if applicable.

If you are not married on your retirement date, the automatic payment form is the Normal Form described in Question 33.

If you are married on your retirement date, the automatic payment form is a 50% joint and survivor annuity, with your spouse as the beneficiary. Under the 50% joint and survivor annuity, a benefit is paid to you until your death and upon your death, your spouse, if living, is paid one-half of the benefit until his/her death. The benefit also includes the pop-up feature described below.

You may choose one of the following optional forms of retirement benefits in lieu of the automatic payment form. However, if you are married, your spouse must consent if you choose an optional form of retirement benefit other than the 50% joint and survivor annuity, with your spouse as the beneficiary.

If you elect an optional form of retirement benefit, it is necessary for you to complete a "designation of beneficiary" form provided by the Administrative Office. If you fail to provide this form to the Administrative Office, benefits to be paid after your death, if any, will be paid to your last designated beneficiary or to your heirs as specified by the Plan Document. If the benefit is a joint and survivor annuity option, you may not change your beneficiary after your retirement date.

<u>Joint and Survivor Annuity</u>. This form pays a monthly benefit to you for the rest of your life and a benefit equal to 50%, 66 2/3%, 75%, or 100% of the benefit amount you were receiving to your spouse (or designated beneficiary) for the rest of his or her life. The percentage payable to your designated beneficiary is elected by you when you retire. Your monthly benefit is reduced from the Normal Form of payment based on when you retire and the difference between your age and your beneficiary's age. If the designated beneficiary is not your spouse, your choice of these options may be partially restricted depending on the age difference between you and your designated beneficiary.

<u>Pop Up Benefit</u>. If you retired on or after July 1, 1987 with a joint and survivor annuity and your designated beneficiary dies before you, your benefit form and amount will revert to the Normal Form of payment calculated as of your date of retirement. The increased pension benefit shall be effective the first day of the month following the death of your beneficiary and will be paid for the rest of your life. No payments will be made to anyone after your death unless the Normal Form of payment is a 60-month certain and life annuity and you and your beneficiary both die before a total of 60 monthly payments have been made.

<u>Life Annuity</u>. This form pays a monthly benefit for your life only. The benefit ends upon your death no matter how many payments have been made. No payments will be made to anyone after your death.

<u>Certain and Life Annuity</u>. This form pays a monthly benefit for your life only. However, if you die before a total of 60, 120, or 180 months of payments have been made to you, monthly payments in the same amount will be made to your beneficiary until a total of 60, 120, or 180 months of payments have been made between you and your beneficiary. The 60, 120, or 180 certain and life annuity is elected by you when you retire.

<u>Lump Sum</u>. If the Actuarial Present Value of your retirement benefit is less than or equal to $5,000, the Actuarial Present Value amount will automatically be paid to you in a lump sum. If your benefit is paid in a lump sum, you will not receive monthly payments and no payments will be made to anyone after your death. You or a beneficiary may be able to rollover a lump sum distribution to an IRA or qualified retirement plan to postpone state and federal taxes (see Question 51).

If you retire as an Active Participant Under the 2018 Default Schedule, the optional lump sum retirement benefit that is greater than $5,000 but less than $10,000 is eliminated for the accrued benefit you earn after June 30, 2018.

If you retire as a Terminated Participant Under the 2018 Rehabilitation Plan or as an Active Participant Under the 2018 Preferred Schedule, the optional lump sum retirement benefit that is greater than $5,000 but less than $10,000 was eliminated effective November 1, 2017.

If you are eligible for a lump sum retirement benefit that is more than $5,000 but not more than $10,000, the Plan is not permitted to pay the lump sum under federal law while the Plan is certified in the red zone.

EXAMPLE 1. A Participant retires under the 2018 Preferred Schedule on July 1, 2019 at age 65. The spouse is age 62. The accrued benefit at the Normal Retirement Date, July 1, 2019, is $1,000.00, payable as a single life annuity. The available optional forms are:

Benefit Form	To Participant	To Beneficiary following Participant's Death
50% Joint & Survivor Annuity (Automatic Payment Form)	$896.00	$448.00
66 2/3% Joint & Survivor Annuity	$866.00	$577.33
75% Joint & Survivor Annuity	$852.00	$639.00
100% Joint & Survivor Annuity	$812.00	$812.00
Single Life Annuity	$1,000.00	$0.00
60-Month Certain & Life Annuity	$990.00	$990.00
120-Month Certain & Life Annuity	$962.00	$962.00
180-Month Certain & Life Annuity	$924.00	$924.00

The amount of the optional forms shown above are for illustration only. At retirement, the amount of the optional forms will be calculated based on the Plan's actuarial equivalence factors which are based on the life expectancy of the Participant and spouse. The lump sum option is not available in this example because the Actuarial Present Value of the benefit is greater than $5,000.

The beneficiary for the joint and survivor annuity options shown above is the spouse. If the Participant wanted to elect a joint and survivor annuity with someone other than the spouse as the beneficiary, the spouse must consent to the election. Also, the joint and survivor annuity options shown above are reduced based on the age difference between the Participant and beneficiary (the spouse in this case). If the Participant was not 3 years older than the spouse, these amounts would be different. If the joint and survivor annuity is elected and the spouse dies before the Participant, the amount paid to the Participant will "pop up" to the single life annuity form of payment.

Benefits under the certain and life annuity are paid to the beneficiary only if the Participant did not receive 60, 120, or 180 months of payments before his or her death. If more than 60, 120, or 180 payments had been made to the Participant prior to death, no benefits would be paid to the beneficiary.

EXAMPLE 2. A Terminated Participant retires on July 1, 2019 at age 65. The Participant is single, but has a brother who is age 68 that the Participant is considering as a beneficiary. The accrued benefit at the Normal Retirement Date, July 1, 2019, is $1,000.00, payable as a single life annuity. The available optional forms are:

Benefit Form	**To Participant**	**To Beneficiary following Participant's Death**
Single Life Annuity (Automatic Payment Form)	$1,000.00	$0.00
60-Month Certain & Life Annuity	$990.00	$990.00
120-Month Certain & Life Annuity	$962.00	$962.00
180-Month Certain & Life Annuity	$924.00	$924.00
50% Joint & Survivor Annuity	$916.00	$458.00
66 2/3% Joint & Survivor Annuity	$891.00	$594.00
75% Joint & Survivor Annuity	$879.00	$659.25
100% Joint & Survivor Annuity	$845.00	$845.00

The amount of the optional forms shown above are for illustration only. At retirement, the amount of the optional forms will be calculated based on the Plan's actuarial equivalence factors which are based on the life expectancy of the Participant and brother. The lump sum option is not available in this example because the Actuarial Present Value of the benefit is greater than $5,000.

Because the Participant is not married and retired after January 1, 2019, the automatic payment form is the single life annuity. The beneficiary for the joint and survivor annuity options shown above is the brother. The joint & survivor annuity options shown above are reduced based on the age difference between the Participant and beneficiary (the brother in this case is older than the Participant). If the Participant was not 3 years younger than the brother, these amounts would be different. If the joint and survivor annuity is elected and the brother dies before the Participant, the amount paid to the Participant will "pop up" to the single life annuity form of payment.

Benefits under the certain and life annuity are paid to the beneficiary only if the Participant did not receive 60, 120, or 180 months of payments before his or her death. If more than 60, 120, or 180 payments had been made to the Participant prior to death, no benefits would be paid to the beneficiary.

35. WHEN WILL RETIREMENT BENEFITS NORMALLY BE PAID?

You should apply for and start retirement benefits no later than your Normal Retirement Date unless (i) you are eligible for and elect an Early Retirement Date, (ii) you continue to work for an Employer or in employment described in Question 37 beyond your Normal Retirement Date, or (iii) you elect to defer the start of your retirement benefits. As a general rule, you cannot elect to defer the start of your retirement benefits beyond April 1 following the calendar year in which you reach age 70½.

Retirement checks usually are mailed or paid to your account by direct deposit prior to the first day of the month. The initial check will include any amounts retroactive to the effective date of your retirement.

If you work for an Employer or in employment described in Question 37 past age 70½ and own more than 5% of the Employer's business, please contact the Administrative Office, because you must commence receiving your retirement benefit by April 1st following the calendar year in which you reach age 70½ to avoid a 50% federal excise tax on your retirement benefits.

If you continue to work for an Employer or in employment described in Question 37 past age 70½ and do not own more than 5% of the Employer's business, you must elect one of the following options:

(a) to commence retirement benefits on April 1st following the calendar year in which you reach age 70½ even though you continue to work. You will earn additional benefits based on your continued work; or

(b) to defer commencement of your retirement benefits until you actually stop working for your Employer or in employment described in Question 37. Your benefit will not be less than your benefit determined as of the April 1st following the calendar year in which you reach age 70½ actuarially increased to your benefit commencement date.

36. WHEN AND HOW DO I APPLY FOR RETIREMENT OR DISABILITY BENEFITS?

It is recommended that you contact the Administrative Office at the address below at least sixty (60) days prior to the date you wish to start retirement benefits.

Inlandboatmen's Union of the Pacific National Pension Plan
c/o BeneSys, Inc.
5331 SW Macadam Avenue
Suite 258, PMB #116
Portland, OR 97239
Telephone: (503) 224-0048
Toll Free: (800) 547-4457
www.ibubenefits.org
Email: ibu@benesys.com

You may elect a retirement date that is no earlier than six months prior to or six months later than the application date printed on the forms you receive from the Administrative Office. However, you may only retire on the date you elect if you are eligible to retire on that date and you have terminated employment with your Employer and all employment of the type described in Question 37.

At the time you apply for retirement benefits, you will be required to provide satisfactory evidence of your age. The most satisfactory evidence is a copy of your birth certificate, but if that is not available, an approved affidavit of your birth date must be provided, or alternately, copies of appropriate census records or naturalization papers may be used. You will also need to provide satisfactory evidence of your beneficiary's birth date, similar to that required for yourself, if you select a joint and survivor annuity form of payment.

Unless your spouse waives the right to any benefit (see Rejection of Automatic Payment Form below), it will be necessary for you to provide evidence of your spouse's birth date, similar to that required for yourself, as well as proof of marriage. If you are divorced, you must provide a copy of the divorce decree, property settlement (if applicable) or qualified domestic relations order.

In addition to the forms to elect one of the retirement benefit options, you will receive an explanation of the optional forms of retirement benefits available to you, additional information to explain the relative value of these options, and if you elect an Early Retirement Date, an explanation of your right to defer commencement of your benefit to a later date.

In order for your retirement date and benefit election to go into effect, you must complete and have on file with the Administrative Office an application in a form or forms provided by the Administrative Office.

Disability Benefits. If you are applying for a disability benefit (see Questions 39 through 45), you must provide a copy of your Social Security disability award or application for Social Security disability benefits.

Death Benefits. If your spouse or beneficiary is applying for a benefit following your death, he or she should do so promptly. Your spouse or beneficiary will need to provide a certified copy of your death certificate, and if married, proof that you were married at the time of death in addition to the birth information described above to complete the processing of the claim.

All applications submitted are subject to the final approval by the Board of Trustees.

Rejection of Automatic Payment Form. You may, at any time within 180 days before your retirement date, elect in writing with your spouse's written consent not to receive the automatic payment form (50% joint and survivor annuity). At least 30 days but not more than 180 days before your retirement date, the Administrative Office will make available to you a written explanation of the terms and conditions of the automatic payment form, including the effect of electing not to receive your pension in that form, the need for your spouse, if applicable, to consent to that election, your right to request benefit information in dollar terms, and your right to revoke that election. The written explanation will be made available to you by mail, personal delivery, or another method, which will reach you during the election period. If you do not receive any additional information, this summary should be used as that explanation. You may request the dollar information at any time after the explanation is provided.

If you are married, your spouse must consent in writing to your election not to receive the 50% joint and survivor annuity with your spouse as the designated beneficiary. The consent must be in writing and witnessed by a Plan representative or a notary public. The spouse's consent is effective only with respect to that spouse. For the spouse's consent to be effective, your election must designate a benefit option and beneficiary, if applicable, which cannot be changed without your spouse's further written consent. This election can be revoked at any time before your retirement date. These elections can be made and revoked more than once during the election period.

37. WHAT HAPPENS IF I RETURN TO WORK AFTER I COMMENCE BENEFITS?

If you are over age 70½, or if you return to work outside of Alaska, Washington, Oregon, California and Hawaii, your retirement benefits will not be suspended. However, any accrued benefits you earn following your return to work may be affected by the 2011 Rehabilitation Plan and the 2018 Rehabilitation Plan.

A. If You Return to Work for a Contributory Employer to this Plan, or You Return to Work and Resume Participation in a Plan that has a Reciprocal Agreement with this Plan

If you return to work for a contributory Employer to this Plan (regardless of whether or not you resume participation in this Plan) or you return to work and resume participation in a plan that has a reciprocal agreement with this Plan (see Question 8), you may work up to 120 days in any 2 consecutive Plan Years (July 1 to June 30) without your retirement benefits being suspended, if your employment is in Alaska, Washington, Oregon, California, or Hawaii and in:

(a) an industry whose business activities are the types engaged in by any Employer contributing to the Trust, or

(b) a trade or craft in which you were employed at any time while contributions were paid or required to be paid to the Trust on your behalf.

If you work more than 120 days in any two consecutive Plan Years, your retirement benefits will be suspended for any month in which you work more than 5 days in a month. However, if during a two consecutive Plan Year time period you only work on a single voyage in which you work more than 120 days, the 5 day rule will not apply until the voyage reaches a port where you can be relieved of your duties.

If your benefit is paid for any month in which you are employed in suspendable employment as defined above, the amounts paid for such month(s) will be considered an overpayment. The Board of Trustees has the right to recover any overpayments as described in Question 38.

You will be eligible to earn additional Future Credited Service, Future Benefit Service and benefits during your reemployment as described in Questions 7, 9, 25, 26 and 27.

The Board of Trustees may waive, on a non-discriminatory basis and in a manner uniform among all Participants, the foregoing restrictions if the Board of Trustees find that the Participant's employment position is not one normally held with the Employer by a Participant or former Participant.

B. If You are Between the Ages of 65 and 70 ½ and Return to Work for a Contributory Employer in the San Francisco Region of the Union from July 1, 2017, to June 30, 2019

If you return to work for a contributory Employer to this Plan in a bargaining unit position in the San Francisco Region of the Union, you may work up to 150 days during the 2017 and/or 2018 Plan Year (July 1 to June 30) without your retirement benefits being suspended, if you are between the ages of 65 and 70 ½.

If you work more than 150 days in a Plan Year, your retirement benefits will be suspended for any month in which you work more than 5 days in a month.

Beginning July 1, 2019, the rules described in Question 370 will apply. However, your employment during the July 1, 2018, to June 30, 2019 Plan Year will not count toward the 120 days in any two consecutive Plan Years.

C. <u>If You Return to Work for an Employer that does not Contribute to this Plan, or You Return to Work and do not Resume Participation in a Plan that has a Reciprocal Agreement with this Plan</u>

If you return to work for an employer that does not contribute to this Plan, or you return to work and do not resume participation in a plan that has a reciprocal agreement with this Plan (see Question 8), you may work up to 5 days in a month without your retirement benefits being suspended, if your employment is in Alaska, Washington, Oregon, California, or Hawaii and in:

(a) an industry whose business activities are the types engaged in by any Employer contributing to the Trust, or

(b) a trade or craft in which you were employed at any time while contributions were paid or required to be paid to the Trust on your behalf,

If you work more than 5 days in a month, your retirement benefits will be suspended for that month.

You have a duty to notify the Administrative Office of your reemployment in writing within fifteen (15) days following your return to work.

If your benefit is paid for any month in which you are employed in suspendable employment as defined above, the amounts paid for such month(s) will be considered an overpayment. The Board of Trustees has the right to recover any overpayments as described in Question 38.

38. When will Retirement Benefits Resume After Suspension?

A. <u>If You Initially Retired on an Early Retirement Date</u>

If you initially retired on an Early Retirement Date and your benefits are suspended, your benefits will not recommence until your Normal Retirement Date, unless you are still working on your Normal Retirement Date and exceed the limits in Question 37.

Your benefit upon recommencement will be equal to the suspended benefit, plus the additional benefits earned during reemployment, subject to the actuarial increases in Question 35. Additionally, your benefit for the service earned after you returned to work after August 1, 2011 may be affected by the 2011 Rehabilitation Plan and the 2018 Rehabilitation Plan. The recommenced benefit, excluding additional benefits earned during reemployment, will be paid in the same form that was in effect on your last retirement date, including the same joint annuitant, if any. You will be entitled to elect a new benefit form with respect to benefits earned after your reemployment.

Your resumed benefit will be reduced by any overpayments made while you were employed in suspendable employment. The Board of Trustees has the right to recover the overpayments by withholding up to 100% of your initial payment when your benefits resume and 25% of each subsequent payment until the full overpayment has been recovered.

B. <u>If You Initially Retired on a Normal or Postponed Retirement Date</u>

If you initially retired on a Normal or Postponed Retirement Date and your benefits are suspended, your benefits will not recommence until the earlier of (i) the July 1 following your suspension, provided that, if you are still working, you have not exceeded the limits in Question 37 or (ii) the first day of the third month after the month when you end employment described in Question 37.

Your benefit upon recommencement will be equal to the suspended benefit, plus the additional benefits earned during reemployment, subject to the actuarial increases in Question 35. Additionally, your benefit for the service earned after you returned to work after August 1, 2011 may be affected by the 2011 Rehabilitation Plan and the 2018 Rehabilitation Plan. The benefit will be paid in the same form that was in effect on initial retirement, including the same joint annuitant, if any.

Your resumed benefit will be reduced by any overpayments made while you were employed in suspendable employment. The Board of Trustees has the right to recover the overpayments by withholding up to 100% of your initial payment when your benefits resume and 25% of each subsequent payment until the full overpayment has been recovered.

F. DISABILITY BENEFITS

39. What Determines if I am Disabled?

For purposes of this Plan, disability is a bodily injury, disease, or mental disorder which, on the basis of medical evidence, the Board of Trustees determine (i) to have occurred while you were employed by an Employer, the Union or an employer with whom this Trust has a reciprocal agreement, (ii) to be permanent, (iii) to be continuous during the remainder of your lifetime, and (iv) to render you incapable of engaging in any regular occupation substantially gainful in character which you would be expected to be capable of performing in light of your training, age, experience, and abilities.

Disability will not be considered established until it has continued for a period of six consecutive months unless a Social Security award is made earlier or the six consecutive months waiting period or the required Social Security award requirement is waived by the Board of Trustees for good cause.

40. What Benefits are Available if my Date of Disability is Found to be Prior to January 1, 2019?

If you are Vested or earned five years of Credited Service, have not attained your Normal Retirement Date, and are employed with an Employer, the Union or with an employer with whom the Trust has a reciprocal agreement (see Question 8) on the date you are found to be disabled and that date is prior to January 1, 2019, you will receive a disability benefit. The date of your disability will be determined by your Social Security award or competent medical evidence presented to the Board of Trustees.

At the time you apply for a disability benefit, you will, in addition to the other requirements for filing a claim, be required to provide a copy of your Social Security disability award.

Your monthly disability benefit will commence on your date of disability and will be equal to your accrued benefit as of the date of your termination of employment due to disability. No optional forms as described in Question 34 will be available.

41. If my Date of Disability is Found to be Prior to January 1, 2019, am I Entitled to Any Disability Benefits while my Claim is Pending with Social Security?

The Board of Trustees may award an interim disability benefit after reviewing your application to Social Security for a disability award, and any other medical evidence submitted by you. The Board of Trustees may require an independent medical examination by a physician appointed by the Board of Trustees and an examination by a vocational rehabilitation specialist or Social Security specialist. The costs associated with these examinations are paid by the Plan. If the examination establishes your total and permanent disability to the Board of Trustees' satisfaction, an interim disability benefit will be paid.

Your monthly interim disability benefit will commence on your date of disability and will be equal to your accrued benefit as of the date of your termination of employment due to disability. No optional forms of payment as described in Question 34 will be available.

Your interim disability benefit will terminate on the date Social Security denies your claim for disability benefits. If this occurs, you may request the Board of Trustees review your claim for disability benefits from this Plan. The Board of Trustees may require additional medical examinations as discussed above. If the examination(s) establish your disability to the Board of Trustees' satisfaction, disability benefits will continue.

If you are eligible for an Early Retirement Date, you can apply for an early retirement benefit. When the Social Security disability award is made, the early retirement benefit may be converted to a disability benefit depending on your date of disability. If your date of disability is after you apply for an early retirement benefit, you will not be eligible for a disability benefit from the Plan. If your date of disability is before you apply for an early retirement benefit, the early retirement benefit will be converted to a disability benefit and your benefits will be adjusted effective on the date you applied for disability benefits.

42. What Benefits are Available if my Date of Disability is Found to be On or After January 1, 2019, and I am a Terminated Participant under the 2018 Rehabilitation Plan?

There is no disability benefit for a Terminated Participant Under the 2018 Rehabilitation Plan whose date of disability is found to be on or after January 1, 2019.

43. What Benefits are Available if my Date of Disability is Found to be On or After January 1, 2019, and I am an Active Participant under the 2018 Default Schedule?

There is no disability benefit for an Active Participant Under the 2018 Default Schedule whose date of disability is found to be on or after January 1, 2019.

44. What Benefits are Available if my Date of Disability is Found to be On or After January 1, 2019, and I am an Active Participant under the 2018 Preferred Schedule?

If you are Vested or earned five years of Credited Service, have not attained your Normal Retirement Date, are employed with an Employer, the Union or with an employer with whom the Trust has a reciprocal agreement (see Question 8) on the date you are found to be disabled, you are an Active Participant Under the 2018 Preferred Schedule, and the date of disability is on or after January 1, 2019, you will receive a disability retirement benefit equal to the Unsubsidized Early Retirement Benefit based on your accrued benefit as of the date of your termination of employment due to disability. If you became disabled prior to age 55, the disability retirement benefit will be the same amount as if you became disabled at age 55.

Your monthly disability retirement benefit will commence on your date of disability. Optional forms of payment as described in Question 34 will be available.

45. *If my Date of Disability is Found to be On or After January 1, 2019, am I Entitled to Any Disability Benefits while my Claim is Pending with Social Security?*

If your date of disability is found to be on or after January 1, 2019, disability retirement benefits are only available to Active Participants Under the 2018 Preferred Schedule who meet the disability requirements in Question 44.

46. *When will my Disability Benefits Stop?*

If your date of disability is found to be prior to January 1, 2019, disability benefits will stop upon the earliest of the following events:

(a) Your death. Death benefits will be paid to your spouse as described in Question 47 or 48.

(b) Your Normal Retirement Date, or if elected, your Early Retirement Date. If you meet the eligibility requirements to retire (see Question 5), you may retire and elect an optional form of payment as described in Question 34.

(c) You recover from your disability.

(d) The Board of Trustees terminate your disability benefit. After a disability benefit has been granted, the Board of Trustees will review the award periodically until you reach your Normal Retirement Date. You may be required to provide additional information or have additional medical examinations. If you do not comply with the Board of Trustees' requests or if the additional information does not justify continuance of the award, the Board of Trustees may terminate your disability benefit.

(e) Termination of the Plan.

If your date of disability is found to be on or after January 1, 2019, and you qualify for a disability retirement benefit (see Question 44), the length of the disability retirement benefit will be determined by the retirement benefit form you select.

G. DEATH BENEFITS

47. *Is there a Death Benefit if I Die Before July 1, 2018?*

If you die after retirement, a benefit is or is not payable to your beneficiary according to the benefit form you elected when you retired. If you are receiving a disability benefit as described in Questions 40 and 41, you are not considered to be retired.

If you die before July 1, 2018, before your retirement, you are Vested, and you are married at the time of your death, your spouse is entitled to receive a surviving spouse death benefit for the remainder of his or her life as described below:

(a) If you are an Active Participant at the time of your death, the surviving spouse death benefit is a monthly benefit payable for the life of your spouse equal to 50% of the accrued benefit earned as of your date of death. If you had not attained your Normal Retirement Date at the time of death, your spouse may elect when to begin the surviving spouse death benefit by written notice to the Administrative Office. The benefit will start on the first day of the calendar month sixty days after the Administrative Office's receipt of written notice to start the benefit. Once you have attained your Normal Retirement Date or would have attained your Normal Retirement Date but for your death, the Plan may start the surviving spouse's death benefit without your spouse's consent. If the benefit is deferred, the benefit amount will be actuarially equivalent to the benefit on the date of your death.

(b) If you are eligible to elect an Early Retirement Date at the time of your death and you are a Terminated Participant, the surviving spouse death benefit is a monthly benefit payable for the life of your spouse equal to the survivor portion of the benefit as if you had retired with an immediate 50% joint and survivor annuity on the day before your death. Your spouse may elect when to begin the surviving spouse death benefit by written notice to the Administrative Office. The benefit will start on the first day of the calendar month sixty days after the Administrative Office's receipt of written notice to start the benefit. Once you would have attained your Normal Retirement Date but for your death, the Plan may start the surviving spouse's death benefit without your spouse's consent. If the benefit is deferred, the benefit amount will be actuarially equivalent to the benefit on the date of your death.

(c) If you are not eligible to elect an Early Retirement Date at the time of your death and you are a Terminated Participant, the surviving spouse death benefit is a monthly benefit payable for the life of your spouse equal to the amount that would have been payable to the surviving spouse if you had separated from service at the earlier of termination of employment or death, survived until your earliest retirement date, retired on that date with an immediate 50% joint and survivor annuity, and then died the day after. If you had not attained your Normal Retirement Date at the time of death and you had at least 10 years of Credited Service as of your death, your spouse may elect when to begin the surviving spouse death benefit by written notice to the Administrative Office. The benefit will start on the first day of the calendar month sixty days after the Administrative Office's receipt of written notice to start the benefit and which is on or after your earliest retirement date. Once you have attained your Normal Retirement Date or would have attained your Normal Retirement Date but for your death, the Plan may start the surviving spouse's death benefit without your spouse's consent.

If the benefit is deferred, the benefit amount will be actuarially equivalent to the benefit at your earliest retirement date.

If you die before November 1, 2017, instead of receiving the monthly lifetime annuity under Question 47(a), 47(b) or 47(c), your spouse may elect to receive an actuarially equivalent annuity payable for only 120 months. Your spouse may designate a beneficiary to receive payments if your spouse dies before a total of 120 payments are made. The benefit will commence as of the first day of the month of your death unless your spouse elects to defer to a later date. Your spouse may elect to defer commencement of the benefit to a date no later than your Normal Retirement Date. If the benefit is deferred, the benefit amount will be actuarially equivalent to the benefit as of the first day of the month of your death. If you die on or after November 1, 2017, this option is no longer available.

If the Actuarial Present Value of the surviving spouse death benefit does not exceed $5,000, your spouse will receive a lump sum benefit.

If you die before November 1, 2017, and the Actuarial Present Value of the surviving spouse death benefit is greater than $5,000, but does not exceed $10,000, your spouse may elect a lump sum benefit.

If you die on or after November 1, 2017, and the Actuarial Present Value of the surviving spouse death benefit is greater than $5,000 but does not exceed $10,000, your spouse may not elect the optional lump sum benefit if you were a Terminated Participant Under the 2018 Rehabilitation Plan or an Active Participant Under the 2018 Preferred Schedule on the date of death. Your spouse may elect the optional lump sum benefit that is greater than $5,000 but less than $10,000 if you are an Active Participant Under the 2018 Default Schedule on the date of your death based on the accrued benefit earned through June 30, 2018. However, the Plan is not permitted to pay the lump sum benefit that is greater than $5,000 under federal law while the Plan is in the red zone. See Question 13.

In the event you are not 100% Vested, the death benefit will be calculated on the basis of the appropriate vesting schedule.

48. Is There A Death Benefit If I Die After June 30, 2018?

If you die after retirement, a benefit is or is not payable to your beneficiary according to the benefit form you elected when you retired. If you are receiving a disability benefit as described in Question 44, you are considered to be retired.

If you die after June 30, 2018, before your retirement, you are Vested, and you are married at the time of your death, your spouse is entitled to receive a surviving spouse death benefit for the remainder of his or her life as described below:

(a) If you are an Active Participant Under the 2018 Default Schedule or 2018 Preferred Schedule at the time of your death and you are eligible to elect an Early Retirement Date at the time of your death, the surviving spouse death benefit is a monthly benefit payable for the life of your spouse equal to the survivor portion of the benefit as if you had retired with an immediate 50% joint and survivor annuity on the day before your death. The benefit will start on the first day of the month of your death.

(b) If you are an Active Participant Under the 2018 Default Schedule or 2018 Preferred Schedule at the time of your death and you are not eligible to elect an Early Retirement Date at the time of your death, the surviving spouse death benefit is a monthly benefit payable for the life of your spouse equal to the amount that would have been payable to your spouse if you had separated from service at the earlier of termination of employment or death, survived until your earliest retirement date, retired on that date with an immediate 50% joint and survivor annuity, and then died the day after. The benefit is payable at your Early Retirement Date.

(c) If you are a Terminated Participant Under the 2018 Rehabilitation Plan at the time of your death, the surviving spouse death benefit is a monthly benefit payable for the life of your spouse as described in Question 47(b) if you are eligible to elect an Early Retirement Date at the time of your death or Question 47(c) if you are not eligible to elect an Early Retirement Date at the time of your death.

If the Actuarial Present Value of the surviving spouse death benefit does not exceed $5,000, your spouse will receive a lump sum benefit.

If you die on or after November 1, 2017, and the Actuarial Present Value of the surviving spouse death benefit is greater than $5,000 but does not exceed $10,000, your spouse may not elect the optional lump sum benefit if you were a Terminated Participant Under the 2018 Rehabilitation Plan or an Active Participant Under the 2018 Preferred Schedule on the date of death. Your spouse may elect the optional lump sum benefit that is greater than $5,000 but less than $10,000 if you are an Active Participant Under the 2018 Default Schedule on the date of your death based on the accrued benefit earned through June 30, 2018. However, the Plan is not permitted to pay the lump sum benefit that is greater than $5,000 under federal law while the Plan is in the red zone. See Question 13.

The surviving spouse death benefit which allowed a surviving spouse to elect 120 monthly payments in lieu of a lifetime annuity was eliminated for Participant deaths on and after November 1, 2017. See Question 47.

In the event you are not 100% Vested, the death benefit will be calculated on the basis of the appropriate vesting schedule.

H. OTHER INFORMATION

49. CAN MY RETIREMENT BENEFITS BE ASSIGNED OR ATTACHED?

Generally, no. Benefits cannot be assigned, nor can they be subject to garnishment, attachment or other legal process by creditors except as permitted by law. Exceptions include:

(a) Withholding or payment of income tax, including IRS levies.

(b) Payment of child support, alimony, or marital property rights under a qualified domestic relations order (see Question 52).

50. IS THE PLAN PERMANENT?

The Board of Trustees intend that the Plan will be permanent. The Board of Trustees reserves the right to change, amend or discontinue the Plan. If the Plan is terminated, the rights of Participants and former Participants who have not incurred a Permanent Break in Service become non-forfeitable (to the extent the Plan is funded) and the Plan's assets are allocated to pay expenses and benefits pursuant to the Plan Document. If the Plan's assets are insufficient to pay certain benefits guaranteed by law, the Pension Benefit Guaranty Corporation insurance coverage may provide those guaranteed benefits. See GENERAL INFORMATION INCLUDING STATEMENT OF ERISA RIGHTS, paragraph 16.

If your Employer is no longer obligated to contribute to the Trust but there is not a termination of the Plan, your right to receive Future Credited Service and Future Benefit Service will end. However, the Trust will continue in existence and will pay benefits to persons who qualify as described in the Plan Document.

51. ARE BENEFIT PAYMENTS TAXABLE?

Yes. All benefit payments are subject to federal and state income tax. Before benefit payments start you will receive an explanation regarding withholding of income tax from your benefit payments.

A Participant or surviving spouse entitled to receive a lump sum distribution may elect to have the distribution made in the form of a direct rollover to an Individual Retirement Account or Annuity ("IRA") or tax-qualified trust which permits the receipt of rollovers. Such rollover will avoid the mandatory 20% withholding for federal income tax. This 20% withholding and rollover rights do not apply to monthly annuity payments made to a recipient.

52. *CAN A DIVORCE AFFECT MY BENEFITS?*

Yes. A federal law requires the Plan to comply with a valid order of a state domestic relations court, called a qualified domestic relations order ("QDRO"), which assigns a part of your accrued benefit to your former spouse or dependent children ("alternate payee"). Your benefit will be reduced. You will be notified if the Plan receives a domestic relations order affecting your benefits.

You or your beneficiary may obtain a copy of the Plan's QDRO procedures, without charge, from the Administrative Office.

You should review your death beneficiary designation on file with the Administrative Office in case of a divorce. The Plan provides that a divorce or annulment of a marriage automatically revokes a prior designation of your spouse as a named beneficiary. A valid QDRO or post-divorce beneficiary designation by you can stipulate that your benefits be provided to your former spouse or children.

53. *CAN MY BENEFITS BE REDUCED DUE TO AN OVERPAYMENT?*

Yes. If you, your beneficiary, or your alternate payee receives erroneous payments or overpayments from the Plan, the erroneous payments or overpayments may be collected in accordance with applicable Internal Revenue Service guidelines. The permissible methods of collection include reducing future benefit payments.

APPEAL PROCEDURE

Claims must be filed with the Administrative Office. You may contact the Administrative Office for instructions for making a claim. You are required to use all of the procedures set forth in the Appeal Procedure before resorting to court.

APPEAL PROCEDURE FOR ALL TYPES OF DENIED CLAIMS

Anyone who has a dispute concerning eligibility to participate in the Plan, eligibility for benefits from the Plan, the type, the amount or duration of a benefit or is otherwise adversely affected by a decision made by the Administrative Office or the Board of Trustees (the "Claim") must file an appeal in writing with the Administrative Office and follow these procedures.

Filing A Claim. Your Claim must be in writing. Your Claim will be considered filed when it is received by the Administrative Office, regardless of whether you include all necessary information. If necessary information is lacking, the Administrative Office will notify you in writing of:

(a) The standards on which entitlement to benefits is based;

(b) The unresolved issues that prevent a decision on your Claim; and

(c) The additional information needed to resolve your Claim.

Your Claim will not be considered complete until all required information is received by the Administrative Office.

Timing of Initial Decision. If your Claim is denied, in whole or in part, you will receive written notice within a reasonable period of time but not later than 45 days after the Administrative Office receives your Claim. This 45-day period may be extended up to an additional 30 days provided the Administrative Office determines an extension is necessary due to matters beyond control of the Plan and notifies you prior to the end of the initial 45-day period in writing of such extension and the circumstances requiring the extension and the date by which the Administrative Office expects to render a decision. If, prior to the end of the first 30 day extension period, the Administrative Office determines a further extension of time is necessary to complete review of the Claim because of matters beyond the control of the Plan, the 30 day extension period may be extended up to an additional 30 days provided the Administrative Office notifies you in writing of the extension of time for processing the Claim before the end of the first 30 day extension. The extension notice will be in writing and will specify the Plan provision(s) on which the entitlement to disability or retirement benefits is based, the unresolved issue(s) that prevent a decision, the additional information needed to resolve those issues, and the date a decision is expected.

The period of time an initial decision is required to be made will begin at the time the Claim is submitted to the Administrative Office without regard to whether all of the information necessary to make the decision accompanies the filing. In the event that a period of time is extended, as permitted above, due to your failure to submit information necessary to make a decision, the period for making the decision will be delayed from the date on which the notification of the extension is sent to you until the date you respond to the request for additional information.

If your Claim is not acted on within these time periods, you may deem your Claim to have been denied and may follow the appeal procedure in the section entitled Appealing the Denial Notice.

What is Included in a Denial Notice. If your Claim is denied, in whole or in part, you will be notified of the decision in writing and you will be given the opportunity for a full and fair review of the decision. The denial notice will include the following:

(a) The specific reason(s) for the denial and the standards applied in reaching the decision;

(b) Reference to the specific Plan provision(s) on which the denial is based;

(c) If the decision is based on an internal rule, guideline, protocol or similar guideline, the internal rule, guideline, protocol or similar guideline will be described or provided, or a statement will be provided that there is no internal rule, guideline, protocol or similar guideline relied upon;

(d) A description of any additional material or information you need to provide if you want the matter reviewed and an explanation of why it is necessary;

(e) A statement that, if the adverse determination of a Claim is based on scientific or clinical judgment, the scientific or clinical judgment used in the decision will be provided free of charge upon request; and

(f) A description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of your right to bring a civil action under Section 502 of the Employee Retirement Income Security Act following an adverse benefit determination on review.

Additional Information Included in a Denial Notice for Disability Benefits. If your Claim for Disability Benefits is denied, in addition to the information below the heading What is Included in a Denial Notice, the denial notice will include the following:

(a) A complete discussion of why the Administrative Office denied the Disability Benefit application and the standards applied in reaching the decision. If the decision is contrary to a decision made by the Social Security Administration, a physician or vocational professional who evaluated you, there will be a complete discussion regarding the basis of the disagreement;

(b) Any information generated by the Plan related to your Disability Benefit application, regardless of whether the Administrative Office relied on the information in reaching the decision;

(c) The specific internal rule, guideline, protocol, or similar guideline that the Administrative Office relied on in denying your Disability Benefit application or a statement that there was no internal rule, guideline, protocol, or similar guideline relied upon;

(d) If the denial notice is based on a medical reason, the denial notice will explain the scientific or clinical judgment for the decision, applying the terms of the Plan to your medical circumstances or will state that such an explanation will be provided free of charge upon request; and

(e) A statement that you or your representative may receive, upon request and free of charge, reasonable access to and copies of all documents, records and other information (including your entire claim file) that is relevant to your Disability Benefit application.

Appealing the Denial Notice. If you believe your Claim was wrongly denied, you have the right to appeal the decision to the Board of Trustees. Your appeal must:

(a) Be in writing;

(b) State in clear and concise terms the reason(s) for the disagreement with the decision of the Administrative Office;

(c) Include documents, records and other information relevant to the appeal; and

(d) Must be filed with the Administrative Office within 180 days after the date you receive the denial notice.

Changes or additions to the appeal may be allowed if the Board of Trustees or the Appeals Review Committee find good cause. If you miss the 180-day deadline for filing an appeal, you will have waived your right to appeal. This will not preclude you from establishing your entitlement to a benefit at a later date based upon additional information or evidence not available at the time of the decision made by the Administrative Office.

Upon written request, you or your representative will be provided, free of charge, reasonable access to and copies of all non-privileged documents, records and other information relevant to your appeal. A document, record or other information is relevant to your appeal if it was relied upon in making the decision; was submitted, considered or generated in the course of making the decision, without regard to whether it was relied upon in making the decision; demonstrates that the decision was made in accordance with the Plan provisions; and that such Plan provisions have been applied consistently with respect to similarly situated claims.

Upon written request by you or your representative, the Appeals Review Committee and if necessary the Board of Trustees will hold a hearing within a reasonable period of time after receipt of the appeal and permit you and/or your representative to personally appear in support of your position.

The Appeals Review Committee shall be appointed by the co-chairs of the Trust and shall consist of an equal number of Management Trustees and Labor Trustees. The co-chairs may be the Appeals Review Committee.

The Appeals Review Committee and if necessary the Board of Trustees will take into account all comments, documents, records and other information you submit without regard to whether they were submitted or considered in the initial decision. The Appeals Review Committee and if necessary the Board of Trustees will not grant any deference to the initial decision. If the appeal involves an issue of medical judgment, the Appeals Review Committee and if necessary the Board of Trustees will consult a health care professional who has appropriate training and experience in the field of medicine involved in the Claim. If the Appeals Review Committee and if necessary the Board of Trustees consult a healthcare professional or vocational expert, he or she will be identified regardless of whether the Appeals Review Committee and if necessary the Board of Trustees rely on his or her opinion. Such consultant or vocational expert shall be different from the individual previously consulted in connection with the initial decision and shall not be the subordinate of such person.

<u>The Decision on Appeal</u>. A decision will ordinarily be made by the Appeals Review Committee and if necessary, the Board of Trustees, no later than the date of the quarterly meeting of the Board of Trustees that immediately follows the Administrative Office's receipt of your appeal. However, if your appeal is received within 30 days before the meeting, a decision will be made by the date of the second quarterly meeting after receipt of your appeal. If special circumstances require more time, a decision will be made no later than the third quarterly meeting and you will be notified of the reason(s) for the delay and the date you can expect a decision before such extension of time begins.

If the Appeals Review Committee and if necessary, the Board of Trustees, intends to issue a decision based on new or additional evidence or a new rationale, you will be provided the new or additional evidence or new rationale as soon as possible and prior to the date the Appeals Review Committee and if necessary, the Board of Trustees, will consider your appeal in order to give you a reasonable opportunity to respond prior to the decision.

You will receive notification of the decision in writing no later than five days after the decision is made. The decision is final and binding on all parties interested in the appeal. If the appeal is denied, the decision will be in writing and include the following:

(a) The specific reason(s) for the denial and the standards applied in reaching the decision;

(b) Reference to the specific Plan provision(s) on which the denial is based;

(c) If the decision is based on an internal rule, guideline, protocol or similar guideline, the internal rule, guideline, protocol or similar guideline will be described or provided, or a statement will be provided that there is no internal rule, guideline, protocol or similar guideline relied upon;

(d) If the decision is based on a medical reason, the decision will explain the scientific or clinical judgment for the decision, applying the terms of the Plan to your medical circumstances or will state that such an explanation will be provided free of charge upon request;

(e) A statement of your right to receive, upon request and free of charge, reasonable access to and copies of all non-privileged documents, records and other information relevant to your Claim; and

(f) Your right to bring a lawsuit under Section 502 of the Employee Retirement Income Security Act.

<u>Additional Information Included in a Decision on Appeal regarding Disability Benefits</u>. If your Claim for Disability Benefits is denied, in addition to the information below the heading <u>The Decision on Appeal</u>, the denial notice will include the following:

(a) A complete discussion of why the Disability Benefit application was denied and the standards applied in reaching the decision. If the decision is contrary to a decision made by the Social Security Administration, a physician or vocational professional who evaluated you, there will be a complete discussion regarding the basis of the disagreement;

(b) Any information generated by the Plan related to your Disability Benefit application, regardless of whether the Appeals Review Committee and if necessary, the Board of Trustees, relied on the information in reaching the decision;

(c) A statement that you or your representative may receive, upon request, free of charge, reasonable access to and copies of all documents, records and other information (including your entire claim file) that is relevant to the Disability Benefit application; and

(d) A statement advising you of any voluntary alternative dispute resolution options that may be available and that one way to find out about other voluntary alternative dispute resolution options is to contact the U.S. Department of Labor or the state insurance regulatory agency.

Authority of the Appeals Review Committee and Board of Trustees. The Appeals Review Committee and if necessary the Board of Trustees has the full, absolute and unlimited power and authority to administer the Plan, to construe and interpret the Plan and to determine benefit eligibility, pension credits, benefit accruals and entitlement to benefits. The decision of the Appeals Review Committee and if necessary the Board of Trustees shall be final and binding on all parties and shall be given the fullest deference allowed by law.

GENERAL INFORMATION INCLUDING STATEMENT OF ERISA RIGHTS

1. Information about Your Plan as Required by the Employee Retirement Income Security Act of 1974

This section is a general explanation of certain terms of the Plan Document and other legal instruments, and is not intended to modify or change them in any manner.

In the event of any ambiguity between the wording in the General Information, as well as the Summary Plan Description, and the Trust Agreement or Plan Document, the wording of the Trust Agreement and Plan Document will govern. The rights and duties of all persons connected with the Plan are set forth in those instruments, which may be inspected at the Administrative Office.

2. Name of Plan

This Plan is known as the “Inlandboatmen’s Union of the Pacific National Pension Plan.”

3. *NAME, ADDRESS, AND TELEPHONE NUMBER OF JOINT BOARD OF TRUSTEES*

This Plan is sponsored and administered by a joint Labor-Management Board of Trustees, the name, address and telephone number of which is:

Board of Trustees of the Inlandboatmen's Union of the Pacific National Pension Plan
c/o BeneSys, Inc.
5331 SW Macadam Avenue
Suite 258, PMB #116
Portland, OR 97239
Telephone: (503) 224-0048
Toll Free: (800) 547-4457

4. *EMPLOYER IDENTIFICATION NUMBER AND PLAN NUMBER*

The Employer Identification Number assigned to the Plan by the Internal Revenue Service is 93-0792184. The Plan Number is 001.

5. *TYPE OF PLAN*

This Plan is a multiemployer defined benefit pension plan which provides pension benefits for normal, early and postponed retirements, disability benefits in some circumstances and limited death benefits.

6. *NAME, ADDRESS AND TELEPHONE NUMBER OF PLAN ADMINISTRATOR*

This Plan is administered by the Board of Trustees, with the assistance of BeneSys, Inc., a contract administration organization whose address and telephone number are:

Board of Trustees of the
Inlandboatmen's Union of the Pacific National Pension Plan
c/o BeneSys, Inc.
5331 SW Macadam Avenue
Suite 258, PMB #116
Portland, OR 97239
Telephone: (503) 224-0048
Toll Free: (800) 547-4457

7. *NAME AND ADDRESS OF AGENT FOR SERVICE OF LEGAL PROCESS*

Lee Centrone
BeneSys, Inc.
5331 SW Macadam Avenue, Suite 220
Portland, OR 97239

8. *NAMES, TITLES, AND ADDRESSES OF JOINT BOARD OF TRUSTEES*

Management Trustees

Lee Egland, Co-Chair
Crowley Marine Services, Inc.
1102 SW Massachusetts Street
Seattle, WA 98134

Matt Hainley
Sause Bros. Inc.
3710 NW Front Avenue
Portland, OR 97210

Patrick Murphy
Blue & Gold Fleet LP
Pier 41 Marine Terminal
San Francisco, CA 94133

Alice Ng
Golden Gate Bridge & Hwy Dist.
Administration Building
Golden Gate Bridge Toll Plaza
San Francisco, CA 94129

Mike O'Connor
Foss Maritime Company
450 Alaskan Way S., Suite 706
Seattle, WA 98104

Robert Reller
Manson Construction Co.
5209 East Marginal Way S.
Seattle, WA 98134

Labor Trustees

Marina V. Secchitano, Co-Chair
IBU National Office
1711 W. Nickerson Street, Suite #D
Seattle, WA 98119-1663

Brian Dodge
IBU Columbia River Region
2435 NW Front Avenue
Portland, OR 97209-1825

Donovan D. Duncan
IBU Hawaii Region
451 Atkinson Drive
Honolulu, HI 96814

Peter Hart
IBU Puget Sound Region
1711 W. Nickerson Street, Suite #D
Seattle, WA 98119-1663

Gail McCormick
IBU Puget Sound Region
1711 W. Nickerson Street, Suite #D
Seattle, WA 98119-1663

John Skow
IBU Southern California Region
1911 N. Gaffey Street, Suites A & B
San Pedro, CA 90731-1263

Adam Smith
IBU Columbia River Region
2435 NW Front Avenue
Portland, OR 97209-1825

Robert Estrada
IBU San Francisco Region
450 Harrison Street, Suite 103
San Francisco, CA 94105

9. Collective Bargaining Agreements

This Plan is maintained by a number of collective bargaining agreements and Joinder Agreements. A complete list of Employers and labor organizations sponsoring the Plan and copies of any such agreements shall be provided to Participants and beneficiaries of the Plan upon written request to the Administrative Office at a reasonable cost and are available for examination upon written request to the Administrative Office.

These agreements generally provide that the Employers who are parties thereto will make contributions to the Trust for the purpose of providing benefits to employees working under such agreements and who participate in the Plan.

The rate of contributions required by such agreements is negotiated from time to time. Employers may be required to pay surcharge/Supplemental Contributions if the Plan is or was certified in the yellow zone or red zone under the PPA.

The labor organization that is party to the collective bargaining agreements is the Inlandboatmen's Union of the Pacific Marine Division, of the International Longshoremen's and Warehousemen's Union.

10. Source of Contributions

This Plan is funded through Employer contributions, the amount of which is specified in the underlying collective bargaining agreements, Joinder Agreements, and Rehabilitation Plan Schedules.

11. Entities Used for Accumulation of Assets and Payment of Benefits:

The Employer contributions are received and held in a trust established by the Board of Trustees. Trust assets are invested, in accordance with the Plan's investment guidelines, by professional investment managers retained by the Board of Trustees. The assets are invested in various asset classes, including domestic and international equities, real estate, alternative investments, and bonds. These funds are invested until they are needed to pay benefits to Participants or beneficiaries and expenses for the administration of the Plan and Trust.

U.S. Bank National Association, 555 SW Oak Street, 6th Floor, Portland, OR 97208 acts as custodian of the Inlandboatmen's Union of the Pacific National Pension Trust's assets.

12. Plan Year

The Plan Year for the Plan is the 12-month period from July 1 to June 30.

13. *PROCEDURES TO BE FOLLOWED IN PRESENTING APPLICATIONS FOR BENEFITS AND REMEDIES AVAILABLE FOR APPLICATIONS WHICH ARE DENIED*

To apply for benefits under this Plan, it is necessary to complete and submit an application form. Application forms can be obtained from the Administrative Office. The completed forms must be mailed or delivered to:

<u>By Mail:</u>

Inlandboatmen's Union of the Pacific National Pension Plan
c/o BeneSys, Inc.
5331 SW Macadam Avenue
Suite 258, PMB #116
Portland, OR 97239

<u>By Delivery:</u>

Inlandboatmen's Union of the Pacific National Pension Plan
c/o BeneSys, Inc.
5331 SW Macadam Avenue, Suite 220
Portland, OR 97239

In the event an application for benefits is denied, the Participant or beneficiary has appeal rights set forth in the section entitled APPEAL PROCEDURE.

14. *AVAILABILITY OF PLAN DOCUMENTS*

Copies of the following Plan documents are available for inspection at the Administrative Office during regular business hours:

(a) The text of the Plan Document and amendments, including amendments adopted after this booklet is printed.

(b) The Trust Agreement including amendments.

(c) The latest version of the booklet/Summary Plan Description, including Summaries of Material Modifications.

(d) Any actuarial reports received by the Plan from the actuary at regularly scheduled recurring intervals that have been in the Plan's possession for at least thirty days but not more than six years.

(e) Any studies, tests (including sensitivity tests), documents, analysis or other information received from the Plan's actuary depicting alternative funding scenarios that have been in the Plan's possession for at least thirty days but less than six years.

(f) Audited financial statements for the Plan for any Plan Year.

(g) For any Plan Year that the Plan was in critical or endangered status, the latest funding improvement plan or rehabilitation plan and contributions schedules applicable with respect to such funding improvement plan or rehabilitation plan.

(h) The annual funding notice for any Plan Year.

(i) A full annual report (Form 5500) for any Plan Year.

(j) Copies of collective bargaining agreements and Joinder Agreements.

(k) Any quarterly, semi-annual or annual financial report prepared for the Plan by any Plan investment manager, advisor or other fiduciary that has been in the Plan's possession for at least thirty days but not more than six years.

(l) Any applications filed with and any determinations from the Secretary of the Treasury regarding a request for an extension under ERISA Section 304.

Upon written request, copies will be furnished by mail. There may be a charge for copies, so you should contact the Administrative Office to find out what the charge will be before sending in your request.

A copy of any collective bargaining agreement or Joinder Agreement that provides for contributions to the Plan will be available for inspection within ten calendar days after written request to the Administrative Office, at any Union office, or at the office of any Employer to which at least fifty Participants report to work each day.

15. Factors that could Affect Payment of Your Benefit

Certain factors could interfere with the payment of your benefit from the Plan. Examples include the following:

(a) Rehabilitation Plans. Benefits may be reduced or eliminated as described in this booklet.

(b) Permanent Break in Service. If you have a sufficient number of consecutive one-year Breaks in Service, you may fail to Vest in your benefit (acquire ownership rights). Even if you later Vest, you will lose any years of Benefit Service and Credited Service and accrued benefits you earned before a Permanent Break in Service. See Questions 6 through 12.

(c) Failure to Apply for Your Benefit. You cannot receive a retirement or disability benefit without applying for it.

(d) Failure to Update Your Address. If you move, it is your responsibility to keep the Administrative Office informed about where it can reach you. Otherwise, you may not receive important Plan information (or your benefit checks or IRS Form 1099-R after retirement).

(e) Qualified Domestic Relations Order. If you have divorced, the Plan may be required to pay all or a portion of your benefit to your spouse, former spouse or dependents under a qualified domestic relations order. See Question 52.

(f) Returning to Work After Retiring. Your retirement benefit may be suspended if you return to certain types of work after your retirement benefit starts. See Questions 37 and 38 for more information, including requirements to keep the Administrative Office informed about the start and end of employment.

(g) Recovery of Erroneous Payments and Overpayments. After exhausting reasonable efforts to collect erroneous payments or overpayments, the Board of Trustees may reduce future Plan benefits to the recipient until the erroneous payments or overpayments have been recovered. See Questions 38 and 53.

Factors affecting your benefit will depend on your particular situation. If you have questions, contact the Administrative Office.

16. Pension Benefit Guaranty Corporation Insurance

Your pension benefits under this multiemployer defined benefit pension 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 plan 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 limit is $35.75 per month times a participant's years of service. For example, the maximum annual guarantee for a retiree with 30 years of service would be $12,870.

The PBGC guarantee generally covers: (1) normal and some 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 60 months before 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.

For more information about the PBGC and the benefits it guarantees, ask your Plan Administrator or contact the PBGC's Technical Assistance Division, 1200 K Street, N.W., Suite 930, Washington, D.C. 20005-4026. You may also contact the PBGC at (202) 326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at (800) 877-8339 and ask to be connected to (202) 326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at www.pbgc.gov/prac/multiemployer.

17. Statement of ERISA Rights

As a Participant in the Inlandboatmen's Union of the Pacific National Pension Plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 ("ERISA"). ERISA provides that all Plan Participants shall be entitled to:

Receive Information About Your Plan and Benefits. Examine, without charge, at the Plan's Administrative Office and at other specified locations, such as worksites and union halls, all documents governing the Plan. These documents include 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 Administrative Office, 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) and updated summary plan description. The Administrative Office may make a reasonable charge for the copies. Copies of the annual report are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1515, Washington, DC 20210, or by calling (202) 693-8673. For 2009 and subsequent Plan Years, you may obtain an electronic copy of the Plan's annual report by going to www.efast.dol.gov and using the Form 5500 search function. Individual information, such as the amount of your accrued benefit under the Plan, is not contained in the annual report.

The Board of Trustees is required by law to furnish each Participant with a copy of the annual funding notice.

Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (generally 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.

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 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 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 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 Board of Trustees 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 Board of Trustees.

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. In addition, if you disagree with the Plan's decision or lack of a decision concerning the qualified status of a domestic relations 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 Administrative 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 Administrative Office, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or contact the following:

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 obtain certain publications about your rights and responsibilities under ERISA by calling the publication hotline of the Employee Benefits Security Administration at (866) 444-3272. You may also find answers to your Plan questions and a list of Employee Benefits Security Administration Field Offices at the Employee Benefits Security Administration's website at www.dol.gov/ebsa.

DEFINITIONS

2011 Rehabilitation Plan

The 2011 Rehabilitation Plan was a recovery plan adopted by the Board of Trustees on January 31, 2011, to improve the funded status of the Plan. The 2011 Rehabilitation Plan included two schedules, the 2011 Default Schedule and the 2011 Preferred Schedule, which generally reduce benefits for retirements after August 1, 2011 and increased Employer contributions known as Supplemental Contributions (under the 2011 Preferred Schedule only).

2018 Default Schedule

The 2018 Default Schedule is a schedule under the 2018 Rehabilitation Plan that reduces the accrued benefit base percentage factor, also known as the benefit multiplier, to 1% of Employer contributions earned after the 2018 Default Schedule is adopted or imposed, requires 1,000 Hours of Service in a Plan Year to earn one year of Future Credited Service, requires 1,000 Contributory Hours in a Plan Year to earn one year of Future Benefit Service, eliminates the disability benefit for a date of disability after December 31, 2018, reduces other benefits, and requires additional Employer contributions (known as Supplemental Contributions) that are in addition to the contributions required by the collective bargaining agreement or Joinder Agreement. Supplemental Contributions are not taken into account when determining your accrued benefit.

2018 Preferred Schedule

The 2018 Preferred Schedule is a schedule under the 2018 Rehabilitation Plan that eliminates the accrued benefit base percentage factor, also known as the benefit multiplier, for the July 1, 2018, to June 30, 2019 Plan Year, starting July 1, 2019, reduces Employer contributions applied to the accrued benefit base percentage factor, also known as the benefit multiplier, by 30% (the 30% of Employer contributions are reallocated to help fund the Plan), reduces other benefits, and requires additional Employer contributions (known as Supplemental Contributions) that are in addition to the contributions required by the collective bargaining agreement or Joinder Agreement. Supplemental Contributions are not taken into account when determining your accrued benefit.

2018 Rehabilitation Plan

The 2018 Rehabilitation Plan is a recovery plan adopted by the Board of Trustees on May 16, 2018, to improve the funded status of the Plan. The 2018 Rehabilitation Plan includes two schedules, the 2018 Default Schedule and the 2018 Preferred Schedule, which generally reduce benefits for retirements after December 31, 2018, make other Plan changes, and increases Employer contributions known as Supplemental Contributions.

ACTIVE PARTICIPANT

You were an Active Participant under the 2011 Rehabilitation Plan if you earn 240 or more Contributory Hours in the Plan Year of your retirement or in the preceding Plan Year.

ACTIVE PARTICIPANT UNDER THE 2018 DEFAULT SCHEDULE

You are an Active Participant Under the 2018 Default Schedule if you earn 1,000 or more Contributory Hours in the Plan Year of your retirement or in the preceding Plan Year and the majority of Contributory Hours earned after June 30, 2018, are under the 2018 Default Schedule. There is one exception to this rule. If you retire during the July 1, 2018, to June 30, 2019 Plan Year, you will be an Active Participant Under the 2018 Default Schedule if you earn 240 or more Contributory Hours in the July 1, 2017, to June 30, 2018 Plan Year or you earn 1,000 or more Contributory Hours in the July 1, 2018, to June 30, 2019 Plan Year.

ACTIVE PARTICIPANT UNDER THE 2018 PREFERRED SCHEDULE

You are an Active Participant Under the 2018 Preferred Schedule if you earn 240 or more Contributory Hours in the Plan Year of your retirement or in the preceding Plan Year and the majority of Contributory Hours earned after June 30, 2018, are under the 2018 Preferred Schedule.

ACTUARIAL PRESENT VALUE

An actuarial present value is the single sum amount that is equivalent in value to the monthly annuity payments as of a calculation date.

ADMINISTRATIVE OFFICE

BeneSys, Inc.
5331 SW Macadam Avenue
Suite 258, PMB #116
Portland, OR 97239
Telephone: (503) 224-0048
Toll Free: (800) 547-4457
www.ibubenefits.org
Email: ibu@benesys.com

APPEALS REVIEW COMMITTEE

The Appeals Review Committee is a committee appointed by the co-chairs of the Trust to review a Claim and consists of an equal number of Management Trustees and Labor Trustees. The co-chairs may be the Appeals Review Committee.

Benefit Service

Benefit Service is equal to the sum of your Past Benefit Service plus Future Benefit Service.

Board of Trustees or Trustees

The individuals designated as Management Trustees and Labor Trustees pursuant to the terms of the Trust Agreement.

Break in Service

A Break in Service is a Plan Year in which you do not receive Credited Service under a reciprocal agreement, or a Plan Year you do not earn the required minimum number of Hours of Service from an Employer. You will not receive any Credited Service or Benefit Service in a Break in Service year. See Question 11.

Claim

A Claim is a written appeal by a Participant, beneficiary, alternate payee or other person which disputes a decision regarding a person's eligibility to participate in the Plan, eligibility for benefits from the Plan, the type, the amount or duration of a benefit or a statement that a person is adversely affected by a decision made by the Administrative Office or the Board of Trustees.

Contributory Hours

Contributory Hours are hours for which Employer contributions are paid or required to be paid to the Plan on your behalf pursuant to the terms of a collective bargaining agreement or Joinder Agreement and hours for which contributions are transferred to the Plan from the Southwest Marine Pension Trust under the Pension Contribution Transfer Reciprocity Agreement (see Question 8).

Credited Service

Credited Service is credit earned for employment with an Employer. Credited Service is equal to the sum of your Past Credited Service plus Future Credited Service. You may also be granted Credited Service for service earned under other pension plans for which this Trust or Plan has a reciprocal agreement. See Questions 7 and 8.

Early Retirement Date

Your Early Retirement Date is the first day of any month after your 55th birthday and prior to your 65th birthday and after you have completed 10 years of Credited Service.

Employer

Employer is any sole proprietorship, partnership, limited liability company, unincorporated association, corporation, joint venture, the United States of America or any state, county, or municipality; or any other public agency, public corporation, or governmental unit that is obligated to make contributions to the Trust pursuant to a collective bargaining agreement or Joinder Agreement. The term "Employer" includes the Union.

ERISA

The Employee Retirement Income Security Act of 1974, as amended, and any regulations issued pursuant thereto.

Future Benefit Service

Future Benefit Service is earned based on Contributory Hours. See Questions 8 and 9.

Future Credited Service

Future Credited Service is earned based on Hours of Service for an Employer or the Union after the Employer or the Union has agreed to contribute to this Plan. See Questions 7 and 8.

Hours of Service

An Hour of Service is an hour for which you are paid directly or indirectly, or entitled to payment from your Employer for work that you do and periods in which you do not work, including but not limited to, vacation, holiday, sickness, disability, layoff, military duty, leave of absence and accumulated time off.

Joinder Agreement

A written agreement between an Employer or the Union and the Trust, the Plan or Board of Trustees which describes the terms under which the Employer or Union will make contributions to the Plan and the employees covered by the Joinder Agreement.

Normal Form

If you retire prior to January 1, 2019, the Normal Form of retirement benefit is a monthly benefit payable as a 60-month certain and life annuity. This is a monthly payment for your life with 60 monthly payments guaranteed to be paid to you or, if you die prior to receiving 60 monthly payments, to your beneficiary until a total of 60 payments have been made between you and your beneficiary.

If you retire on or after January 1, 2019, and are a Terminated Participant Under the 2018 Rehabilitation Plan or an Active Participant Under the 2018 Preferred Schedule, the Normal Form of retirement benefit is a life annuity. The life annuity will provide you with a monthly payment for your life. Payments end at your death, regardless of the number of payments made.

If you retire on or after January 1, 2019, as an Active Participant Under the 2018 Default Schedule, the Normal Form of retirement benefit is:

(a) A life annuity based on your accrued benefit earned after December 31, 2018; and

(b) A 60-month certain and life annuity based on your accrued benefit earned prior to January 1, 2019.

NORMAL RETIREMENT DATE

Your Normal Retirement Date is generally the first day of the month following your 65th birthday. However, if you have not completed five years of Credited Service or participated in the Plan for five years on your 65th birthday, your Normal Retirement Date will be delayed until you have completed the five years.

PARTICIPANT

Any person covered by the Plan including:

(a) Prior to July 1, 2018, any employee employed by an Employer or the Union for whom the Employer or the Union is required to make contributions to the Trust pursuant to a collective bargaining agreement or Joinder Agreement.

(b) Any terminated or retired person who is receiving or who is entitled to receive benefits from the Plan.

Effective July 1, 2018, a new employee (defined as a person who has not worked for an Employer or the Union in a position covered by a collective bargaining agreement or Joinder Agreement before July 1, 2018, or a person who previously worked for an Employer or the Union in a position covered by a collective bargaining agreement or Joinder Agreement before July 1, 2018, but incurred a Permanent Break in Service before July 1, 2018, and before becoming Vested) will become a Participant in the Plan on the first day of the month coinciding with or next following 12 months after the first Hour of Service worked for an Employer or the Union in a job classification covered by a collective bargaining agreement or Joinder Agreement.

A new employee will not begin to earn a pension benefit until he/she becomes a Participant.

Once a new employee becomes a Participant, the Hours of Service earned since he/she started to work for an Employer or the Union in a job classification covered by a collective bargaining agreement or a Joinder Agreement shall be counted in determining a year of Future Credited Service for vesting purposes and determining his/her accrued benefit base percentage factor if he/she meets the hours requirement.

PAST BENEFIT SERVICE

Past Benefit Service is the total of a Participant's Past Credited Service.

PAST CREDITED SERVICE

Past Credited Service is service that may be awarded to a Participant as a result of service with a new Employer if the new Employer agrees to pay the actuarial equivalent of the benefit based on the Participant's past service with the Employer. No more than 15 years of Past Credited Service may be awarded.

PERMANENT BREAK IN SERVICE

A Permanent Break in Service is the permanent forfeiture of Credited Service, Benefit Service and benefits. Only Participants who are not Vested can incur a Permanent Break in Service.

PLAN

The Inlandboatmen's Union of the Pacific National Pension Plan.

PLAN DOCUMENT

The Eighth Restated Document governing the Inlandboatmen's Union of the Pacific National Pension Plan effective January 1, 2015, and subsequent amendments thereto and restatements thereof.

PLAN YEAR

A Plan Year is the 12-month period that begins on July 1st of each year and ends on June 30th of the following year.

POSTPONED RETIREMENT DATE

Your Postponed Retirement Date will be the first day of any month following your Normal Retirement Date and after you cease working with all Employers and in the type of employment described in Question 37.

PPA

The Pension Protection Act of 2006.

QDRO

A qualified domestic relations order.

RULE OF 85 BENEFIT

Rule of 85 Benefit means an early retirement benefit for Participants who meet the Rule of 85 Requirements equal to the Participant's normal retirement annuity reduced by 0.25% per month for each month from the Early Retirement Date to the date the Participant reaches age 62. There is no reduction from age 62 to age 65.

If a Participant retires as an Active Participant Under the 2018 Default Schedule, the Rule of 85 Benefit applies to the Participant's accrued benefit earned through June 30, 2018. The early retirement benefit earned after June 30, 2018, is the Unsubsidized Early Retirement Benefit. See Question 29B.1.

RULE OF 85 REQUIREMENTS

Rule of 85 Requirements are eligibility requirements to receive the Rule of 85 Benefit. You meet the Rule of 85 Requirements if, as of June 30, 2011, you met the following criteria:

(a) You were age 55 or older but had not yet reached age 65 as of June 30, 2011;

(b) You were not a Terminated Participant as of June 30, 2011;

(c) You earned 240 or more Contributory Hours in the July 1, 2010, to June 30, 2011 Plan Year; and

(d) Your age plus years of service (defined below) equal or exceed 85 as of June 30, 2011.

In addition to meeting the four criteria above, you must also meet one of the following criteria: (i) for retirements between July 1, 2011, and June 30, 2018, you must have retired as an Active Participant; or (ii) for retirements after June 30, 2018, you must have retired as an Active Participant Under the 2018 Default Schedule or the 2018 Preferred Schedule.

Years of service for the Rule of 85 Requirements means years or partial years of Future Credited Service that you earned under this Plan, the Columbia River Retirement Plan, the Inland Waters Pension Plan, and/or the Ferry Concessions Pension Plan (IBU Credited Service) that has not been permanently forfeited due to a Permanent Break in Service. If you earned 20 or more years of IBU Credit Service without a Permanent Break in Service as of June 30, 2011, you may also count years or partial years of Future Credited Service earned under the Northwest Marine Pension Plan, Southwest Marine Pension Plan, Alaska Longshore Pension Plan, Washington State Ferries Pension Plan, Crown Zellerbach Plan and Masters, Mates & Pilots Individual Retirement Account Plan, provided the Future Credited Service has not been forfeited due to a Permanent Break in Service.

SUPPLEMENTAL CONTRIBUTIONS

Contributions required by the 2011 Rehabilitation Plan and 2018 Rehabilitation Plan that are used to improve the funded status of the Plan and are not used to determine your accrued benefit.

TERMINATED PARTICIPANT

You were a Terminated Participant under the 2011 Rehabilitation Plan if you earned less than 240 Contributory Hours for the July 1, 2009, to June 30, 2010 Plan Year. You are also a Terminated Participant under the 2011 Rehabilitation Plan if you are not an Active Participant under the 2011 Rehabilitation Plan as of your retirement date.

TERMINATED PARTICIPANT UNDER THE 2018 REHABILITATION PLAN

You are a Terminated Participant Under the 2018 Rehabilitation Plan if you earned less than 240 Contributory Hours for the July 1, 2017, to June 30, 2018 Plan Year. You are also a Terminated Participant Under the 2018 Rehabilitation Plan if you are not an Active Participant Under the 2018 Default Schedule or 2018 Preferred Schedule as of your retirement date.

TRUST

The Trust is the fund established under the Trust Agreement for the purpose of funding the benefits described in the Plan and held in accordance with the terms of the Trust Agreement. The name of the Trust is the Inlandboatmen's Union of the Pacific National Pension Trust.

TRUST AGREEMENT

The First Restated Trust Agreement governing the Inlandboatmen's Union of the Pacific National Pension Trust and amendments thereto and restatements thereof.

UNION

The Union is the Inlandboatmen's Union of the Pacific Marine Division, of the International Longshoremen's and Warehousemen's Union.

UNSUBSIDIZED EARLY RETIREMENT BENEFIT

Unsubsidized Early Retirement Benefit means a reduction of the normal retirement annuity payable at the Early Retirement Date pursuant to the following table:

AGE	EARLY RETIREMENT FACTOR
55	0.3791
56	0.4148
57	0.4545
58	0.4986
59	0.5478
60	0.6029
61	0.6645
62	0.7338
63	0.8118
64	0.9000

* Based on 7.5% interest and the RP-2000 Blue Collar Mortality Table for males, projected to 2010 using Scale AA.

VESTED

A non-forfeitable right to the normal retirement benefit and service you have earned. Your normal retirement benefit will not be lost even if you terminate employment with your Employer, leave the industry, or leave the geographical area where you work.