

**AMENDMENT NO. 9 TO THE  
INLANDBOATMEN'S UNION OF THE PACIFIC NATIONAL PENSION PLAN  
EIGHTH RESTATEMENT**

The Trustees, pursuant to Section 12.1 of the Inlandboatmen's Union of the Pacific National Pension Plan Eighth Restatement (hereinafter "the Plan"), hereby amend the Plan.

1. Effective January 1, 2020, Section 5.3(f)(4) is amended to read as follows:

(4) **Required Beginning Date.** Required beginning date for a Participant other than a five percent (5%) owner is April 1 of the calendar year following the later of the calendar year in which the Participant:

- (i) Attains age seventy-two (72); or
- (ii) Retires from employment with an Employer.

For a five percent (5%) owner, the required beginning date is April 1 of the calendar year following the calendar year in which the five percent (5%) owner attains age seventy-two (72).

2. Effective for participants who turn age seventy-two (72) on or after January 1, 2023, Section 5.3(f)(4) is amended to read as follows:

(4) **Required Beginning Date.** Required beginning date for a Participant other than a five percent (5%) owner is April 1 of the calendar year following the later of the calendar year in which the Participant:

- (i) Attains age seventy-three (73); or
- (ii) Retires from employment with an Employer.

For a five percent (5%) owner, the required beginning date is April 1 of the calendar year following the calendar year in which the five percent (5%) owner attains age seventy-three (73).

3. Effective for participants who turn age seventy-four (74) on or after January 1, 2033, Section 5.3(f)(4) is amended to read as follows:

(4) **Required Beginning Date.** Required beginning date for a Participant other than a five percent (5%) owner is April 1 of the calendar year following the later of the calendar year in which the Participant:

(i) Attains age seventy-five (75); or

(ii) Retires from employment with an Employer.

For a five percent (5%) owner, the required beginning date is April 1 of the calendar year following the calendar year in which the five percent (5%) owner attains age seventy-five (75).

4. Effective December 29, 2022, Section 10.23 is amended to read as follows:

**10.23 Recovery of Overpayments.** In the event a Participant, Retiree, beneficiary, alternate payee, or any other person (the "Recipient") receives an overpayment from the Plan, the Trustees shall make reasonable efforts to collect the amount of the overpayment from the Recipient. To the extent the full amount of the overpayment cannot be collected from the Recipient, the Trustees may reduce future Plan benefits to the Recipient until the overpayment is paid in full.

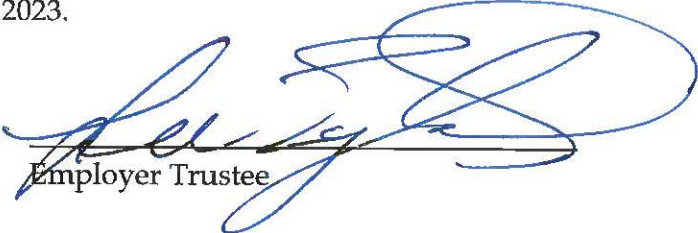
However, if an overpayment is made through no fault of the Participant or other Recipient, then: (a) the Trustees in their discretion shall determine whether some or all of such amount shall be repaid or forgiven, taking into account factors such as the Participant's or Recipient's knowledge of the overpayment and the hardship such repayment would be on the Recipient; (b) no interest will be collected on such overpayments; (c) no repayment shall be attempted if the initial overpayment was more than three years before the overpayment was discovered and written notice provided to the Recipient (however, the benefit amount can be adjusted to the correct amount on future payments); (d) no repayment shall be attempted for overpayments made to a Participant if the Participant has died and a spouse or other Recipient is receiving payments; (e) repayments made over time shall not be more than 10% of the amount owed in any year; and (f) all other limitations required by law shall be observed by the Trustees.

If an overpayment is made as a result of statements or actions of the Participant or other Recipient, then the preceding paragraph will not apply and the Trustees in their discretion shall determine the: (a) the appropriate amount of overpayments to collect; (b) the rate of interest to apply which shall be the rate specified in Exhibit A for actuarial equivalence; (c) if the Recipient dies before full recovery of the overpayment with interest, the reduction of future Plan benefits may continue with respect to the Recipient's beneficiary; and (d) any such reduction shall be consistent with applicable Internal Revenue Service and ERISA guidelines for correcting overpayment made by a qualified retirement plan.

In the event a Retiree has an obligation to repay Plan benefits due to employment following retirement in violation of the limitations in Article 4.7, the Retiree's repayment obligation shall be as described in Article 4.11(b), rather than this Article 10.23.

ADOPTED at a meeting on May 18, 2023.

  
Union Trustee

  
Employer Trustee

**AMENDMENT NO. 8 TO THE  
INLANDBOATMEN’S UNION OF THE PACIFIC NATIONAL PENSION PLAN  
EIGHTH RESTATEMENT**

The Trustees, pursuant to Article 12.1 of the Inlandboatmen’s Union of the Pacific National Pension Plan Eighth Restatement (hereinafter, the “Plan”), amend the Plan as set forth below. The primary purpose of Amendment No. 8 is to clarify changes made to the Plan by the 2018 Rehabilitation Plan and Amendment No. 7 to the Plan, including the interaction between Article 16 which describes changes made by the 2011 Rehabilitation Plan and Article 17 which describes changes made by the 2018 Rehabilitation Plan.

1. Effective July 1, 2018, Articles 1.1(c) and 1.1(j) of the Plan are amended and a new Article 1.1(cx) is added immediately before Article 1.1(d) to more accurately reflect changes made by the 2018 Rehabilitation Plan and Amendment No. 7 to the Plan to read as follows:

**1.1(c)** For the last six (6) months of the Plan Year commencing on July 1, 2003, and every Plan Year thereafter through the Plan Year ending June 30, 2018, for which a Participant is credited with Future Benefit Service, his/her monthly benefit will be equal to the sum of the amount determined as follows:

- (1) First (1st) through ninth (9th) years of Future Benefit Service at one and forty hundredths percent (1.40%) of Employer Contributions;
- (2) Tenth (10th) through nineteenth (19th) years of Future Benefit Service at one and fifty-five hundredths percent (1.55%) of Employer Contributions; and
- (3) Twenty (20) years and over of Future Benefit Service at one and seventy hundredths percent (1.70%) of Employer Contributions.

**1.1(cx)** For the Plan Year commencing on July 1, 2018, and every Plan Year thereafter for which a Participant is credited with Future Benefit Service, his/her monthly benefit will be as described in Articles 17.3, 17.4, 17.5, 17.6, 17.11(e), or 17.12(e) as applicable.

...

**1.1(j)** In computing the benefit provided in Articles 1.1(b), ~~and 1.1(c)~~, and 1.1(cx), a Participant's Future Benefit Service will include all years of service without a break in service of the Participant prior to July 1, 1981, with any pension plan to which the Union was a party. Service in any other plan with which the Trustees have a reciprocal agreement will also be counted as Future Benefit Service.

2. Effective July 1, 2018, Article 1.5(b) of the Plan is amended to more accurately reflect a change made by the 2018 Rehabilitation Plan and Amendment No. 7 to the Plan to read as follows:

**1.5(b)** **Future Benefit Service** is the total of a Participant's Future Credited Service as determined under Article 1.10(b) and Article 17, for which Contributions are made or required to be made to the Pension Fund on his/her behalf.

3. Effective July 1, 2018, Article 1.10(b) of the Plan is amended to reflect changes made by the 2018 Rehabilitation Plan and to more accurately reflect the original intent of the Trustees and the administrative practice of the Plan to read as follows:

**1.10(b)** **Future Credited Service** is all Credited Service (except Past Credited Service) and will be determined as follows:

- (1) For the period from the Effective Date to July 1, 1982, a Participant will be credited with one (1) year of Future Credited Service for each Plan Year during which the Participant is continuously employed and completes at least 500 Hours of Service for an Employer or Employers. Participants employed by an Employer who come under contract after the Plan Year date of July 1, shall be required to have worked for an Employer a pro rata number of hours in relation to 500 Hours of Service for a 12-month period for a year of service during the first (1st) Plan Year of Employer's Contributions; and, for the purpose of determining the amount of Future Credited Service, one (1) year of Future Credited Service for each year during which the Participant was continuously employed or did not suffer a service break prior to the Effective Date under any other Inlandboatmen's Union Pension Plan or any other plan with which the Trustees have a reciprocal agreement.

- (2) Commencing on and after July 1, 1982, and continuing through June 30, 1984, a year of Future Credited Service will be earned for each Plan Year in which a Participant completes 500 Hours of Service for an Employer or Employers; provided, that a one (1) year break in service will occur in any Plan Year in which a Participant fails to accrue, for any reason other than military service, disability, or Leave of Absence, at least 500 Hours of Service for an Employer or Employers.
- (3) Commencing on or after July 1, 1984 and continuing through June 30, 2018, a year of Future Credited Service will be earned for each Plan Year in which a Participant completes 240 Hours of Service for an Employer or Employers; provided, that a one (1) year break in service will occur in any Plan Year in which a Participant fails to accrue, for any reason other than military service, pursuant to the Uniformed Services Employment and Reemployment Rights Act of 1994 or Leave of Absence, at least 240 Hours of Service for an Employer or Employers.
- (4) Commencing on and after July 1, 2018, a year of Future Credited Service will be earned for each Plan Year in which a Participant completes 240 Hours of Service for an Employer or Employers that have adopted the 2018 Preferred Schedule during the Plan Year; provided, that a one (1) year break in service will occur in any Plan Year in which such a Participant fails to accrue, for any reason other than military service pursuant to the Uniformed Services Employment and Reemployment Rights Act of 1994 or Leave of Absence, at least 240 Hours of Service for an Employer or Employers.
- (5) Unless Article 1.10(b)(8) applies, commencing on and after July 1, 2018, a year of Future Credited Service will be earned for each Plan Year in which a Participant completes 1,000 Hours of Service for an Employer or Employers that have adopted the 2018 Default Schedule or had the 2018 Default Schedule imposed by the Pension Protection Act during the Plan Year; provided, that a one (1) year break in service will occur in any Plan Year in which such a Participant fails to accrue for any reason other than military service pursuant to the Uniformed Services Employment and Reemployment Rights Act of 1994 or Leave of Absence, at least 500 Hours of Service for an Employer or Employers. If a Participant has more than 500 Hours of Service but less than 1,000

Hours of Service in a Plan Year, the Participant will not incur a one (1) year break in service and will not earn a year of Future Credited Service.

(6) Commencing on and after July 1, 2018, if a Participant works for multiple Employers in a Plan Year and one Employer has adopted the 2018 Preferred Schedule and another Employer has adopted the 2018 Default Schedule or had the 2018 Default Schedule imposed by the Pension Protection Act during a Plan Year, a year of Future Credited Service will be earned for each Plan Year in which a Participant completes 240 Hours of Service for an Employer or Employers; provided, that a one (1) year break in service will occur in any Plan Year in which a Participant fails to accrue, for any reason other than military service pursuant to the Uniformed Services Employment and Reemployment Rights Act of 1994 or Leave of Absence, at least 240 Hours of Service for an Employer or Employers.

(7) Unless Article 1.10(b)(8) applies, commencing on or after July 1, 2018, if a Participant works for an Employer or Employers who have not adopted the 2018 Preferred Schedule, 2018 Default Schedule or had the 2018 Default Schedule imposed by the Pension Protection Act during the Plan Year, a year of Future Credited Service will be earned for each Plan Year in which a Participant completes 1,000 Hours of Service for an Employer or Employers; provided, that a one (1) year break in service will occur in any Plan Year in which a Participant fails to accrue, for any reason, other than military service pursuant to the Uniformed Services Employment and Reemployment Rights Act of 1994 or Leave of Absence, at least 500 Hours of Service for an Employer or Employers. If a Participant has more than 500 Hours of Service but less than 1,000 Hours of Service in a Plan Year, the Participant will not incur a one (1) year break in service and will not earn a year of Future Credited Service.

(8) Notwithstanding Articles 1.10(b)(5) and 1.10(b)(7), commencing on or after July 1, 2018, a Participant who has not earned a Vested Interest, but has earned at least three (3) years of Future Credited Service prior to July 1, 2018, that has not been lost due to a permanent break in service as described in Article 1.10(b)(11) or 1.10(b)(12) will earn a year Future Credited Service for each Plan Year in which the Participant completes 240 Hours of Service for an Employer

or Employers, regardless of whether the Employer has adopted the 2018 Preferred Schedule, 2018 Default Schedule, had the 2018 Default Schedule imposed by the Pension Protection Act, or has not yet adopted a schedule; provided, that a one (1) year break in service will occur in any Plan Year in which the Participant fails to accrue, for any reason, other than military service pursuant to the Uniformed Services Employment and Reemployment Rights Act of 1994 or Leave of Absence, at least 240 Hours of Service for an Employer or Employers. This provision will no longer apply once a Participant has earned a Vested Interest.

~~(9)~~ ~~Except for those years excluded under Articles 1.10(b)(1) and 1.10(b)(2), all~~ All complete years of Future Credited Service that have not been lost due to a permanent break in service as described in Articles 1.10(b)(11) or 1.10(b)(12) will be aggregated for all purposes under the Plan.

~~(510)~~ For the purpose of determining whether a Participant has incurred a one (1) year break in service, Hours of Service shall be recognized for maternity and paternity Leave of Absence. A maternity or paternity Leave of Absence shall mean an absence from work for any period by reason of the Employee's pregnancy, birth of the Employee's child, placement of a child with the Employee in connection with the adoption of such child, or any absence for a period immediately following such birth or placement. For this purpose, Hours of Service shall be credited for the Plan Year in which the absence from work begins, only if credit is necessary to prevent the Employee from incurring a one (1) year break in service, or in any other case, in the immediately following Plan Year. The Hours of Service credited for a maternity or paternity Leave of Absence shall be those which would normally have been credited but for such absence or, in any case, in which the Plan Administrator is unable to determine such hours normally credited, eight (8) Hours of Service per day. The total Hours of Service required to be credited for a maternity or paternity Leave of Absence shall not exceed 241 under Articles 1.10(b)(3), 1.10(b)(4), 1.10(b)(6) and 1.10(b)(8), and shall not exceed 501 under Articles 1.10(b)(1), 1.10(b)(2), 1.10(b)(5) and 1.10(b)(7).

- (611) For the period from the Effective Date to July 1, 1985, Future Credited Service will not be taken into account for any purpose under the Plan if the Participant does not have a Vested Interest in his/her Accrued Benefit and if the number of consecutive one (1) year breaks in Future Credited Service equals or exceeds the number of complete years of Future Credited Service completed prior to such break in service.
- (712) For Plan Years commencing on and after July 1, 1985, Future Credited Service will not be taken into account for any purpose under the Plan if the Participant does not have a Vested Interest in his/her Accrued Benefit and if the number of consecutive one (1) year breaks in Future Credited Service equals or exceeds the greater of the number of complete years of Future Credited Service completed prior to such breaks or five (5).
- (813) If a Participant's years of service are disregarded pursuant to Article 1.10(b)(611) or 1.10(b)(712), such Participant will be treated as a new Employee for eligibility purposes. If a Participant's years of service may not be disregarded pursuant to Article 1.10(b)(611) or 1.10(b)(712), such Participant shall continue to participate in the Plan or, if terminated, shall participate immediately upon reemployment.
- (914) Notwithstanding any provision in Article 1.10(b) or elsewhere in this Plan to the contrary, a break in service shall not be deemed to have occurred as to any Employee whose Employer may have changed legal form, including but not limited to, reorganization under the Bankruptcy Code or sale or other transfer of the Employer's assets if the Trustees find that there is a continuity of operation between a former Employer and a currently contributing Employer, taking into account the operating assets, services performed, Employee composition, and other factors deemed relevant by the Trustees and both of the Employers were obligated to make Contributions to this Pension Fund.
- (1015) Notwithstanding any provisions in this Plan to the contrary, all service, on or after the Effective Date and prior to the Effective Date of Entry, with any Employer aggregated under Code Section 414 will be treated as Past Credited Service; provided, however, no Contributions will be accepted from a New Employer unless such New Employer

elects and pays, no later than the Effective Date of Entry of such New Employer, the actuarial present value of the Past Credited Service to which all such New Employer's Employees are entitled pursuant hereto.

(~~41~~16) Effective July 1, 1987, the Pension Plan of the Columbia River Retirement Trust merged with this Plan and its benefits were frozen under its structure effective July 1, 1987.

(~~42~~17) Effective July 1, 1988, the Pension Plan of the Inland Waters Pension Trust merged with this Plan and its benefits were frozen under its structure effective July 1, 1988.

(~~43~~18) Effective July 1, 1993, the Pension Plan of the Ferry Concessions Retirement Trust ("Ferry Concessions") merged with this Plan and its benefits were frozen under its structure effective July 1, 1993. For the calendar year 1994, for vesting purposes, a Ferry Concessions Participant shall receive a year of service under Ferry Concessions if the Participant meets the year of service requirements during the calendar year. The Participant shall also receive a year of service for vesting purposes if the Participant meets this Plan's requirements during the period July 1, 1994 to June 30, 1995. A Ferry Concessions Participant may receive one (1) year of service for vesting purposes under Ferry Concessions and this Plan in the 18-month period, January 1, 1994, through June 30, 1995. The Ferry Concessions benefit shall be calculated utilizing only the Contributions from January 1, 1994 through June 30, 1994. This Plan's benefit shall be calculated based on all Contributions after June 30, 1994.

(~~44~~19) Uniformed Services Employment and Reemployment Rights Act of 1994 (the "Act") provisions shall be applied as follows:

- (i) To the extent allowed by the Code and ERISA, these provisions shall apply to the Plan and shall be effective sixty (60) days after October 13, 1994. All defined terms herein shall be defined in accordance with the Act.

- (ii) Each period served by a Participant in the uniformed services shall, upon reemployment, constitute Hours of Service for Plan purposes including vesting and benefit accruals.
- (iii) Each Participant affected by these provisions shall receive Future Credited Service at the rate the Participant would have received had the period of uniformed service not occurred. If the rate cannot be accurately determined, the Participant shall receive credit based upon the average rate of contributions and hours for the 12-month period immediately preceding the period of uniformed service. If the period of employment is shorter than twelve (12) months, that period shall be used for the calculation.
- (iv) Benefits accrued pursuant to Article 1.10(b)(1419)(iii) shall be treated as experience losses of the Plan. The Employer reemploying the Participant shall not be required to make Contributions to the Plan to fund the benefits.
- (v) Each Employer reemploying a Participant shall notify the Plan within thirty (30) days of such reemployment.

(20) Related Hours as defined in Article 10.21(c) shall be considered in determining whether a Participant earns a year of Future Credited Service and has incurred a break in service.

4. Effective July 1, 2018, Article 1.22 of the Plan is amended to more accurately reflect changes made by the 2018 Rehabilitation Plan and Amendment No. 7 to the Plan to read as follows:

**1.22 Participant** is any person covered by the Plan and includes:

- (a) Any Employee ~~employed by an Employer for whom the Employer is required to make Contributions to the Pension Fund pursuant to a Collective Bargaining Agreement or Joinder Agreement~~who meets the requirements to participate in the Plan as set forth in Article 2.

- (b) ~~Any~~ A former Employee of the Union for whom Contributions are made to the Pension Fund who has attained a Vested Interest in the Plan.
- (c) ~~Any terminated or~~ A retired person who is receiving, ~~or who is entitled to receive,~~ benefits under the Plan.

5. Effective July 1, 2018, Article 2 of the Plan is amended to more accurately reflect changes made by the 2018 Rehabilitation Plan and to clarify Amendment No. 7 to the Plan to read as follows:

**2.1** Participation On and After July 1, 1981, Except for New Employees in Article 2.2. Each Employee will be eligible for participation and will automatically become a Participant in the Plan on the first (1st) day of the month coinciding with, or next following, the latest of the following dates:

- (a) July 1, 1981;
- (b) The date which is the Employer's Effective Date of Entry;
- (c) The date as of which he/she becomes employed in a job classification for which the Employer is required to make a Contribution to the Pension Fund as specified in a Collective Bargaining Agreement, or the date he/she becomes employed in a job classification for which the Employer or the Union is required to make a Contribution to the Pension Fund as specified in a Joinder Agreement.
- (d) The date of his/her reemployment, in the case of a former Participant.

**2.2** When Plan Participation Starts for New Employees Who Join the Plan After June 30, 2018. Effective July 1, 2018, participation starts for a new Employee who works for an Employer in a position covered by a Collective Bargaining Agreement or Joinder Agreement as described in Article 17.4.

**2.3** When Participation Ends. Participation ends when a Participant dies or on the last day of a Plan Year in which a Participant who has not acquired a Vested Interest has a one (1) year break in service as determined by Article 1.10(b).

**2.4** Renewed Participation After a Break in Service. A Participant who incurs a break in service, but has not incurred a permanent break in service, will renew participation in the Plan after completion of one (1) Hour of Service.

A former Participant who incurs a permanent break in service before obtaining a Vested Interest must satisfy the requirements of Article 2.1 or 2.2 as applicable to again become a Participant.

**2.5** **Participant Bound by Terms of Plan.** Each Participant will be deemed conclusively and, for all purposes, to have assented to the terms of the Plan and will be bound with the same force and effect as if he/she had been a party to the execution of the Plan.

6. Effective November 1, 2017, Article 8.1(f) of the Plan is amended to reflect action required by Code Section 432(f)(2), the 2018 Rehabilitation Plan, and Paragraph 4 of Amendment No. 7 of the Plan to read as follows:

**8.1(f)** In lieu of receiving a lifetime annuity as provided in Article 8.1(b) or 8.1(c), the surviving spouse may elect to receive the Actuarial Equivalent of the surviving spouse's pre-retirement survivor annuity in the form of a 120-month certain and life annuity. Under this form of annuity, payments are made for 120 months and then cease. The surviving spouse shall name a beneficiary to receive the remaining payments in the event the surviving spouse dies within the 120-month period. Such benefit shall be due the surviving spouse commencing the first (1st) day of the month during which the Active Participant or Terminated Participant dies, unless the surviving spouse elects to defer to a later date. This benefit option is eliminated for a Participant who dies on or after November 1, 2017.

7. Effective July 1, 2018, Article 9.2 of the Plan is amended to read as follows:

**9.2** **Contributions by Employer.** It is the intent of each Employer to contribute to the Plan such amounts as are determined under the Pension Protection Act, the 2011 Rehabilitation Plan Schedule adopted by the Employer, the 2018 Rehabilitation Plan Schedule adopted by the Employer or imposed by the Pension Protection Act, the Collective Bargaining Agreement, and/or the Joinder Agreement, or both. Such amounts are intended to be sufficient on a sound actuarial basis to provide for the payment of benefits under the Plan, and in no event less than the amounts necessary to have the Plan continue to qualify under the applicable provisions of the Code.

8. Effective July 1, 2018, Article 10.21(j) of the Plan is amended to reflect changes made by the 2018 Rehabilitation and Amendment No. 7 to the Plan read as follows:

**10.21(j) Terms of the Rehabilitation Plans and Schedules are not Affected.** This Article 10.21 is not applicable to [ARTICLE 16 2011 REHABILITATION PLAN AND SCHEDULES](#) and [ARTICLE 17 2018 REHABILITATION PLAN AND SCHEDULES](#) except as specifically provided in Article 16 and Article 17. Related Hours as defined in Article 10.21(c) are not considered Contributory Hours as defined in Article 16.3(d).

9. Effective May 16, 2018, the adoption date for the 2018 Rehabilitation Plan, Article 16.2, third paragraph is amended to clarify the interaction between Article 16 and Article 17 of the Plan to read as follows:

The purpose of Article 16 is to incorporate the significant terms of the [2011](#) Rehabilitation Plan into the Plan. In the event there are any inconsistencies between Article 16 of the Plan, and other Plan provision(s) [except Article 17](#), Article 16 shall prevail.

10. Effective May 16, 2018, the adoption date for the 2018 Rehabilitation Plan, Article 16.6 of the Plan is amended to clarify the interaction between Article 16 and Article 17 of the Plan to read as follows:

**16.6 Early Retirement Benefits for Terminated Participants who Retire After August 1, 2011, and Prior to January 1, 2019.** A Terminated Participant who retires after August 1, 2011, [and prior to January 1, 2019](#), shall receive an early retirement benefit, if elected, equal to the Unsubsidized Early Retirement Benefit.

11. Effective May 16, 2018, the adoption date for the 2018 Rehabilitation Plan, Article 16.10(a), 16.10(e), 16.10(f) and 16.10(i) of the Plan are amended to clarify the interaction between Article 16 and Article 17 of the Plan to read as follows:

**16.10(a)** Article 16.10 will control over any conflicting provision(s) of the Plan except for Article 16.11 [and Article 17](#).

...

- 16.10(e)** The Preferred Schedule does not change the Accrued Benefit formula in the Plan (Article 1.1) ~~at this time~~ through June 30, 2018.
- 16.10(f)** An Active Participant or Terminated Participant who retires after August 1, 2011, and prior to January 1, 2019, and is subject to the Preferred Schedule of pension benefit options at retirement because the majority of his/her Contributory Hours after June 30, 2011, and prior to July 1, 2018, were worked for Employers who adopted the Preferred Schedule shall have the benefit adjustments described in Article 16.10(g), (h), (i), and (j).
- 16.10(i)** A Terminated Participant who retires after August 1, 2011, and prior to January 1, 2019, and is subject to the Preferred Schedule of pension benefit options at retirement, shall have the following benefit adjustment:
- (1) The early retirement benefit, if elected, will be determined as described in Article 16.6.

12. Effective May 16, 2018, the adoption date for the 2018 Rehabilitation Plan, Article 16.11(a) and 16.11(d) of the Plan are amended to clarify the interaction between Article 16 and Article 17 of the Plan and a new Article 16.11(j) is added to read as follows:

- 16.11(a)** Article 16.11 will control over any conflicting provision(s) in the Plan except for Article 16.10 and Article 17.
- ...
- 16.11(d)** An Active Participant or Terminated Participant who retires after August 1, 2011, and prior to January 1, 2019, and is subject to the Default Schedule of pension benefit options at retirement because the majority of his/her Contributory Hours after June 30, 2011, and prior to July 1, 2018, were worked for Employers who adopted the Default Schedule or had the Default Schedule imposed by the Pension Protection Act shall have the benefit adjustments described in Article 16.11(e), (f), (g), (h) and (i).
- 16.11(e)** The Accrued Benefit formula in Article 1.1 will not apply and instead will be one percent (1%) of employer contributions made or required to be made to the Pension Fund after June 30, 2011, and through June 30, 2018, regardless of the number of years of Future Benefit Service the Participant has earned.

...

16.11(h) A Terminated Participant who retires after August 1, 2011, and prior to January 1, 2019, and is subject to the Default Schedule of pension benefit options at retirement shall have the following benefit adjustment:

(1) The early retirement benefit, if elected, will be determined as described in Article 16.6.

16.11(j) No Employer or the Union adopted the 2011 Rehabilitation Plan's Default Schedule or had the Default Schedule imposed by the Pension Protection Act.

13. Effective May 16, 2018, the adoption date for the 2018 Rehabilitation Plan, Articles 17.2(e)(2) and 17.2(e)(3) of the Plan are amended to more accurately reflect the original intent of the Trustees and changes made by the 2018 Rehabilitation Plan and Amendment No. 7 to the Plan to read as follows:

17.2(e)(2) Under the 2018 Default Schedule, a Participant who has 1,000 or more Contributory Hours earned under the Pension Fund in the Plan Year of his or her Annuity Starting Date or the preceding Plan Year and the majority of Contributory Hours earned after June 30, 2018, were under the 2018 Default Schedule. If the Participant's Annuity Starting Date is during the July 1, 2018, to June 30, 2019 Plan Year, 240 or more Contributory Hours, rather than 1,000 or more Contributory Hours, are needed for the July 1, 2017, to June 30, 2018 Plan Year for a Participant to be an Active Participant.

17.2(e)(3) Prior to the adoption of either the 2018 Preferred Schedule or the 2018 Default Schedule, a Participant who has 1,000 or more Contributory Hours earned under the Pension Fund in the Plan Year of his or her Annuity Starting Date or the preceding Plan Year. If the Participant's Annuity Starting Date is during the July 1, 2018, to June 30, 2019 Plan Year, 240 or more Contributory Hours, rather than 1,000 or more Contributory Hours, are needed for the July 1, 2017, to June 30, 2018 Plan Year for a Participant to be an Active Participant.

14. Effective May 16, 2018, the adoption date for the 2018 Rehabilitation Plan, Article 17.2(i) of the Plan is amended to clarify changes made by the 2018 Rehabilitation Plan and Amendment No. 7 to the Plan, and to correct a typographical mistake to read as follows:

**17.2(i) Existing Plan Provisions** means the terms and conditions of the Plan as they existed prior to the adoption of the 2018 Rehabilitation Plan (May 16, 2018), except as modified by Paragraph 4 of Amendment No. 7 which eliminated the pre-retirement death benefit in Article 8.1(f) for Participant deaths on or after November 1, 2017, and Sections—Articles 17.9(c), and—17.9(d), 17.11(f)(2) and 17.11(f)(3)—and 17.12(f)(2).

15. Effective May 16, 2018, the adoption date for the 2018 Rehabilitation Plan, Article 17.3 of the Plan is amended to clarify changes made by the 2018 Rehabilitation Plan and Amendment No. 7 to the Plan, and to more accurately reflect the original intent of the Trustees and the administrative practice of the Plan to read as follows:

**17.3 Work Under Different 2018 Rehabilitation Plan Schedules.** Starting July 1, 2018, if a Participant works for multiple Employers in a Plan Year and, as a result, becomes covered under different 2018 Rehabilitation Plan Schedules, he or she will earn one year of Future Credited Service ~~and one year of Future Benefit Service~~ if he or she ~~works—has~~ 240 or more ~~Contributory—Hours of Service~~ during the Plan Year (adding ~~Contributory—Hours of Service~~ earned under both the 2018 Default Schedule and 2018 Preferred Schedule together) and one year of Future Benefit Service if he or she has 240 or more Contributory Hours during the Plan Year (adding Contributory Hours earned under the 2018 Default Schedule and 2018 Preferred Schedule together). His or her Accrued Benefit formula, also known as the benefit multiplier, for Future Benefit Service earned after June 30, 2018, is determined by the 2018 Rehabilitation Plan Schedule in which the Contributory Hours were earned, except as modified by ~~Sections—Articles~~ 17.4 and 17.6. Starting July 1, 2018, in order to earn one year of Future Benefit Service and an Accrued Benefit in a Plan Year, a Participant must meet the following minimum Contributory Hours requirement:

- (a) A Participant will earn one year of Future Benefit Service and an Accrued Benefit under the 2018 Default Schedule in a Plan Year if he or she ~~works—has~~ 1,000 or more Contributory Hours during the Plan Year (adding Contributory Hours under the 2018 Default Schedule and 2018 Preferred Schedule together).

- (b) A Participant will earn one year of Future Benefit Service and an Accrued Benefit under the 2018 Preferred Schedule in a Plan Year if he or she ~~works~~has 240 or more Contributory Hours during the Plan Year (adding Contributory Hours under the 2018 Default Schedule and 2018 Preferred Schedule together).

The 2018 Rehabilitation Plan Schedule in which a majority of a Participant's Contributory Hours after June 30, 2018, were earned, will determine whether the Participant is an Active Participant Under the 2018 Rehabilitation Plan at his or her Annuity Starting Date and the benefit options at his or her Annuity Starting Date.

16. Effective May 16, 2018, the adoption date for the 2018 Rehabilitation Plan, Article 17.4 of the Plan is amended to clarify changes made by the 2018 Rehabilitation Plan and Amendment No. 7 to the Plan, and to more accurately reflect the original intent of the Trustees and the administrative practice of the Plan to read as follows:

**17.4 When Plan Participation Starts for New Employees Who Join the Plan after June 30, 2018.** Effective July 1, 2018, notwithstanding Article 2.1 of the Plan, a new Employee (defined as an Employee who had 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 an Employee 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 acquiring a Vested Interest) will be eligible for participation in the Plan and will automatically become a Participant in the Plan on the first (1st) day of the month coinciding with or next following 12 months after the first (1st) ~~Contributory~~Hour of Service worked in a job classification covered by a Collective Bargaining Agreement or Joinder Agreement. A new Employee will not begin to earn an Accrued Benefit during the first 12 months, but will earn one year of Future Credited Service for purposes of vesting and one year of Future Benefit Service for purposes of determining a Participant's benefit percentage factor in Article 1.1 if he or she ~~works the minimum required hours under the 2018 Schedule his or her Employer has adopted.~~ meets the requirements in Article 17.5.

17. Effective May 16, 2018, the adoption date for the 2018 Rehabilitation Plan, Article 17.5 of the Plan is amended to clarify changes made by the 2018 Rehabilitation Plan and Amendment No. 7 to the Plan, and to more accurately reflect the original intent of the Trustees and the administrative practice of the Plan to read as follows:

**17.5 Earning Future Credited Service and Future Benefit Service after June 30, 2018.** Effective July 1, 2018, a year of Future Credited Service ~~and Future Benefit Service~~ will be earned as described in Article 1.10(b) and a year of Future Benefit Service will be earned for each Plan Year in which a Participant ~~works~~ earns the following minimum Contributory Hours in a Plan Year:

- (a) If the ~~Employee-Participant worked~~ earns 1,000 or more Contributory Hours during the Plan Year for an Employer that adopted the 2018 Default Schedule, he or she will earn ~~one year of Future Credited Service and~~ one year of Future Benefit Service.
- (b) If the ~~Employee-Participant worked~~ earns 240 or more Contributory Hours during the Plan Year for an Employer that adopted the 2018 Preferred Schedule, he or she will earn ~~one year of Future Credited Service and~~ one year of Future Benefit Service.
- (c) If the ~~Employee-Participant~~ worked for multiple Employers in a Plan Year and, as a result, became covered under different 2018 Schedules, he or she will earn ~~one year of Future Credited Service and~~ one year of Future Benefit Service if he or she ~~worked~~ earns 240 or more Contributory Hours during the Plan Year.
- (d) Prior to the date the bargaining parties adopt a 2018 Schedule or prior to the date an Employer or the Union with a Joinder Agreement adopts a 2018 Schedule, the ~~Employee Participant~~ must ~~work~~ earn 1,000 or more Contributory Hours during the Plan Year to earn ~~one year of Future Credited Service and~~ one year of Future Benefit Service. When the bargaining parties adopt a 2018 Schedule or an Employer or the Union with a Joinder Agreement adopts a 2018 Schedule, the ~~Employee's-Participant's~~ Future Credited Service and Future Benefit Service during that Plan Year will be adjusted, if necessary, in accordance with the 2018 Schedule adopted.

ADOPTED and EXECUTED this 15<sup>th</sup> day of May 2019.

  
\_\_\_\_\_  
Employer Trustee

  
\_\_\_\_\_  
Union Trustee

**AMENDMENT NO. 1 TO THE  
2018 REHABILITATION PLAN FOR THE  
INLANDBOATMEN'S UNION OF THE PACIFIC NATIONAL PENSION PLAN**

On May 16, 2018, the Trustees for the Inlandboatmen's Union of the Pacific National Pension Plan (the "Plan") adopted the 2018 Rehabilitation Plan. The Trustees are adopting this Amendment No. 1 to more accurately reflect their original intent when the 2018 Rehabilitation Plan was adopted and to conform the 2018 Rehabilitation Plan to administrative practices since the 2018 Rehabilitation Plan was adopted.

1. On page 2 of the 2018 Rehabilitation Plan, the defined term **Active Participant** is amended to read as follows:

**Active Participant** means:

- Under the Preferred Schedule, a Participant who has 240 or more Contributory Hours earned under the Pension Fund in the Plan Year of his or her Annuity Starting Date or in the preceding Plan Year and the majority of Contributory Hours earned after June 30, 2018, were under the Preferred Schedule.
- Under the Default Schedule, a Participant who has 1,000 or more Contributory Hours earned under the Pension Fund in the Plan Year of his or her Annuity Starting Date or in the preceding Plan Year and the majority of Contributory Hours earned after June 30, 2018, were under the Default Schedule. If the Participant's Annuity Starting Date is during the July 1, 2018, to June 30, 2019 Plan Year, 240 or more Contributory Hours, rather than 1,000 or more Contributory Hours, are needed for the July 1, 2017, to June 30, 2018 Plan Year for a Participant to be an Active Participant under the Default Schedule.
- Prior to the adoption of the Preferred Schedule or the Default Schedule, a Participant who has 1,000 or more Contributory Hours earned under the Pension Fund in the Plan Year of his or her Annuity Starting Date or in the preceding Plan Year. If the Participant's Annuity Starting Date is during the July 1, 2018, to June 30, 2019 Plan Year, 240 or more Contributory Hours, rather than 1,000 or more Contributory Hours, are needed for the July 1, 2017, to June 30, 2018 Plan Year for a Participant to be an Active Participant.

2. On page 2 of the 2018 Rehabilitation Plan, the defined term **Terminated Participant** is amended to read as follows:

**Terminated Participant** means a Participant who is not an Active Participant at the time of his or her Annuity Starting Date. A Terminated Participant also means a Participant with less than 240 Contributory Hours earned under the Pension Fund for the July 1, 2017, to June 30, 2018 Plan Year.

3. On page 3 of the 2018 Rehabilitation Plan, the defined term **Rule of 85 Requirements** is amended to read as follows:

**Rule of 85 Requirements** means a Participant who, as of June 30, 2011, meets the following criteria:

- Is age 55 or older but has not yet reached age 65;
- Is not a Terminated Participant;
- Has 240 or more Contributory Hours earned under the Pension Fund in the July 1, 2010, to June 30, 2011 Plan Year; and
- His or her age plus years of service (defined below) equal or exceed 85.

In order to qualify for the Rule of 85 Benefit, in addition to meeting the four criteria above, for retirements after June 1, 2018, the Participant must retire as an Active Participant under the 2018 Rehabilitation Plan.

Years of service for the Rule of 85 Requirements means years or partial years of Future Credited Service that a Participant earns under the 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 break in service (permanent break in service). If a Participant has 20 or more years of IBU credited service without a permanent break in service as of June 30, 2011, he or she 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 Individual Retirement Annuity Plan, provided the future credited service has not been permanently forfeited due to a break in service.

4. On page 5 of the 2018 Rehabilitation Plan, the first paragraph below the heading **Work Under Different 2018 Rehabilitation Plan Schedules** is amended to read as follows:

#### **Work Under Different 2018 Rehabilitation Plan Schedules**

If a Participant works for multiple Employers in a Plan Year and, as a result, becomes covered under different Schedules, he or she will earn one year of Future Credited Service if he or she works 240 or more Hours of Service during the Plan Year (adding Hours of Service under both Schedules together) and one year of Future Benefit Service if he or she works 240 or more Contributory Hours during the Plan Year (adding Contributory Hours under both Schedules together). His or her Accrued Benefit formula, also known as the benefit multiplier, for Future Benefit Service earned after June 30, 2018 will be determined under the Schedule in which the Contributions are paid or required to be paid to the Pension Fund, except as modified by the **PLAN PARTICIPATION** section described on page 6 of the 2018 Rehabilitation Plan and **ACCRUED BENEFIT DURING THE JULY 1, 2018 THROUGH JUNE 30, 2019 PLAN YEAR** section described on page 7 of the 2018 Rehabilitation Plan. In order to earn an Accrued Benefit in a Plan Year, a Participant must meet the following minimum Contributory Hours requirement.

5. On page 6 of the 2018 Rehabilitation Plan, the material below the heading **PLAN PARTICIPATION** is amended to read as follows:

#### **PLAN PARTICIPATION**

On or after July 1, 2018, a new Employee (defined as an Employee who had 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 an Employee 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 acquiring a Vested Interest) will be eligible for Plan participation on the first day of the month coinciding with or next following 12 months after the first Hour of Service worked in a job classification covered by a Collective Bargaining Agreement or Joinder Agreement. For example, if the first Hour of Service worked is July 15, 2018, participation will begin August 1, 2019. A new Employee will not earn an Accrued Benefit for the 12-month period prior to his or her date of participation, but will earn a year of Future Credited Service for vesting and one year of Future Benefit Service for determining his or her benefit percentage factor if he or she meets the hours requirement below.

A Participant, who is not a new Employee as defined above, will earn one year of Future Credited Service and one year of Future Benefit Service if he or she works the following minimum hours in a Plan Year:

- If the Participant has 240 or more Hours of Service during the Plan Year for an Employer who has adopted the Preferred Schedule, he or she will earn one year of Future Credited Service.
- If the Participant worked 240 or more Contributory Hours during the Plan Year for an Employer who adopted the Preferred Schedule, he or she will earn one year of Future Benefit Service.
- Unless the last bullet applies, if the Participant has 1,000 or more Hours of Service during the Plan Year for an Employer who adopted the Default Schedule or had the Default Schedule imposed, he or she will earn one year of Future Credited Service.
- If the Participant worked 1,000 or more Contributory Hours during the Plan Year for an Employer who adopted the Default Schedule or had the Default Schedule imposed, he or she will earn one year of Future Benefit Service.
- If the Participant worked under multiple Schedules during the Plan Year, he or she will earn one year of Future Credited Service if he or she has 240 or more Hours of Service during the Plan Year.
- If the Participant worked under multiple Schedules during the Plan Year, he or she will earn one year of Future Benefit Service if he or she worked 240 or more Contributory Hours during the Plan Year.
- Unless the last bullet applies, prior to the date the Participant's Employer adopts a Schedule, the Participant must have 1,000 or more Hours of Service during the Plan Year to earn one year of Future Credited Service. When the Employer adopts a Schedule, the Participant's Future Credited Service during that Plan Year will be adjusted, if necessary, in accordance with the Schedule adopted.

- Prior to the date the Participant's Employer adopts a Schedule, the Participant must work 1,000 or more Contributory Hours during the Plan Year to earn one year of Future Benefit Service. When the Employer adopts a Schedule, the Participant's Future Benefit Service during that Plan Year will be adjusted, if necessary, in accordance with the Schedule adopted.
- If a Participant has not yet earned a Vested Interest, but has earned at least three years of Future Credited Service prior to July 1, 2018, that has not been lost due to a permanent break in service, the Participant will earn one year of Future Credited Service if the Participant has 240 or more Hours of Service during the Plan Year, regardless of whether the Employer adopted the Default Schedule, had the Default Schedule imposed, or has not yet adopted a Schedule.

6. On page 7 of the 2018 Rehabilitation Plan, the paragraph below the heading **ACCRUED BENEFIT DURING THE JULY 1, 2018, THROUGH JUNE 30, 2019 PLAN YEAR** is amended to read as follows:

The Accrued Benefit earned during the July 1, 2018 through June 30, 2019 Plan Year will be zero, unless the bargaining parties adopt the Default Schedule or the Default Schedule is imposed during the Plan Year. If this occurs, the Accrued Benefit earned from the first of the month the Default Schedule is adopted or the first day of the month after the Default Schedule is imposed through June 30, 2019 will be in accordance with the Default Schedule if the Participant works 1,000 or more Contributory Hours for the Plan Year.

7. On page 8 of the 2018 Rehabilitation Plan, a paragraph is added at the end of the material below the heading **RULES FOR TERMINATED PARTICIPANTS WHO RETIRE OR DIE ON OR AFTER JANUARY 1, 2019** to read as follows:


A Terminated Participant who is found to be disabled after December 31, 2018, will not receive a disability benefit.

8. On page 8 of the 2018 Rehabilitation Plan, the first paragraph below the heading **RULES FOR ACTIVE PARTICIPANTS WHO RETIRE OR BECOME DISABLED ON OR AFTER JANUARY 1, 2019 AND BEFORE THEIR EMPLOYER HAS ADOPTED A SCHEDULE (“INTERIM PERIOD”)** is amended to read as follows:

An Active Participant who retires or whose date of disability is after December 31, 2018, and before his or her Employer has adopted a Schedule shall have his or her pension benefit calculated and temporarily paid as follows:

ADOPTED and EXECUTED this 15<sup>th</sup> day of May 2019.

  
\_\_\_\_\_  
Employer Trustee

  
\_\_\_\_\_  
Union Trustee

**2018 REHABILITATION PLAN FOR THE  
INLANDBOATMEN'S UNION OF THE PACIFIC  
NATIONAL PENSION PLAN**

**Adopted May 16, 2018**

**INTRODUCTION**

The Pension Protection Act of 2006 (the PPA) requires trustees of a multiemployer defined benefit pension plan that has been certified by its actuary as being in critical status to develop a rehabilitation plan that is intended to enable the pension plan to emerge from critical status by the end of the pension plan's rehabilitation period. The rehabilitation plan must be based on reasonably anticipated experience and reasonable actuarial assumptions. On September 28, 2017, the Inlandboatmen's Union of the Pacific National Pension Plan (the Plan) was certified by its actuary as being in critical status for the Plan Year beginning July 1, 2017. This 2018 Rehabilitation Plan is adopted by the Trustees pursuant to Section 305 of the Employee Retirement Income Security Act (ERISA) and Section 432 of the Internal Revenue Code (the Code).

The objective of the 2018 Rehabilitation Plan is to enable the Plan to emerge from critical status by the end of the Rehabilitation Period. The 2018 Rehabilitation Plan utilizes a combination of benefit adjustments and Contribution increases to meet this objective. This is reflected in the attached Schedules which detail the benefit adjustments and Contribution increases. The 2018 Default Schedule requires a Contribution increase, reduces certain benefits and the benefit multiplier. The 2018 Preferred Schedule requires Contribution increases and reduces some adjustable benefits but does not reduce the benefit multiplier.

The Plan was previously certified in critical status for the 2010-2011 Plan Year. The Trustees adopted the 2011 Rehabilitation Plan on January 31, 2011 which consisted of a Default Schedule and a Preferred Schedule made up of benefit adjustments and/or Contribution increases to enable the Plan to emerge from critical status. All of the bargaining parties adopted the Preferred Schedule and its Contribution Schedule on behalf of Active Participants. The Trustees adopted the 2011 Rehabilitation Plan on behalf of Terminated Participants. This 2018 Rehabilitation Plan does not change the Contribution Schedules of the 2011 Rehabilitation Plan. Those Contribution Schedules remain in effect. The 2018 Rehabilitation Plan changes certain benefits from those described in the 2011 Rehabilitation Plan. The new changes are described herein.

The Trustees have the sole and absolute power, authority and discretion to amend, modify, revise, construe, interpret and apply the terms of the 2011 and 2018 Rehabilitation Plans and all Schedules. This includes future versions of the 2018 Rehabilitation Plan and Schedules.

Each capitalized term in the 2018 Rehabilitation Plan and the Schedules have the same meaning given to that term in the Eighth Restated Plan Document for the Plan (as amended and restated from time to time) or as defined in the 2018 Rehabilitation Plan unless otherwise indicated or required by the context in which the term is used. Any reference to the term "Participant" shall include a beneficiary or alternate payee claiming pension benefits through the Participant, unless otherwise required by the context in which it is used.

## DEFINED TERMS

**Active Participant** means:

- Under the Preferred Schedule, a Participant who has 240 or more Contributory Hours earned under the Pension Fund in the Plan Year of his or her Annuity Starting Date or in the preceding Plan Year.
- Under the Default Schedule, a Participant who has 1,000 or more Contributory Hours earned under the Pension Fund in the Plan Year of his or her Annuity Starting Date or in the preceding Plan Year.

**Adoption Date** means the date the bargaining parties reach a final and legally binding decision to adopt either the 2018 Default Schedule or the 2018 Preferred Schedule.

**Applicable Schedule** for a Participant who has worked for only one Employer with a Schedule means the Schedule that has been adopted or imposed on that Employer. For a Participant who has worked under different Schedules, the Accrued Benefit formula, also known as the benefit multiplier, for Future Benefit Service earned after June 30, 2018, is determined under the Schedule in which the Contributions were paid or required to be paid to the Pension Fund, except as modified by the **ACCRUED BENEFIT DURING THE JULY 1, 2018 THROUGH JUNE 30, 2019 PLAN YEAR** section described on page 7 of the 2018 Rehabilitation Plan. Whether a Participant is an Active Participant or Terminated Participant at retirement and the pension benefit options at retirement are determined under the Schedule in which the majority of his or her Contributory Hours after June 30, 2018 have accrued.

**Contributory Hours** means hours for which Contributions are paid or required to be paid to the Pension Fund on behalf of an Employee pursuant to the terms of a Collective Bargaining Agreement or Joinder Agreement or hours for which Contributions are transferred to the Pension Fund from the Southwest Marine Pension Trust under the Pension Contribution Reciprocity Agreement.

**Existing Plan Provisions** means the terms and conditions of the Plan as they existed prior to the adoption of the 2018 Rehabilitation Plan (May 16, 2018) except as modified by the **PLAN PARTICIPATION, ACCRUED BENEFIT DURING THE JULY 1, 2018 THROUGH JUNE 30, 2019 PLAN YEAR** and **DEATH BENEFITS** sections described on pages 6 and 7 of the 2018 Rehabilitation Plan.

**Rehabilitation Period** means the 10-year period beginning July 1, 2020 (the first day of the Plan Year following the second anniversary of the adoption of the 2018 Rehabilitation Plan) and ending on June 30, 2030 when the Plan is expected to emerge from critical status. The Rehabilitation Period defined in the 2011 Rehabilitation Plan no longer applies.

**Terminated Participant** means a Participant who is not an Active Participant at the time of his or her Annuity Starting Date.

**Rule of 85 Benefit** means an Early Retirement Benefit equal to the Participant's Normal Retirement Annuity at age 62 or an Early Retirement Benefit equal to the Participant's Normal Retirement Annuity, reduced by 0.25 percent per month for each month from the date of commencement of the Early Retirement Benefit to the date the Participant reaches age 62.

**Rule of 85 Requirements** means a Participant who, as of June 30, 2011, meets the following criteria:

- Is age 55 or older but has not yet reached age 65;
- Is not a Terminated Participant;
- Has 240 or more Contributory Hours earned under the Pension Fund in the July 1, 2010, to June 30, 2011 Plan Year; and
- His or her age plus years of service (defined below) equal or exceed 85.

In order to qualify for the Rules of 85 Benefit, in addition to meeting the four criteria above, from June 30, 2018, until retirement, the majority of the Participant's Contributory Hours must have accrued under Collective Bargaining Agreements or Joinder Agreements that adopted the 2018 Rehabilitation Plan Preferred Schedule.

Years of service for the Rule of 85 Requirements means years or partial years of Future Credited Service that a Participant earns under the 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 break in service (permanent break in service). If a Participant has 20 or more years of IBU credited service without a permanent break in service as of June 30, 2011, he or she 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 Individual Retirement Annuity Plan, provided the future credited service has not been permanently forfeited due to a break in service.

**Unsubsidized Early Retirement Benefit** means the Actuarial Equivalent of the Normal Retirement Annuity payable at the Early Retirement Date pursuant to the following table:

AGE	EARLY RETIREMENT FACTOR	
	IBU, Inland Waters, Columbia River	Ferry Concessions <sup>1</sup>
55	0.3791	0.5131
56	0.4148	0.5618
57	0.4545	0.6159
58	0.4986	0.6763
59	0.5478	0.7438
60	0.6029	0.8194
61	0.6645	0.9043
62	0.7338	1.0000
63	0.8118	1.0000
64	0.9000	1.0000

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

<sup>1</sup> There are different early retirement reduction factors under the Ferry Concessions Plan because normal retirement age is age 62 rather than age 65 under the IBU, Inland Waters and Columbia River Plans.

## **REHABILITATION PERIOD AND EXPECTED EMERGENCE DATE**

The Trustees determined, based on information received about the expiration of Collective Bargaining Agreements and the adoption date of the 2018 Rehabilitation Plan, that the Rehabilitation Period will be the 10-year period beginning on July 1, 2020. The Plan is expected to emerge from critical status by June 30, 2030 based on reasonably anticipated experience, reasonable actuarial assumptions and implementation of the 2018 Rehabilitation Plan.

The Rehabilitation Period specified in the 2011 Rehabilitation Plan no longer applies.

## **DEFAULT SCHEDULE AND PREFERRED SCHEDULE**

### **General Information**

The 2018 Rehabilitation Plan includes a 2018 Default Schedule and a 2018 Preferred Schedule. These Schedules will be updated annually or more frequently, as the Trustees determine necessary, to reflect the Plan's experience for the preceding Plan Year(s). These Schedules are attached to this 2018 Rehabilitation Plan and updated Schedules will also be attached. The terms of the 2018 Schedules, as well as updated Schedules, are incorporated by this reference and become a part of the 2018 Rehabilitation Plan. The Trustees may add additional Schedules or eliminate Schedules (other than a Default Schedule) as they deem appropriate in their sole and absolute discretion.

The 2011 Rehabilitation Plan remains in effect and is changed by the 2018 Rehabilitation Plan as described herein.

If a 2018 Schedule contains more specific provisions than the 2018 Rehabilitation Plan, 2011 Rehabilitation Plan or the Plan, the more specific provision(s) in the 2018 Schedule will control.

The bargaining parties determine which 2018 Schedule to adopt on behalf of Active Participants. The decision to adopt a 2018 Schedule must be in a written agreement signed by authorized representatives of the bargaining parties. The written agreement adopting a Schedule must be promptly furnished to the Plan Administrator. The written agreement must reflect the Adoption Date and the Schedule adopted. The Schedule is effective the first day of the month in which the Adoption Date occurred, except that the effective date may not be earlier than July 1, 2018. For example, if a Schedule is adopted on August 15, 2018, the Adoption Date is August 1, 2018.

The Trustees adopt the 2018 Rehabilitation Plan on behalf of all Terminated Participants.

### **Time for Adopting a Schedule and Employer Surcharges**

Effective for Contributions payable in December 2017 (for hours worked in November 2017), a 5% Contribution surcharge as required by the PPA was imposed on all Employers. Under the PPA, this surcharge will automatically increase to 10% effective for Contributions payable in August 2018 (for hours worked in July 2018) and all later months.

The Contribution surcharge ends on the first day of the month in which the Adoption Date of a Schedule occurs. At that point, Employer Contributions are determined by the Schedule

adopted. For example, if the Adoption Date of a Schedule is a day during September 2018, the Contribution surcharge must be paid for hours worked in August 2018 but not September 2018.

If a Collective Bargaining Agreement providing for Contributions to the Pension Fund originally expired after September 28, 2017, and on or before the date the bargaining parties receive the 2018 Rehabilitation Plan, the bargaining parties have 180 days from receipt of the 2018 Rehabilitation Plan to adopt a Schedule or the 2018 Default Schedule will be imposed as required by the PPA.

If a Collective Bargaining Agreement providing for Contributions to the Pension Fund originally expires after the date the bargaining parties receive the 2018 Rehabilitation Plan, the bargaining parties have 180 days after the date the Collective Bargaining Agreement expires to adopt a Schedule or the 2018 Default Schedule will be imposed as required by the PPA.

The expiration date used for purposes of when the bargaining parties must adopt a 2018 Rehabilitation Plan Schedule is the original expiration date of the Collective Bargaining Agreement, disregarding any extensions of such agreement.

If the 2018 Default Schedule is imposed on the bargaining parties as required by the PPA, the Employer shall continue to pay the 10 percent Contribution surcharge required by the PPA until such time as the bargaining parties adopt a Schedule.

### **Changing Schedules is Prohibited**

The adoption of a 2018 Rehabilitation Plan Schedule does not change the Schedule adopted under the 2011 Rehabilitation Plan. Therefore, the bargaining parties may adopt either the 2018 Rehabilitation Plan's Preferred Schedule or Default Schedule regardless of the Schedule adopted under the 2011 Rehabilitation Plan. Once a 2018 Rehabilitation Plan Schedule is adopted, the bargaining parties as well as Employers who make Contributions to the Pension Fund on behalf of non-collectively bargained employees are prohibited from changing from the 2018 Default Schedule to the 2018 Preferred Schedule or vice-versa during the Rehabilitation Period.

The bargaining parties are not allowed to change the Schedule adopted under the 2011 Rehabilitation Plan.

### **Work Under Different 2018 Rehabilitation Plan Schedules**

If a Participant works for multiple Employers in a Plan Year and, as a result, becomes covered under different Schedules, he or she will earn one year of Future Credited Service and one year of Future Benefit Service if he or she works 240 or more Contributory Hours during the Plan Year (adding Contributory Hours under both Schedules together). His or her Accrued Benefit formula, also known as the benefit multiplier, for Future Benefit Service earned after June 30, 2018 will be determined under the Schedule in which the Contributions are paid or required to be paid to the Pension Fund, except as modified by the **ACCRUED BENEFIT DURING THE JULY 1, 2018 THROUGH JUNE 30, 2019 PLAN YEAR** section described on page 7 of the 2018 Rehabilitation Plan. In order to earn an Accrued Benefit in a Plan Year, a Participant must meet the following minimum Contributory Hours requirement.

- A Participant will earn an Accrued Benefit under the Preferred Schedule in a Plan Year if he or she worked 240 or more Contributory Hours during the Plan Year (adding Contributory Hours under both Schedules together).
- A Participant will earn an Accrued Benefit under the Default Schedule in a Plan Year if he or she worked 1,000 or more Contributory Hours during the Plan Year (adding Contributory Hours under both Schedules together).

The Schedule in which the majority of a Participant's Contributory Hours after June 30, 2018 have accrued will determine whether the Participant was an Active Participant or Terminated Participant at retirement and his or her benefit options at retirement.

## **PLAN PARTICIPATION**

A new Employee on or after July 1, 2018 will be eligible for Plan participation on the first day of the month coinciding with or next following 12 months after the first Contributory Hour worked in a job classification covered by a Collective Bargaining Agreement or Joinder Agreement. For example, if the first Contributory Hour worked is July 15, 2018, participation will begin August 1, 2019.

The Employee will earn one year of Future Credited Service and one year of Future Benefit Service if he or she works the following minimum Contributory Hours in a Plan Year:

- If the Employee worked 240 or more Contributory Hours during the Plan Year for an Employer who adopted the Preferred Schedule, he or she will earn one year of Future Credited Service and one year of Future Benefit Service.
- If the Employee worked 1,000 or more Contributory Hours during the Plan Year for an Employer who adopted the Default Schedule, he or she will earn one year of Future Credited Service and one year of Future Benefit Service.
- If the Employee worked under multiple Schedules during the Plan Year, he or she will earn one year of Future Credited Service and one year of Future Benefit Service if he or she worked 240 or more Contributory Hours during the Plan Year.
- Prior to the date the bargaining parties adopt a Schedule, the Employee must work 1,000 or more Contributory Hours during the Plan Year to earn one year of Future Credited Service and one year of Future Benefit Service. When the bargaining parties adopt a Schedule, the Employee's Future Credited Service and Future Benefit Service during the initial 12-month period will be adjusted in accordance with the Schedule adopted.

A new Employee will not earn an Accrued Benefit for the 12-month period prior to his or her date of participation.

## **ACTUARIAL EQUIVALENCE**

The Plan's actuarial equivalence is updated effective January 1, 2019 to the following:

- Interest: 6.5%

- Participant Mortality: RP-2006 Annuitant Mortality Table for Males with Blue Collar Adjustment, projected to 2038 using MP-2017
- Spouse and Beneficiary Mortality: RP-2006 Annuitant Table for Females with Blue Collar Adjustment, projected to 2038 using MP-2017

The prior Actuarial Equivalence is grandfathered on benefits accrued through December 31, 2018 for Active Participants who retire under the Default Schedule.

### **ACCRUED BENEFIT DURING THE JULY 1, 2018 THROUGH JUNE 30, 2019 PLAN YEAR**

The Accrued Benefit earned during the July 1, 2018 through June 30, 2019 Plan Year will be zero, except that if the bargaining parties adopt the Default Schedule during the Plan Year, the Accrued Benefit earned from the first of the month the Default Schedule is adopted through June 30, 2019 will be in accordance to the Default Schedule if the Participant works 1,000 or more Contributory Hours for the Plan Year.

### **DEATH BENEFITS**

The surviving spouse death benefit in Section 8.1(b) of the Plan is modified for all Active Participants who die after June 30, 2018, regardless of the Schedule adopted as described in the next two paragraphs.

If an Active Participant dies after attaining the earliest retirement age under the Plan, the benefit payable to the surviving spouse is the amount that would have been payable to the surviving spouse had the Participant retired with an immediate fifty (50%) percent joint and survivor pension (“qualified joint and survivor pension”) on the day before the Participant’s death.

If an Active Participant dies before attaining the earliest retirement age under the Plan, the benefit payable at the Participant’s earliest retirement date is the amount that would be payable to the surviving spouse had the Participant separated from service at the earlier of actual separation or death, survived until his or her earliest retirement age, retired at that time with an immediate qualified joint and survivor pension, and died on the day after.

The 120-month certain optional death benefit form in Section 8.1(f) of the Plan is eliminated for all Participants who die on or after November 1, 2017.

### **PENSION BENEFITS FOR RETIREMENTS AND DISABILITIES PRIOR TO JANUARY 1, 2019 ARE NOT AFFECTED BY THE 2018 REHABILITATION PLAN**

An Active or Terminated Participant who retires prior to January 1, 2019, or whose date of disability is found to be prior to January 1, 2019, will receive pension benefits or disability benefits pursuant to the Existing Plan Provisions except as modified in the **PLAN PARTICIPATION, ACCRUED BENEFIT DURING THE JULY 1, 2018 THROUGH JUNE 30, 2019 PLAN YEAR** and **DEATH BENEFITS** sections on pages 6 and 7 of the 2018 Rehabilitation Plan.

In order for a Participant to be retired prior to January 1, 2019, the Participant must meet the following criteria:

- The Plan Administrator must have received the Participant's completed pension application with all supporting documents except the benefit selection form prior to January 1, 2019;
- The Participant must have an Annuity Starting Date before January 1, 2019;
- The Participant must have retired prior to his or her Annuity Starting Date; and
- The Participant must have met any other criteria in the Plan and/or the Plan's administrative rules and procedures necessary to begin the receipt of pension benefits before January 1, 2019 except the completed benefit selection form.

#### **RULES FOR TERMINATED PARTICIPANTS WHO RETIRE OR DIE ON OR AFTER JANUARY 1, 2019**

A Terminated Participant who elects to retire early shall receive an early retirement benefit equal to the Unsubsidized Early Retirement Benefit on his or her entire Accrued Benefit.

The Normal Form of payment on the entire Accrued Benefit is a single life annuity.

The optional lump sum amounts greater than \$5,000 and less than \$10,000 in Section 5.2(d) is eliminated and the Social Security Adjustment Options for Participants with a benefit earned under the Ferry Concessions Retirement Plan are eliminated effective November 1, 2017.

The surviving spouse of a Terminated Participant who dies prior to retirement will receive the pre-retirement death benefit as described in the **DEATH BENEFITS** section on page 7 of the 2018 Rehabilitation Plan.

#### **RULES FOR ACTIVE PARTICIPANTS WHO RETIRE OR BECOME DISABLED ON OR AFTER JANUARY 1, 2019 AND BEFORE THEIR EMPLOYER HAS ADOPTED A SCHEDULE ("INTERIM PERIOD")**

An Active Participant who retires before his or her Employer has adopted a Schedule shall have his or her pension benefit calculated and temporarily paid as follows:

- The Accrued Benefit formula, also known as the benefit multiplier, earned during the July 1, 2018 through June 30, 2019 will be zero. The Accrued Benefit earned after June 30, 2019 will initially be calculated using the Default Schedule;
- Future Credited Service and Future Benefit Service will be calculated in accordance with the Default Schedule;
- The early retirement benefit, if elected, will initially be calculated as the Unsubsidized Early Retirement Benefit; and
- There will be no disability benefits.

If the Schedule later adopted by the bargaining parties results in higher benefits than what was paid during the Interim Period, the Plan will pay the higher benefit retroactive back to the Participant's Annuity Starting Date with interest at 6.5%.

If the Schedule later adopted by the bargaining parties results in lower benefits than what was paid during the Interim Period, the Plan will adjust the benefit on the first day of the month in which the Adoption Date of the 2018 Rehabilitation Plan Schedule occurs (i.e. the reduction will not apply retroactively).

If the Default Schedule is imposed before the bargaining parties have adopted a 2018 Rehabilitation Plan Schedule, benefits will be recalculated in accordance with the 2018 Default Schedule and the following rules apply:

- The Plan will adjust benefits on the first day of the month following the date the 2018 Default Schedule is imposed on the bargaining parties. Changes in benefits will not apply retroactively, even if those benefits are larger.
- When the bargaining parties later adopt a 2018 Rehabilitation Plan Schedule, benefits will be recalculated in accordance to the Schedule adopted. Benefits will be adjusted on the first day of the month in which the Adoption Date of the Schedule occurs and will apply retroactively only if the final benefit is larger than was paid during the Interim Period. Payments made during the period the 2018 Default Schedule was imposed will not be adjusted.

## **REHABILITATION PLAN STANDARDS AND ANNUAL REVIEW**

The Rehabilitation Plan must provide annual standards for meeting the requirements of the Rehabilitation Plan. Specific requirements for annual standards have not been defined under the PPA. Since the 2018 Rehabilitation Plan is designed so that the Plan emerges from critical status by June 30, 2030, the primary standard that the Trustees expect to measure against each year is whether the Plan will still be projected to emerge from critical status by June 30, 2030.

Each year, the Plan's actuary will review and certify the status of the Plan under PPA funding rules and determine whether, starting with the beginning of the Rehabilitation Period, the Plan is making scheduled progress in meeting the requirements of the 2018 Rehabilitation Plan. If the Trustees determine that it is necessary in light of updated information, they will revise the 2018 Rehabilitation Plan and present updated Schedules to the bargaining parties which may prescribe additional modifications to the benefits and/or Contribution increases.

Notwithstanding subsequent changes to the 2018 Rehabilitation Plan and/or Schedules, a Schedule provided by the Trustees to the bargaining parties and adopted by the bargaining parties can remain in effect for the duration of that Collective Bargaining Agreement. However, once the Collective Bargaining Agreement expires, is renegotiated, renewed or extended, it will need to include the 2018 Schedule initially adopted as updated by the Trustees at the time of the expiration, renegotiation, renewal or extension.

**RESTRICTIONS ON PLAN CHANGES WHILE CRITICAL**


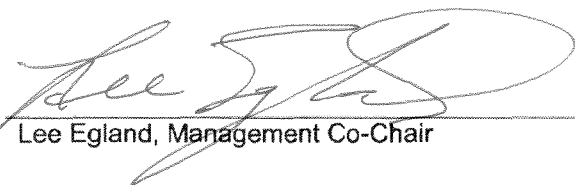
Prior to July 1, 2020, the Trustees may reject a Collective Bargaining Agreement or Joinder Agreement that reduces the level of Contributions for any Participant, suspends Contributions with respect to any period of service, or excludes younger or newly hired Employees from Plan participation. Also, no Plan amendments may be adopted that increase the liabilities of the Plan, unless such amendments are required by law.

For the duration of the time the Plan is in critical status, the following restrictions apply:

- Plan amendments cannot be adopted that are inconsistent with the 2018 Rehabilitation Plan.
- Plan amendments cannot be adopted that increase benefits, unless they are paid for with new Contributions not required by the 2011 and 2018 Rehabilitation Plans.
- Plan amendments cannot be adopted that increase the liabilities of the Plan, unless such amendments are required by law.
- The Plan cannot pay certain accelerated benefits such as lump sums or similar benefits and no annuity purchases can be made (lump sum distributions under \$5,000 are permitted).

**TRUSTEE ADOPTION**

The Trustees adopted the 2018 Rehabilitation Plan on May 16, 2018.

 _____ Marina V. Secchitano, Union Co-Chair	<u>May 25, 2018</u> Date
 _____ Lee Egland, Management Co-Chair	<u>May 25, 2018</u> Date

**2018 PREFERRED SCHEDULE FOR THE  
INLANDBOATMEN'S UNION OF THE PACIFIC  
NATIONAL PENSION PLAN**

**May 16, 2018**

**INTRODUCTION**

This is the 2018 Preferred Schedule for the Inlandboatmen's Union of the Pacific National Pension Plan (the Plan). Each capitalized term has the same meaning given to that term in the Eighth Restated Plan Document for the Plan (as amended and restated from time to time) or as defined in the 2018 Rehabilitation Plan unless otherwise indicated or required by the context in which the term is used. Any reference to the term Participant shall include a beneficiary or alternate payee claiming pension benefits through the Participant unless otherwise required by the context in which it is used.

If the 2018 Preferred Schedule is adopted by the bargaining parties, the Trustees will treat the underlying Collective Bargaining Agreement or Joinder Agreement as consistent with the 2018 Preferred Schedule for the duration of the Collective Bargaining Agreement or Joinder Agreement.

The additional Contribution required by the 2018 Preferred Schedule will take effect on the first day of the month in which the Adoption Date of the 2018 Preferred Schedule occurs or in the case of an Employer or the Union who covers non-collectively bargained employees, the first day of the month in which the Employer or Union notifies the Plan Administrator in writing that it has adopted the 2018 Preferred Schedule. The Contribution surcharge required by the PPA and imposed on an Employer and the Union and contributed to the Pension Fund will end on the first day of the month in which the Adoption Date of the 2018 Preferred Schedule occurs. For example, if the Adoption Date of the Preferred Schedule is a day during September 2018, the Contribution surcharge must be paid for hours worked in August 2018 but not September 2018.

The 2018 Preferred Schedule modifies Plan benefits. Except as otherwise provided in the Rehabilitation Plan, the benefit modifications will take effect on the later of the first day of the month following 30 days after the notice described in Section 305(e)(8)(C) of ERISA has been given, or the first day of the month in which the 2018 Preferred Schedule is adopted. For example, if the notice described in Section 305(e)(8)(C) of ERISA was given on May 31, 2018 and the 2018 Preferred Schedule is adopted on September 15, 2018, the benefit modifications will take effect September 1, 2018.

The 2018 Preferred Schedule is a supplement to and forms a part of the Plan. The 2018 Preferred Schedule will control over any conflicting provision(s) in the Plan. The Trustees may amend or modify the 2018 Preferred Schedule at any time and in any manner consistent with the requirements of ERISA and the Code.

**CONTRIBUTION RATE REQUIREMENTS**

The 2018 Preferred Schedule requires a two-year increase in Employer Contributions to the Pension Fund. Attached as Exhibit A is the Contribution rate schedule. The Contribution rate schedule is based on the month and year of the Adoption Date of the 2018 Preferred Schedule. The Contribution rate increases are separate from and in addition to the Contribution increases required by the 2011 Rehabilitation Plan. The Contribution rate increases remain in effect until the Trustees determine those increases are no longer necessary.

For example, if the effective date for the 2018 Preferred Schedule is July 1, 2020 (the first day of the month the Adoption Date occurs), and the Collective Bargaining Agreement is a 3-year agreement that specifies that the Employer contributes \$400 per month in the first year, \$410 per month in the second year, and \$420 per month in the third year, and in addition the Employer is contributing 26.25% in accordance with the 2011 Rehabilitation Plan, then the Contribution rates effective over the next three years are:

<b>Year 1: July 1, 2020 – June 30, 2021</b>			
Negotiated Contribution			\$400.00
2011 Rehabilitation Plan	0.2625	\$400 x 0.2625	105.00
2018 Rehabilitation Plan	0.0760	\$400 x 0.0760	30.40
Total Contribution			\$535.40
<b>Year 2: July 1, 2021 – June 30, 2022</b>			
Negotiated Contribution			\$410.00
2011 Rehabilitation Plan	0.2625	\$410 x 0.2625	107.63
2018 Rehabilitation Plan	0.1578	\$410 x 0.1578	64.70
Total Contribution			\$582.33
<b>Year 3: July 1, 2022 – June 30, 2023</b>			
Negotiated Contribution			\$420.00
2011 Rehabilitation Plan	0.2625	\$420 x 0.2625	110.25
2018 Rehabilitation Plan	0.1578	\$420 x 0.1578	66.28
Total Contribution			\$596.53

Surcharges that were imposed on an Employer as required by the PPA and contributed to the Pension Fund are not taken into account when determining a Participant's Accrued Benefit.

Additional Contributions required by the 2011 and 2018 Rehabilitation Plans are not taken into account when determining a Participant's Accrued Benefit.

## **PENSION BENEFITS FOR RETIREMENTS AND DISABILITIES PRIOR TO JANUARY 1, 2019**

An Active or Terminated Participant who retires prior to January 1, 2019, or whose date of disability is found to be prior to January 1, 2019, will receive pension benefits or disability benefits as described on page 7 of the 2018 Rehabilitation Plan in the section **PENSION BENEFITS FOR RETIREMENTS AND DISABILITIES PRIOR TO JANUARY 1, 2019 ARE NOT AFFECTED BY THE 2018 REHABILITATION PLAN.**

## **PENSION ACCRUED BENEFIT FORMULA AFTER JUNE 30, 2018**

The 2018 Preferred Schedule does not change the Accrued Benefit formula, also known as the benefit multiplier, except that the Accrued Benefit earned during the July 1, 2018 through June 30, 2019 Plan Year will be zero. After June 30, 2019, 30% of Employer Contributions that would have applied to the Accrued Benefit formula, will be reallocated to pay down the Plan's

underfunding and will not be taken into account when determining a Participant's Accrued Benefit. This Contribution reallocation will remain in effect until the Trustees determines it is no longer necessary.

For example, if the effective date for the 2018 Preferred Schedule is July 1, 2020 (the first day of the month the Adoption Date occurs), and the Collective Bargaining Agreement is a 3-year agreement that specifies that the Employer contributes \$400 per month in the first year, \$410 per month in the second year, and \$420 per month in the third year, then:

<b>Year 1: July 1, 2020 – June 30, 2021</b>			
Negotiated Contribution			\$400.00
Applies to Accrued Benefit formula	70%	$\$400 \times 0.70$	280.00
Does Not Apply to Accrued Benefit formula	30%	$\$400 \times 0.30$	120.00
<b>Year 2: July 1, 2021 – June 30, 2022</b>			
Negotiated Contribution			\$410.00
Applies to Accrued Benefit formula	70%	$\$410 \times 0.70$	287.00
Does Not Apply to Accrued Benefit formula	30%	$\$410 \times 0.30$	123.00
<b>Year 3: July 1, 2022 – June 30, 2023</b>			
Negotiated Contribution			\$420.00
Applies to Accrued Benefit formula	70%	$\$420 \times 0.70$	294.00
Does Not Apply to Accrued Benefit formula	30%	$\$420 \times 0.30$	126.00

Surcharges that were imposed on an Employer as required by the PPA and contributed to the Pension Fund are not taken into account when determining a Participant's Accrued Benefit.

The Contribution increases required by the 2011 and 2018 Preferred Schedule and contributed to the Pension Fund are not taken into account when determining a Participant's Accrued Benefit.

### **PENSION BENEFIT ADJUSTMENTS FOR RETIREMENTS AND DISABILITIES ON OR AFTER JANUARY 1, 2019**

Notwithstanding any contrary provisions in the Plan and subject to the terms of the 2018 Rehabilitation Plan and any future or amended 2018 Preferred Schedule applied to the Participant who is covered by this 2018 Preferred Schedule, the following benefit adjustments will apply to Active Participants who retire or become disabled on or after January 1, 2019:

## **Adjustment to Pension Benefits for Active Participants Who Retire or Become Disabled on or after January 1, 2019**

The Normal Form of payment on the entire Accrued Benefit is a single life annuity.

The optional lump sum amounts greater than \$5,000 and less than \$10,000 is eliminated and the Social Security Adjustment Options for Participants with a benefit earned under the Ferry Concessions Retirement Plan are eliminated.

The amount of the monthly retirement annuity payable to an Active Participant who is eligible for and elects an Early Retirement Date and who does not meet the Rule of 85 Requirements will be as follows:

- If the Active Participant retires prior to age 62, he or she will receive an Unsubsidized Early Retirement Benefit.
- If the Active Participant retires at age 62 or older, his or her Accrued Benefit will be reduced 0.25 percent per month between ages 62 and his or her Normal Retirement Date.

An Active Participant who is eligible for and elects an Early Retirement Date, who meets the Rule of 85 Requirements, will receive the Rule of 85 Benefit.

Active Participants who become permanently and totally disabled shall receive a disability retirement benefit equal to the Unsubsidized Early Retirement Benefit on his or her entire Accrued Benefit, and will choose a payment form. If the Participant becomes disabled prior to age 55, the disability retirement benefit will be the same amount as if the Participant became disabled at age 55. The selection of a payment form is permanent.

## **Work Under Different Schedules**

If a Participant changes Employers and, as a result, becomes covered under a different Schedule, his or her Accrued Benefit formula, also known as the benefit multiplier, for Future Benefit Service earned after June 30, 2018 shall be determined under the Schedule in which the Contributions were paid or required to be paid to the Pension Fund except as modified by the **ACCRUED BENEFIT DURING THE JULY 1, 2018, THROUGH JUNE 30, 2019 PLAN YEAR** section described on page 7 of the 2018 Rehabilitation Plan. The Schedule in which the majority of his or her Contributory Hours after June 30, 2018 have accrued will determine whether the Participant was an Active Participant or Terminated Participant at retirement and his or her benefit options at retirement.

## **REVISION OR MODIFICATION OF THE 2018 PREFERRED SCHEDULE**

The Trustees may modify the above provisions with respect to Plan Years beginning after the adoption of the 2018 Rehabilitation Plan as they deem appropriate in connection with periodic updates of the 2018 Rehabilitation Plan, provided that such changes shall not apply to Collective Bargaining Agreements adopted in reliance on this 2018 Preferred Schedule.

**2018 PREFERRED SCHEDULE FOR THE  
INLANDBOATMEN'S UNION OF THE PACIFIC  
NATIONAL PENSION PLAN**

**May 16, 2018**

<b>Adoption Date*</b>	<b>First Year</b>	<b>Second Year</b>	<b>Total Compounded Rate After Second Year</b>	<b>Adoption Date*</b>	<b>First Year</b>	<b>Second Year</b>	<b>Total Compounded Rate After Second Year</b>
07/01/2018	6.14%	6.14%	12.66%	02/01/2021	8.14%	8.14%	16.94%
08/01/2018	6.19%	6.19%	12.76%	03/01/2021	8.21%	8.21%	17.09%
09/01/2018	6.25%	6.25%	12.89%	04/01/2021	8.29%	8.29%	17.27%
10/01/2018	6.31%	6.31%	13.02%	05/01/2021	8.37%	8.37%	17.44%
11/01/2018	6.36%	6.36%	13.12%	06/01/2021	8.44%	8.44%	17.59%
12/01/2018	6.42%	6.42%	13.25%	07/01/2021	8.52%	8.52%	17.77%
01/01/2019	6.47%	6.47%	13.36%	08/01/2021	8.61%	8.61%	17.96%
02/01/2019	6.53%	6.53%	13.49%	09/01/2021	8.70%	8.70%	18.16%
03/01/2019	6.59%	6.59%	13.61%	10/01/2021	8.80%	8.80%	18.37%
04/01/2019	6.64%	6.64%	13.72%	11/01/2021	8.89%	8.89%	18.57%
05/01/2019	6.70%	6.70%	13.85%	12/01/2021	8.98%	8.98%	18.77%
06/01/2019	6.76%	6.76%	13.98%	01/01/2022	9.07%	9.07%	18.96%
07/01/2019	6.81%	6.81%	14.08%	02/01/2022	9.16%	9.16%	19.16%
08/01/2019	6.88%	6.88%	14.23%	03/01/2022	9.25%	9.25%	19.36%
09/01/2019	6.94%	6.94%	14.36%	04/01/2022	9.35%	9.35%	19.57%
10/01/2019	7.01%	7.01%	14.51%	05/01/2022	9.44%	9.44%	19.77%
11/01/2019	7.07%	7.07%	14.64%	06/01/2022	9.53%	9.53%	19.97%
12/01/2019	7.14%	7.14%	14.79%	07/01/2022	9.62%	9.62%	20.17%
01/01/2020	7.21%	7.21%	14.94%	08/01/2022	9.71%	9.71%	20.36%
02/01/2020	7.27%	7.27%	15.07%	09/01/2022	9.80%	9.80%	20.56%
03/01/2020	7.34%	7.34%	15.22%	10/01/2022	9.91%	9.91%	20.80%
04/01/2020	7.40%	7.40%	15.35%	11/01/2022	10.02%	10.02%	21.04%
05/01/2020	7.47%	7.47%	15.50%	12/01/2022	10.13%	10.13%	21.29%
06/01/2020	7.53%	7.53%	15.63%	01/01/2023	10.25%	10.25%	21.55%
07/01/2020	7.60%	7.60%	15.78%	02/01/2023	10.36%	10.36%	21.79%
08/01/2020	7.68%	7.68%	15.95%	03/01/2023	10.47%	10.47%	22.04%
09/01/2020	7.75%	7.75%	16.10%	04/01/2023	10.58%	10.58%	22.28%
10/01/2020	7.83%	7.83%	16.27%	05/01/2023	10.69%	10.69%	22.52%
11/01/2020	7.91%	7.91%	16.45%	06/01/2023	10.80%	10.80%	22.77%
12/01/2020	7.98%	7.98%	16.60%	07/01/2023	10.91%	10.91%	23.01%
01/01/2021	8.06%	8.06%	16.77%				

\* First date of the month in which the Adoption Date occurs.

**2018 DEFAULT SCHEDULE FOR THE  
INLANDBOATMEN'S UNION OF THE PACIFIC  
NATIONAL PENSION PLAN**

**May 16, 2018**

**INTRODUCTION**

This is the 2018 Default Schedule for the Inlandboatmen's Union of the Pacific National Pension Plan (the Plan). Each capitalized term has the same meaning given to that term in the Eighth Restated Plan Document for the Plan (as amended and restated from time to time) or as defined in this 2018 Rehabilitation Plan unless otherwise indicated or required by the context in which the term is used. Any reference to the term Participant shall include a beneficiary or alternate payee claiming pension benefits through the Participant unless otherwise required by the context in which it is used.

If the 2018 Default Schedule is adopted by the bargaining parties, the Trustees will treat the underlying Collective Bargaining Agreement or Joinder Agreement as consistent with the 2018 Default Schedule for the duration of the Collective Bargaining Agreement or Joinder Agreement.

Any additional Contributions required by the 2018 Default Schedule will take effect on the first day of the month in which the Adoption Date of the 2018 Default Schedule occurs, the 2018 Default Schedule is imposed by the PPA, or in the case of an Employer or the Union who covers non-collectively bargained employees, the first day of the month in which the Employer or Union notifies the Pension Administrator in writing that it has adopted the 2018 Default Schedule. The Contribution surcharge required by the PPA and imposed on an Employer and the Union and contributed to the Pension Fund will end on the first day of the month in which the Adoption Date of the 2018 Default Schedule occurs. For example, if the Adoption Date of the Default Schedule is a day during September 2018, the Contribution surcharge must be paid for hours worked in August 2018 but not September 2018. If, however, the 2018 Default Schedule is imposed by the PPA, the Contribution surcharge required by the PPA will continue until the bargaining parties have adopted a Schedule.

The 2018 Default Schedule modifies Plan benefits. Except as otherwise provided in the Rehabilitation Plan, the benefit modifications will take effect on the later of the first day of the month following 30 days after the notice described in Section 305(e)(8)(C) of ERISA has been given, or the first day of the month in which the 2018 Default Schedule is adopted or imposed as required by the PPA. For example, if the notice described in Section 305(e)(8)(C) of ERISA was given on May 31, 2018 and the 2018 Default Schedule is adopted on September 15, 2018, the benefit modifications will take effect September 1, 2018.

The 2018 Default Schedule is a supplement to and forms a part of the Plan. The 2018 Default Schedule will control over any conflicting provision(s) in the Plan. The Trustees may amend or modify the 2018 Default Schedule at any time and in any manner consistent with the requirements of ERISA and the Code.

**CONTRIBUTION RATE REQUIREMENTS**

The 2018 Default Schedule requires an increase in Employer Contributions to the Pension Fund. Attached as Exhibit B is the Contribution rate schedule. The Contribution rate schedule is based on the month and year of the Adoption Date of the 2018 Default Schedule or the month following the date the Default Schedule is imposed. The Contribution rate increases are separate from and in addition to the Contribution increases required by the 2011 Rehabilitation Plan. The

**2018 DEFAULT SCHEDULE FOR THE  
INLANDBOATMEN'S UNION OF THE PACIFIC  
NATIONAL PENSION PLAN**

**May 16, 2018**

Contribution rate increases remain in effect until the Trustees determine those increases are no longer necessary.

For example, if the effective date for the 2018 Deferred Schedule is July 1, 2020 (the first day of the month the Adoption Date occurs), and the Collective Bargaining Agreement is a 3-year agreement that specifies that the Employer contributes \$400 per month in the first year, \$410 per month in the second year, and \$420 per month in the third year, and in addition the Employer is contributing 26.25% in accordance with the 2011 Rehabilitation Plan, then the Contribution rates effective over the next three years are:

<b><i>Year 1: July 1, 2020 – June 30, 2021</i></b>			
Negotiated Contribution			\$400.00
2011 Rehabilitation Plan	0.2625	\$400 x 0.2625	105.00
2018 Rehabilitation Plan	0.1240	\$400 x 0.1240	<u>49.60</u>
Total Contribution			\$554.60
<b><i>Year 2: July 1, 2021 – June 30, 2022</i></b>			
Negotiated Contribution			\$410.00
2011 Rehabilitation Plan	0.2625	\$410 x 0.2625	107.63
2018 Rehabilitation Plan	0.1240	\$410 x 0.1240	<u>50.84</u>
Total Contribution			\$568.47
<b><i>Year 3: July 1, 2022 – June 30, 2023</i></b>			
Negotiated Contribution			\$420.00
2011 Rehabilitation Plan	0.2625	\$420 x 0.2625	110.25
2018 Rehabilitation Plan	0.1240	\$420 x 0.1240	<u>52.08</u>
Total Contribution			\$582.33

Surcharges that were imposed on an Employer as required by the PPA and contributed to the Pension Fund are not taken into account when determining a Participant's Accrued Benefit.

Additional Contributions required by the 2011 and 2018 Rehabilitation Plans are not taken into account when determining a Participant's Accrued Benefit.

**PENSION BENEFITS FOR RETIREMENTS AND DISABILITIES PRIOR TO JANUARY 1, 2019**

An Active or Terminated Participant who retires prior to January 1, 2019, or whose date of disability is found to be prior to January 1, 2019, will receive pension benefits or disability benefits as described on page 7 of the 2018 Rehabilitation Plan in the section **PENSION BENEFITS FOR RETIREMENTS AND DISABILITIES PRIOR TO JANUARY 1, 2019 ARE NOT AFFECTED BY THE 2018 REHABILITATION PLAN.**

**2018 DEFAULT SCHEDULE FOR THE  
INLANDBOATMEN'S UNION OF THE PACIFIC  
NATIONAL PENSION PLAN**

**May 16, 2018**

**PENSION ACCRUED BENEFIT FORMULA AFTER JUNE 30, 2018**

The Accrued Benefit formula, also known as the benefit multiplier, will be reduced to 1% of Employer Contributions paid or required to be paid to the Pension Fund under the Default Schedule after June 30, 2018 regardless of the number of years of Future Benefit Service the Participant has earned. The Accrued Benefit is earned if the Participant worked 1,000 or more Contributory Hours during the Plan Year (adding Contributory Hours under both Schedules together).

Surcharges that were imposed on an Employer as required by the PPA and contributed to the Pension Fund are not taken into account when determining a Participant's Accrued Benefit.

The Contribution increases required by the 2011 Rehabilitation Plan and 2018 Default Schedule and contributed to the Pension Fund are not taken into account when determining a Participant's Accrued Benefit.

**PENSION BENEFIT ADJUSTMENTS FOR RETIREMENTS AND DISABILITIES ON OR AFTER JANUARY 1, 2019**

Notwithstanding any contrary provisions in the Plan and subject to the terms of the 2018 Rehabilitation Plan and any future or amended 2018 Default Schedules applied to the Participant who is covered by this 2018 Default Schedule, the following benefit adjustments will apply to Active Participants who retire or become disabled on or after January 1, 2019:

**Adjustment to Pension Benefits for Active Participants Who Retire or Become Disabled on or after January 1, 2019**

The Normal Form of payment on the Accrued Benefit earned through December 31, 2018 is a monthly benefit payable as a 60-month certain and life annuity. The Normal Form of payment on the Accrued Benefit earned after December 31, 2018 is a single life annuity.

The optional lump sum amounts greater than \$5,000 and less than \$10,000 is eliminated on the Accrued Benefit earned after June 30, 2018.

The amount of the early retirement annuity payable to an Active Participant who is eligible for and elects an Early Retirement Date will be equal to

- his or her Accrued Benefit earned through June 30, 2018 reduced by the early retirement reduction factor based on the Existing Plan Provisions, plus
- his or her Accrued Benefit earned after June 30, 2018, as an Unsubsidized Early Retirement Benefit.

If the Active Participant meets the Rule of 85 Requirements and is eligible for the Rule of 85 Benefit, the Rule of 85 Benefit only applies to the Accrued Benefit earned through June 30, 2018.

**2018 DEFAULT SCHEDULE FOR THE  
INLANDBOATMEN'S UNION OF THE PACIFIC  
NATIONAL PENSION PLAN**

**May 16, 2018**

Active Participants who become permanently and totally disabled on or after January 1, 2019, will not be eligible for a disability benefit from the Plan.

**Work Under Different Schedules**

If a Participant changes Employers and, as a result, becomes covered under a different Schedule, his or her Accrued Benefit formula, also known as the benefit multiplier, for Future Benefit Service earned after June 30, 2018 shall be determined under the Schedule in which his or her Contributions were paid or required to be paid to the Pension Fund, except as modified by the **ACCRUED BENEFIT DURING THE JULY 1, 2018 THROUGH JUNE 30, 2019 PLAN YEAR** section described on page 7 of the 2018 Rehabilitation Plan. The Schedule in which the majority of his or her Contributory Hours after June 30, 2018 have accrued will determine whether the Participant was an Active Participant or Terminated Participant at retirement and his or her benefit options at retirement.

**REVISION OR MODIFICATION OF THE 2018 DEFAULT SCHEDULE**

The Trustees may modify the above provisions with respect to Plan Years beginning after the adoption of the 2018 Rehabilitation Plan as they deem appropriate in connection with periodic updates of the 2018 Rehabilitation Plan, provided that such changes shall not apply to Collective Bargaining Agreements adopted in reliance on this 2018 Default Schedule.

**2018 DEFAULT SCHEDULE FOR THE  
INLANDBOATMEN'S UNION OF THE PACIFIC  
NATIONAL PENSION PLAN**

**May 16, 2018**

<u>Adoption Date*</u>	<u>One Time Increase</u>	<u>Adoption Date*</u>	<u>One Time Increase</u>
07/01/2018	10.00%	02/01/2021	13.29%
08/01/2018	10.09%	03/01/2021	13.41%
09/01/2018	10.18%	04/01/2021	13.54%
10/01/2018	10.28%	05/01/2021	13.67%
11/01/2018	10.37%	06/01/2021	13.79%
12/01/2018	10.46%	07/01/2021	13.92%
01/01/2019	10.55%	08/01/2021	14.07%
02/01/2019	10.65%	09/01/2021	14.22%
03/01/2019	10.74%	10/01/2021	14.37%
04/01/2019	10.83%	11/01/2021	14.52%
05/01/2019	10.92%	12/01/2021	14.68%
06/01/2019	11.02%	01/01/2022	14.83%
07/01/2019	11.11%	02/01/2022	14.98%
08/01/2019	11.22%	03/01/2022	15.13%
09/01/2019	11.32%	04/01/2022	15.28%
10/01/2019	11.43%	05/01/2022	15.43%
11/01/2019	11.54%	06/01/2022	15.58%
12/01/2019	11.65%	07/01/2022	15.73%
01/01/2020	11.76%	08/01/2022	15.88%
02/01/2020	11.86%	09/01/2022	16.03%
03/01/2020	11.97%	10/01/2022	16.22%
04/01/2020	12.08%	11/01/2022	16.40%
05/01/2020	12.19%	12/01/2022	16.58%
06/01/2020	12.29%	01/01/2023	16.76%
07/01/2020	12.40%	02/01/2023	16.95%
08/01/2020	12.53%	03/01/2023	17.13%
09/01/2020	12.65%	04/01/2023	17.31%
10/01/2020	12.78%	05/01/2023	17.49%
11/01/2020	12.91%	06/01/2023	17.67%
12/01/2020	13.03%	07/01/2023	17.86%
01/01/2021	13.16%		

\* First date of the month in which the Adoption Date occurs or the month following the date the Default Schedule is imposed.

AMENDMENT NO. 7 TO THE  
INLANDBOATMEN'S UNION OF THE PACIFIC NATIONAL PENSION PLAN  
EIGHTH RESTATEMENT

The Trustees, pursuant to Section 12.1 of the Inlandboatmen's Union of the Pacific National Pension Plan Eighth Restatement (hereinafter "the Plan"), hereby amend the Plan as set forth below.

1. Effective July 1, 2018, the title to **ARTICLE 16** of the Plan is amended to read as follows:

**ARTICLE 16**  
**2011 REHABILITATION PLAN AND SCHEDULES**

2. Effective July 1, 2018, Section 16.3(h) of the Plan is amended to read as follows:

- (h) **Rule of 85 Benefit** means an early retirement benefit equal to the Participant's normal retirement annuity at age sixty-two (62) or an early retirement benefit equal to the Participant's normal retirement annuity reduced by one-quarter of one percent (0.25%) per month for each month from the date of commencement of the early retirement benefit to the date the Participant reaches age sixty-two (62).

If the 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 for the Accrued Benefit earned after June 30, 2018 is the Unsubsidized Early Retirement Benefit.

3. Effective July 1, 2018, Section 16.3(i) of the Plan is amended to read as follows:

- (i) **Rule of 85 Requirements** means a Participant who, as of June 30, 2011, meets the following criteria:
  - (1) is age fifty-five (55) or older but has not yet reached age sixty-five (65);

- (2) is not a Terminated Participant;
- (3) has 240 or more Contributory Hours earned under the Pension Fund in the July 1, 2010 to June 30, 2011 Plan Year; and
- (4) his/her age plus years of service (defined below) equal or exceed eighty-five (85).

Years of service for the Rule of 85 Requirements means years or partial years of Future Credited Service that a Participant 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 break in service (permanent break in service). If a Participant has twenty (20) or more years of IBU credited service without a permanent break in service as of June 30, 2011, he/she 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 Individual Retirement Annuity Plan provided the future credited service has not been permanently forfeited due to a permanent break in service.

In order to qualify for the Rule of 85 Benefit, in addition to meeting the four (4) criteria above, the Participant must also meet one of the following criteria: (i) From July 1, 2011, through June 30, 2018, retired as an Active Participant and the majority of the Participant's Contributory Hours must have accrued under Collective Bargaining Agreements or Joinder Agreements that adopted the 2011 Rehabilitation Plan's Preferred Schedule; or (ii) From July 1, 2018, through retirement, retired as an Active Participant under the 2018 Rehabilitation Plan.

4. Effective November 1, 2017, Section 8.1(f) of the Plan is eliminated for all Participant deaths on or after November 1, 2017.

5. Effective May 16, 2018, a new ARTICLE 17 2018 REHABILITATION PLAN AND SCHEDULES is added to the Plan to read as follows:

**ARTICLE 17**  
**2018 REHABILITATION PLAN AND SCHEDULES**

- 17.1 Purpose.** Section 305 of ERISA and Section 432 of the Code require trustees of a multiemployer defined benefit pension plan that has been certified by the plan's actuary as being in critical status to develop a rehabilitation plan that is intended to enable the plan to cease to be in critical status by the end of the plan's rehabilitation period. The rehabilitation plan must be based on reasonably anticipated experience and on reasonable actuarial assumptions.

On September 28, 2010, the Plan was certified by its actuary as being in critical status for the Plan Year beginning July 1, 2010. Effective January 31, 2011, the Trustees adopted the 2011 Rehabilitation Plan which included a Default Schedule and a Preferred Schedule. Article 16 was added to the Plan to incorporate significant provisions of the 2011 Rehabilitation Plan including the Default Schedule and Preferred Schedule.

For the Plan Year beginning July 1, 2012, the Plan's actuary certified that the Plan was no longer in critical status and was not in endangered status. Article 16 of the Plan continues to remain a part of the Plan.

On September 28, 2017, the Plan was certified by its actuary as being in critical status for the Plan Year beginning July 1, 2017. Effective May 16, 2018, the Trustees adopted the 2018 Rehabilitation Plan which included the 2018 Default Schedule and the 2018 Preferred Schedule.

The primary purpose of Article 17 is to incorporate significant provisions of the 2018 Rehabilitation Plan including the 2018 Default Schedule and 2018 Preferred Schedule into the Plan. In the event there are inconsistencies between Article 17 of the Plan and another Plan provision(s), Article 17 shall prevail.

- 17.2 Defined Terms.** Each capitalized term in Article 17 has the same meaning given to that term in the Plan (as amended or restated from time to time) or as defined in Article 17, unless otherwise indicated or required by the context in which the term is used.

- (a) **2018 Default Schedule** means the portion of the 2018 Rehabilitation Plan entitled 2018 DEFAULT SCHEDULE FOR THE INLANDBOATMEN’S UNION OF THE PACIFIC NATIONAL PENSION PLAN, as amended or restated from time to time, portions of which are summarized in Section 17.12.
- (b) **2018 Preferred Schedule** means the portion of the 2018 Rehabilitation Plan entitled 2018 PREFERRED SCHEDULE FOR THE INLANDBOATMEN’S UNION OF THE PACIFIC NATIONAL PENSION PLAN, as amended or restated from time to time, portions of which are summarized in Section 17.11.
- (c) **2018 Rehabilitation Plan** means the document adopted by the Trustees on May 16, 2018, including the 2018 Default Schedule and the 2018 Preferred Schedule as amended or restated from time to time.
- (d) **2018 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	
	IBU, Inland Waters, Columbia River	Ferry Concessions
55	0.3791	0.5131
56	0.4148	0.5618
57	0.4545	0.6159
58	0.4986	0.6763
59	0.5478	0.7438
60	0.6029	0.8194
61	0.6645	0.9043
62	0.7338	1.0000
63	0.8118	1.0000
64	0.9000	1.0000

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

- (e) **Active Participant Under the 2018 Rehabilitation Plan**, means:
  - (1) Under the 2018 Preferred Schedule, a Participant who has 240 or more Contributory Hours earned under the Pension Fund in the Plan Year of his or her Annuity Starting Date or the preceding Plan Year and the majority of Contributory Hours earned after June 30, 2018, were under the 2018 Preferred Schedule.

- (2) Under the 2018 Default Schedule, a Participant who has 1,000 or more Contributory Hours earned under the Pension Fund in the Plan Year of his or her Annuity Starting Date or the preceding Plan Year and the majority of Contributory Hours earned after June 30, 2018, were under the 2018 Default Schedule.
- (3) Prior to the adoption of either the 2018 Preferred Schedule or the 2018 Default Schedule, a Participant who has 1,000 or more Contributory Hours earned under the Pension Fund in the Plan Year of his or her Annuity Starting Date or the preceding Plan Year.
- (f) **Adoption Date for 2018 Rehabilitation Plan** means the date the bargaining parties reach a final and legally binding decision to adopt either the 2018 Default Schedule or the 2018 Preferred Schedule.
- (g) **Applicable Schedule for the 2018 Rehabilitation Plan**, for a Participant who has worked for only one Employer with a 2018 Rehabilitation Plan Schedule, means the 2018 Schedule that has been adopted or imposed on that Employer. For a Participant who has worked under different 2018 Rehabilitation Plan Schedules, the Accrued Benefit formula, also known as the benefit multiplier, for Future Benefit Service earned after June 30, 2018, is determined by the 2018 Rehabilitation Plan Schedule in which the Contributory Hours were earned, except as modified by Section 17.6. Whether a Participant is an Active Participant Under the 2018 Rehabilitation Plan at his or her Annuity Starting Date and the pension benefit options available at his or her Annuity Starting Date are determined by the 2018 Rehabilitation Plan Schedule in which the majority of his or her Contributory Hours after June 30, 2018, were earned.
- (h) **Rehabilitation Period Under 2018 Rehabilitation Plan** means the 10-year period beginning July 1, 2020 (the first [1<sup>st</sup>] day of the Plan Year following the second (2<sup>nd</sup>) anniversary of the adoption of the 2018 Rehabilitation Plan) and ending on June 30, 2030 when the Plan is expected to emerge from critical status.
- (i) **Existing Plan Provisions** means the terms and conditions of the Plan as they existed prior to the adoption of the 2018 Rehabilitation Plan (May 16, 2018), except as modified by Paragraph 4 of Amendment No. 7, and Sections 17.9(c) and (d), 17.11(f)(2) and (3) and 17.12(f)(2).

- (j) **Terminated Participant Under the 2018 Rehabilitation Plan** means a Participant who is not an Active Participant Under the 2018 Rehabilitation Plan at the time of his or her Annuity Starting Date. A Terminated Participant also means a Participant with less than 240 Contributory Hours earned under the Pension Fund for the July 1, 2017 to June 30, 2018 Plan Year.

17.3 **Work Under Different 2018 Rehabilitation Plan Schedules.** Starting July 1, 2018, if a Participant works for multiple Employers in a Plan Year and, as a result, becomes covered under different 2018 Rehabilitation Plan Schedules, he or she will earn one year of Future Credited Service and one year of Future Benefit Service if he or she works 240 or more Contributory Hours during the Plan Year (adding Contributory Hours earned under both the 2018 Default Schedule and 2018 Preferred Schedule together). His or her Accrued Benefit formula, also known as the benefit multiplier, for Future Benefit Service earned after June 30, 2018, is determined by the 2018 Rehabilitation Plan Schedule in which the Contributory Hours were earned, except as modified by Sections 17.4 and 17.6. Starting July 1, 2018, in order to earn an Accrued Benefit in a Plan Year, a Participant must meet the following minimum Contributory Hours requirement:

- (a) A Participant will earn an Accrued Benefit under the 2018 Default Schedule in a Plan Year if he or she works 1,000 or more Contributory Hours during the Plan Year (adding Contributory Hours under the 2018 Default Schedule and 2018 Preferred Schedule together).
- (b) A Participant will earn an Accrued Benefit under the 2018 Preferred Schedule in a Plan Year if he or she works 240 or more Contributory Hours during the Plan Year (adding Contributory Hours under the 2018 Default Schedule and 2018 Preferred Schedule together).

The 2018 Rehabilitation Plan Schedule in which a majority of a Participant's Contributory Hours after June 30, 2018, were earned, will determine whether the Participant is an Active Participant Under the 2018 Rehabilitation Plan at his or her Annuity Starting Date and the benefit options at his or her Annuity Starting Date.

17.4 **When Plan Participation Starts for New Employees Who Join the Plan after June 30, 2018.** Effective July 1, 2018, notwithstanding Article 2 of the Plan, a new Employee (defined as an Employee who had 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 an Employee 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 acquiring a Vested Interest) will be eligible for participation in the Plan and will automatically become a Participant in the Plan on the first (1<sup>st</sup>) day of the month coinciding with or next following 12 months after the first (1<sup>st</sup>) Contributory Hour worked in a job classification covered by a Collective Bargaining Agreement or Joinder Agreement. A new Employee will not earn an Accrued Benefit during the first 12 months, but will earn one year of Future Credited Service and Future Benefit Service if he or she works the minimum required hours under the 2018 Schedule his or her Employer has adopted.

**17.5 Earning Future Credited Service and Future Benefit Service after June 30, 2018.** Effective July 1, 2018, a year of Future Credited Service and Future Benefit Service will be earned for each Plan Year in which a Participant works the following minimum Contributory Hours in a Plan Year:

- (a) If the Employee worked 1,000 or more Contributory Hours during the Plan Year for an Employer that adopted the 2018 Default Schedule, he or she will earn one year of Future Credited Service and one year of Future Benefit Service.
- (b) If the Employee worked 240 or more Contributory Hours during the Plan Year for an Employer that adopted the 2018 Preferred Schedule, he or she will earn one year of Future Credited Service and one year of Future Benefit Service.
- (c) If the Employee worked for multiple Employers in a Plan Year and, as a result, became covered under different 2018 Schedules, he or she will earn one year of Future Credited Service and one year of Future Benefit Service if he or she worked 240 or more Contributory Hours during the Plan Year.
- (d) Prior to the date the bargaining parties adopt a 2018 Schedule or prior to the date an Employer or the Union with a Joinder Agreement adopts a 2018 Schedule, the Employee must work 1,000 or more Contributory Hours during the Plan Year to earn one year of Future Credited Service and one year of Future Benefit Service. When the bargaining parties adopt a 2018 Schedule or an Employer or the Union with a Joinder Agreement adopts a 2018 Schedule, the Employee's Future Credited Service and Future Benefit Service during that Plan Year will be adjusted in accordance with the 2018 Schedule adopted.

**17.6 Accrued Benefit Formula for the July 1, 2018, through June 30, 2019 Plan Year.** Notwithstanding Section 1.1 of the Plan, the Accrued Benefit earned during the July 1, 2018, through June 30, 2019 Plan Year will be zero unless the Participant's Employer adopts the 2018 Default Schedule or the 2018 Default Schedule is imposed per the Pension Protection Act during the July 1, 2018, through June 30, 2019 Plan Year. 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 in accordance with Section 17.12(e) if the Participant worked 1,000 or more Contributory Hours during the Plan Year.

**17.7 Changes to Death Benefits in Section 8.1(b) of the Plan effective July 1, 2018.** The surviving spouse death benefit in Section 8.1(b) of the Plan is modified for all Active Participants Under the 2018 Rehabilitation Plan who die after June 30, 2018, regardless of the 2018 Schedule adopted or imposed as described below.

- (a) If an Active Participant Under the 2018 Rehabilitation Plan dies after attaining earliest retirement age under the Plan, the benefit payable to the surviving spouse is the amount that would have been payable to the surviving spouse had the Participant retired with an immediate fifty percent (50%) joint and survivor pension on the day before the Participant's death. The benefit is payable on the first of the month of the Participant's death.
- (b) If an Active Participant Under the 2018 Rehabilitation Plan dies before attaining earliest retirement age under the Plan, the benefit payable to the surviving spouse is the amount that would have been payable to the surviving spouse had the Participant separated from service at the earlier of the actual separation or death, survived until his or her earliest retirement age, retired at that time with an immediate fifty percent (50%) joint and survivor pension and died on the day after. The benefit is payable at the Participant's earliest retirement age.

**17.8 Pension Benefits for Retirements and Disabilities Prior to January 1, 2019 Are, in General, Not Affected by the 2018 Rehabilitation Plan.**

- (a) A Participant who is retired prior to January 1, 2019, or whose date of disability is found to be prior to January 1, 2019, will receive benefits pursuant to the Existing Plan Provisions, except as modified by Section 17.6.
- (b) In order for a Participant to be retired prior to January 1, 2019, he or she must meet the following criteria:

- (1) The Plan Administrator must receive the Participant's completed pension application with all supporting documents, except the benefit selection form, prior to January 1, 2019;
- (2) The Participant must have an Annuity Starting Date prior to January 1, 2019;
- (3) The Participant must have retired (terminated employment with all Employers that contribute to the Pension Fund and all employers in Alaska, Washington, Oregon, California and Hawaii that are in the same industry as any Employer that contributes to the Pension Fund) prior to his or her Annuity Starting Date; and
- (4) The Participant must have met any other criteria in the Plan and/or the Plan's administrative rules and procedures necessary to begin the receipt of pension benefits prior to January 1, 2019, except completion of the benefit selection form.

**17.9 Pension Benefits for Terminated Participants Under the 2018 Rehabilitation Plan Who Retire or Become Disabled after December 31, 2018 or Who Die.**

- (a) A Terminated Participant Under the 2018 Rehabilitation Plan who is eligible for and elects an Early Retirement Date shall receive an early retirement benefit equal to the 2018 Unsubsidized Early Retirement Benefit based on his or her entire Accrued Benefit.
- (b) For a Terminated Participant Under the 2018 Rehabilitation Plan, the normal retirement annuity form of payment shall be a single life annuity, rather than the 60-month certain and life annuity, based on his or her entire Accrued Benefit.
- (c) For a Terminated Participant Under the 2018 Rehabilitation Plan, the optional lump sum cash out benefit in Section 5.2(d) of the Plan that is greater than \$5,000 but less than \$10,000 is eliminated effective November 1, 2017.
- (d) For a Terminated Participant Under the 2018 Rehabilitation Plan with a benefit earned under the Ferry Concessions Retirement Plan, the Social Security adjustment options are eliminated effective November 1, 2017.

- (e) For a Terminated Participant Under the 2018 Rehabilitation Plan found to be disabled after December 31, 2018, there is no disability benefit.
- (f) For a Terminated Participant Under the 2018 Rehabilitation Plan who dies after June 30, 2018, the pre-retirement death benefits are described in Section 16.4.

**17.10 Pension Benefits for Active Participants Under the 2018 Rehabilitation Plan Who Retire or Whose Date of Disability is After December 31, 2018, and Before His or Her Employer has Adopted a 2018 Schedule (“Interim Period”).**

- (a) An Active Participant Under the 2018 Rehabilitation Plan, who retires or whose date of disability is after December 31, 2018, and before his or her Employer has adopted a 2018 Schedule, shall have his or her benefit calculated and temporarily paid as follows:
  - (1) The Accrued Benefit formula during the July 1, 2018, through June 30, 2019 Plan Year will be zero per Section 17.6. The Accrued Benefit earned after June 30, 2019, will initially be calculated using the 2018 Default Schedule, Section 17.12(e).
  - (2) Future Credited Service and Future Benefit Service will be calculated in accordance with the 2018 Default Schedule effective July 1, 2018, Section 17.5(a).
  - (3) The early retirement benefit, if elected, will be calculated using the 2018 Unsubsidized Early Retirement, based on his or her entire Accrued Benefit.
  - (4) There will be no disability benefit.
- (b) If the 2018 Schedule later adopted by the bargaining parties or the Employer or Union with a Joinder Agreement results in higher benefits than what was paid during the Interim Period, the Plan will pay the higher benefit retroactive to the Participant’s Annuity Starting Date with interest on the increase at 6.5% per annum.
- (c) If the 2018 Schedule later adopted by the bargaining parties or the Employer or Union with a Joinder Agreement results in lower benefits than what was paid during the Interim Period, the Plan will reduce the Participant’s benefit on the first day of the month of the Adoption Date for the 2018 Rehabilitation Plan Schedule. The lower benefit will not be applied retroactively.

- (d) If the 2018 Default Schedule is imposed before the bargaining parties adopt a 2018 Rehabilitation Plan Schedule, benefits will be recalculated in accordance with the 2018 Default Schedule as follows:
  - (1) The Plan will adjust benefits on the first day of the month following the date the 2018 Default Schedule is imposed on the bargaining parties. If this results in a lower benefit, the reduction will not be applied retroactively.
  - (2) When the bargaining parties later adopt a 2018 Schedule, benefits will be recalculated in accordance with the 2018 Schedule adopted. Benefits will be adjusted on the first day of the month of the Adoption Date for the 2018 Rehabilitation Plan Schedule and will apply retroactively to the Participant's Annuity Starting Date only if the adjusted benefit is larger than the benefit paid during the Interim Period. If the adjusted benefit is larger, interest will be paid on the increase at 6.5% per annum. Payments made during the period the 2018 Default Schedule was imposed will not be adjusted.

#### **17.11 2018 Preferred Schedule.**

- (a) Section 17.11 will control over any conflicting provision(s) in the Plan, except Section 17.12.
- (b) An Active Participant Under the 2018 Rehabilitation Plan who retires prior to January 1, 2019, or whose date of disability is found to be prior to January 1, 2019, will receive pension benefits or disability benefits as described in Section 17.8.
- (c) Surcharges that were imposed on an Employer as required by the Pension Protection Act and contributed to the Pension Fund are not taken into account when determining a Participant's Accrued Benefit.
- (d) Additional Contributions, sometimes referred to as "supplemental contributions" or "off-benefit contributions," required by the 2018 Preferred Schedule and contributed to the Pension Fund as described in Exhibit A to the 2018 Rehabilitation Plan as amended or restated from time to time are not taken into account when determining a Participant's Accrued Benefit.

- (e) The 2018 Preferred Schedule does not change the Accrued Benefit formula, also known as the benefit multiplier, in the Plan (Section 1.1), except the Accrued Benefit earned during the July 1, 2018, through June 30, 2019 Plan Year will be zero as described in Section 17.6 and after June 30, 2019, 30% of Employer Contributions that would have been applied to the Accrued Benefit formula, also known as the benefit multiplier, will be reallocated to help pay the Plan's underfunding and will not be taken into account when determining a Participant's Accrued Benefit.
- (f) An Active Participant Under the 2018 Rehabilitation Plan who retires or is found to be disabled after December 31, 2018, and his or her Applicable Schedule for the 2018 Rehabilitation Plan is the 2018 Preferred Schedule will have the following Plan benefit adjustments:
  - (1) The normal retirement annuity form of payment shall be a single life annuity rather than the 60-month certain and life annuity, based on his or her entire Accrued Benefit.
  - (2) The optional lump sum cash out benefit in Section 5.2(d) of the Plan that is greater than \$5,000 but less than \$10,000 is eliminated effective November 1, 2017.
  - (3) The Ferry Concessions Retirement Plan Social Security adjustment options are eliminated effective November 1, 2017.
  - (4) An Active Participant Under the 2018 Rehabilitation Plan who is eligible for and elects an Early Retirement Date and who meets the Rule of 85 Requirements shall receive the Rule of 85 Benefit.
  - (5) An Active Participant Under the 2018 Rehabilitation Plan who is eligible for and elects an Early Retirement Date and who does not meet the Rule of 85 Requirements shall receive an early retirement benefit equal to the following:
    - (i) If the Active Participant retires prior to age 62, he or she will receive the 2018 Unsubsidized Early Retirement Benefit based on his or her entire Accrued Benefit.
    - (ii) If the Active Participant retires at age 62 or older, his or her Accrued Benefit will be reduced by 0.25% per month between ages 62 and his or her Normal Retirement Date.

- (6) If a Participant is an Active Participant Under the 2018 Rehabilitation Plan at retirement but was a Terminated Participant Under the 2018 Rehabilitation Plan as of June 30, 2018, the early retirement benefit, if elected, for the Accrued Benefit earned through June 30, 2018 shall be the Unsubsidized Early Retirement Benefit and the early retirement benefit for the Accrued Benefit earned after June 30, 2018 shall be determined pursuant to Sections 17.11(f)(4) or 17.11(f)(5).
- (7) An Active Participant Under the 2018 Rehabilitation Plan whose date of “disability” is found to be on or after January 1, 2019, shall receive a disability retirement benefit equal to the 2018 Unsubsidized Early Retirement Benefit based on his or her entire Accrued Benefit and will choose a retirement benefit form. If the Active Participant’s date of disability is found to be prior to age 55, the disability retirement benefit will be in the same amount as if the Active Participant became disabled at age 55. The selection of a disability retirement benefit is permanent.
- (8) An Active Participant Under the 2018 Rehabilitation Plan will earn an Accrued Benefit under the 2018 Preferred Schedule in a Plan Year only if he or she works 240 or more Contributory Hours during the Plan Year (adding Contributory Hours in a Plan Year under the 2018 Default Schedule and 2018 Preferred Schedule together, if applicable).
- (9) If a Participant works for multiple employers and, as a result, becomes covered under different 2018 Rehabilitation Plan Schedules, Future Credited Service, Future Benefit Service and the Accrued Benefit will be determined under Section 17.3. The 2018 Rehabilitation Plan Schedule in which the majority of his or her Contributory Hours have accrued after June 30, 2018, will determine whether the Participant is an Active Participant Under the 2018 Rehabilitation Plan at his or her Annuity Starting Date and the pension benefit options available at his or her Annuity Starting Date are determined under the 2018 Rehabilitation Plan Schedule in which the majority of his or her Contributory Hours after June 30, 2018, were earned.

- (g) The surviving spouse of an Active Participant Under the 2018 Preferred Schedule who dies after June 30, 2018 will receive the pre-retirement death benefit as described under Section 17.7.
- (h) A Terminated Participant Under the 2018 Rehabilitation Plan will have his or her pension benefits determined as described in Section 17.9.

**17.12 2018 Default Schedule.**

- (a) Section 17.12 will control over any conflicting provision(s) in the Plan except Section 17.11.
- (b) An Active Participant Under the 2018 Rehabilitation Plan who retires prior to January 1, 2019, or whose date of disability is found to be prior to January 1, 2019, will receive pension benefits or disability benefits as described in Section 17.8.
- (c) Surcharges that were imposed on an Employer as required by the Pension Protection Act and contributed to the Pension Fund are not taken into account when determining a Participant's Accrued Benefit.
- (d) Additional Contributions, sometimes referred to as "supplemental contributions" or "off-benefit contributions," required by the 2018 Default Schedule and contributed to the Pension Fund as described in Exhibit B to the 2018 Rehabilitation Plan, as amended and restated from time to time, are not taken into account when determining a Participant's Accrued Benefit.
- (e) The Accrued Benefit formula, also known as the benefit multiplier, will be 1% of Employer Contributions paid or required to be paid to the Pension Fund effective the first day of the month in which the Participant's Employer adopts the 2018 Default Schedule or effective the first day of the month following the date the 2018 Default Schedule is imposed on the Employer per the Pension Protection Act.
- (f) An Active Participant Under the 2018 Rehabilitation Plan who retires or is found to be disabled after December 31, 2018, and his or her Applicable Schedule for the 2018 Rehabilitation Plan is the 2018 Default Schedule will have the following Plan benefit adjustments:

- (1) The normal retirement annuity form of payment shall be a single life annuity, based on his or her Accrued Benefit earned after December 31, 2018. The normal retirement annuity form of payment shall be a 60-month certain and life annuity on his or her Accrued Benefit earned prior to January 1, 2019.
- (2) The optional lump sum cash out benefit in Section 5.2(d) of the Plan that is greater than \$5,000 but less than \$10,000 is eliminated based on the Accrued Benefit earned after June 30, 2018.
- (3) An Active Participant Under the 2018 Rehabilitation Plan who is eligible for and elects an Early Retirement Date and who meets the Rule of 85 Requirements, will receive the Rule of 85 Benefit only on his or her Accrued Benefit earned through June 30, 2018. The early retirement benefit on his or her Accrued benefit earned after June 30, 2018 will be equal to the 2018 Unsubsidized Early Retirement Benefit.
- (4) An Active Participant Under the 2018 Rehabilitation Plan who is eligible for and elects an Early Retirement Date and who does not meet the Rule of 85 Requirements shall receive an early retirement benefit equal to the following:
  - (i) His or her Accrued Benefit earned through June 30, 2018, will be reduced five-twelfths of one percent (0.41%) per month between the ages of fifty five (55) and sixty-two (62) and one-quarter of one percent (0.25%) per month between ages sixty-two (62) and his or her Normal Retirement Date; and
  - (ii) His or her Accrued Benefit earned after June 30, 2018, will be equal to the 2018 Unsubsidized Early Retirement Benefit.
- (5) If a Participant is an Active Participant Under the 2018 Rehabilitation Plan at retirement but was a Terminated Participant Under the 2018 Rehabilitation Plan as of June 30, 2018, the early retirement benefit, if elected, for the Accrued Benefit earned through June 30, 2018 shall be the Unsubsidized Early Retirement Benefit and the early retirement benefit for the Accrued Benefit earned after June 30, 2018 shall be determined pursuant to Sections 17.12(f)(3) or 17.12(f)(4).

- (6) An Active Participant Under the 2018 Rehabilitation Plan whose date of disability is found to be on or after January 1, 2019, is not be eligible for any disability benefits provided by the Plan.
- (7) An Active Participant Under the 2018 Rehabilitation Plan will earn an Accrued Benefit under the 2018 Default Schedule in a Plan Year only if he or she works 1,000 or more Contributory Hours during the Plan Year (adding Contributory Hours in a Plan Year under the 2018 Default Schedule and 2018 Preferred Schedule together, if applicable).
- (8) If a Participant works for multiple employers and, as a result, becomes covered under different 2018 Rehabilitation Plan Schedules, Future Credited Service and Future Benefit Service and the Accrued Benefit will be determined under Section 17.3. The 2018 Rehabilitation Plan Schedule in which the majority of his or her Contributory Hours have accrued after June 30, 2018, will determine whether the Participant is an Active Participant Under the 2018 Rehabilitation Plan at his or her Annuity Starting Date and the pension benefit options available at his or her Annuity Starting Date are determined under the 2018 Rehabilitation Plan Schedule in which the majority of his or her Contributory Hours after June 30, 2018, were earned.
- (g) The surviving spouse of an Active Participant Under the 2018 Default Schedule who dies after June 30, 2018 will receive the pre-retirement death benefit as described under Section 17.7.
- (h) A Terminated Participant Under the 2018 Rehabilitation Plan will have his or her pension benefits determined in accordance with Section 17.9.

**17.13 Other Issues.**

- (a) The Trustees have the full, absolute and unlimited discretion to determine whether and if it is prudent, given the financial condition of the Pension Fund, to further reduce adjustable benefits in accordance with Section 432 of the Code.

- (b) The Trustees have the full, absolute and unlimited power and authority to administer and interpret the 2018 Rehabilitation Plan, 2018 Default Schedule, 2018 Preferred Schedule, and Article 17 of the Plan and apply the 2018 Rehabilitation Plan, 2018 Default Schedule, 2018 Preferred Schedule, and Article 17 of the Plan to specific fact situations. The exercise of such power and authority by the Trustees shall be final and binding on all parties, subject to the appeal procedures in the Plan and shall be given the fullest deference allowed by law.
- (c) If a Participant, pensioner, beneficiary, alternate payee, or any other person has a dispute or disagreement concerning the interpretation and/or application of Article 17 to a specific fact situation, that dispute or disagreement shall be resolved pursuant to Article 11 CLAIMS AND APPEALS PROCEDURES.

6. Effective January 1, 2019, Exhibit A, page 1 of the Plan is amended to read as follows:

**EXHIBIT A**

**INLANDBOATMEN'S UNION OF THE PACIFIC  
NATIONAL PENSION PLAN**

**Actuarial Equivalent**

Wherever the determination of equivalent actuarial value or any actuarial adjustment is required by the Plan and the basis of such determination is not expressly provided elsewhere in the Plan, the determination or adjustment shall be made on the following basis:

Interest: Six and one-half percent (6.5%) per annum

Mortality: Participants

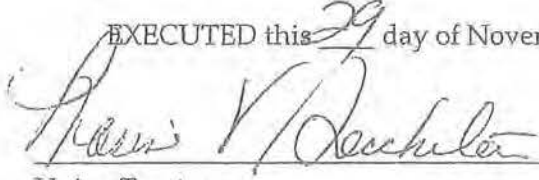
RP – 2006 Annuitant Mortality Table for Males with Blue Collar Adjustment, Projected to 2038 Using MP-2017

Spouses and Beneficiaries

RP – 2006 Annuitant Mortality Table for Females with Blue Collar Adjustment, Projected to 2038 Using MP-2017

The factors in Exhibit A, pages 1, 2 and 3 that were in effect prior to January 1, 2019, shall apply to benefits accrued through December 31, 2018, for an Active Participant who retires under the 2018 Default Schedule.

EXECUTED this 29 day of November 2018.



Union Trustee

Employer Trustee

The factors in Exhibit A, pages 1, 2 and 3 that were in effect prior to January 1, 2019, shall apply to benefits accrued through December 31, 2018, for an Active Participant who retires under the 2018 Default Schedule.

EXECUTED this 30 day of November 2018.

\_\_\_\_\_  
Union Trustee

  
\_\_\_\_\_  
Employer Trustee

**AMENDMENT NO. 6 TO THE  
INLANDBOATMEN'S UNION OF THE PACIFIC NATIONAL PENSION PLAN  
EIGHTH RESTATEMENT**

The Trustees, pursuant to Section 12.1 of the Inlandboatmen's Union of the Pacific National Pension Plan Eighth Restatement (hereinafter "the Plan"), hereby amend the Plan.

1. Effective April 1, 2018, the first paragraph of Section 11.3 is amended to read as follows:

**11.3 Denial of Claim (except Disability Claims).** Sections 11.3 to 11.9 provide how benefit claims, for all claims except disability claims, are processed and the appeal rights with respect to such denied claims. The Plan Administrator is responsible for reviewing claims. If a claim is denied, in whole or in part, the claimant will be sent a written explanation from the Plan Administrator. The written notice of denial will normally be provided to the claimant within forty-five (45) days after receipt of a completed application. If the Plan Administrator determines an extension of time is necessary to complete review of the claim because of matters beyond control of the Plan, the 45-day period may be extended for up to thirty (30) days, provided Plan Administrator notifies the claimant of the extension of time for processing the claim during the initial 45-day period. If, prior to the end of the first (1<sup>st</sup>) 30-day extension, the Plan Administrator determines that a further extension of time is necessary to complete review of the claim because of matters beyond control of the Plan, the 30-day extension period may be extended for up to an additional thirty (30) days, provided that the Plan Administrator notifies the claimant of the extension of time for processing the claim before the end of the first (1<sup>st</sup>) 30-day extension period. If an extension of time is required, the claimant will be notified in writing and the notice shall specify the reason(s) for the extension, the unresolved issue(s), if any, preventing a decision, additional information, if any, needed to resolve the issue(s), and the date a decision is expected.

2. Effective June 25, 2018, Section 11.5(a) is amended to read as follows:

(a) If a claimant disagrees with the adverse determination, the claimant or his/her authorized representative may file a written appeal within 180 days after receiving notice of the adverse determination. The written appeal must be filed as follows:

Inlandboatmen's Union of the Pacific National Pension Trust  
Attention: Appeals Review committee  
c/o BeneSys, Inc.  
5331 SW Macadam Avenue, Suite 220  
Portland, Oregon 97239

3. Effective April 1, 2018, Section 11.5(d) is deleted.
4. Effective for Permanent and Total Disability pension benefit claims submitted on or after April 1, 2018, a new Section 11.10 of the Plan is added to read as follows and the existing Section 11.10 is renumbered 11.11:

**11.10 Permanent and Total Disability Pension Claims and Appeals Procedure.**

- (a) The Administrator is responsible for reviewing an application for Permanent and Total Disability pension benefits. A "Permanent and Total Disability" is a "disability" as defined in Section 7.2. If the claim for Permanent and Total Disability pension benefits is denied, the Administrator will notify the applicant in writing. The written notice of denial will normally be provided within forty-five (45) days after receipt of an application for Permanent and Total Disability pension benefits. If the Administrator determines an extension of time is necessary because of matters beyond its control, the 45-day period may be extended for up to thirty (30) days provided the Administrator notifies the applicant of the extension of time during the initial 45-day period. If, prior to the end of the first 30-day extension, the Administrator determines that a further extension of time is necessary because of matters beyond its control, the 30-day extension may be extended for up to an additional thirty (30) days provided the Administrator notifies the applicant of the extension before the end of the first 30-day extension period. If an extension of time is required by the Administrator, the applicant will be notified in writing and the notice shall specify the reason(s) for the extension, the unresolved issue(s), if any, preventing a decision, additional information, if any, needed to resolve the issue(s), an explanation of the standards upon which entitlement to a Permanent and Total Disability pension benefit is based, and a date the decision is expected.

- (b) Throughout the Permanent and Total Disability claims and appeals process, the Plan will ensure that all Permanent and Total Disability pension claims are adjudicated in a manner designed to ensure the independence and impartiality of the persons involved in making the decision. Plan decisions regarding hiring, compensation, termination, promotion, or similar matters, with respect to individuals and organizations that evaluate permanent and total disability pension claims, such as claims adjudicators or medical or vocational experts, will not be based on the likelihood that the individual or organization will support the denial of a Permanent and Total Disability pension claim. Rather, the Plan will contract with individuals and organizations based on each individual's or organization's professional qualifications.
  
- (c) If the Administrator denies the applicant's application for Permanent and Total Disability pension benefits, the denial notice will be in writing in a culturally and linguistically appropriate manner as described in applicable Department of Labor regulations and will provide:
  - (i) A complete discussion of why the Plan denied the Permanent and Total Disability pension application and the standards applied in reaching the decision. If the decision is contrary to the Permanent and Total Disability determination made by the Social Security Administration or a physician or vocational professional who evaluated the applicant, there will be a complete discussion regarding the basis for the disagreement;
  - (ii) Reference to the specific Plan provision(s) on which the denial is based;
  - (iii) A description of any additional material or information necessary to perfect the claim and an explanation why such material or information is necessary;
  - (iv) Any information generated on the Plan's behalf related to the Permanent and Total Disability pension application, regardless of whether the Plan relied on the information in reaching the decision;
  - (v) A description of the Plan's review procedures, the time limits applicable to such procedures and the applicant's right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on appeal;

- (vi) The specific internal rule, guideline, protocol, or similar guideline that the Plan relied upon in denying the Permanent and Total Disability pension application or a statement that there was no internal rule, guideline, protocol, or similar guideline relied upon;
  - (vii) If the determination 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 the applicant's medical circumstances, or it must state that such explanation will be provided free upon request; and
  - (viii) A statement that the applicant or the applicant's representative may receive, upon request, free of charge, reasonable access to and copies of all documents, records, and other information (including the applicant's entire claim file) that is relevant to the Permanent and Total Disability pension application and may submit issues and comments in writing regarding the decision.
- (d) When a claim for Permanent and Total Disability pension benefits has been denied, the applicant may appeal the denial to the Trustees. The applicant or his representative has 180 days following receipt of the denial notice from the Administrator to file an appeal with the Trustees. The appeal must be in writing and mailed or delivered to the Administrator to:

Inlandboatmen's Union of the Pacific National Pension Trust  
Attention: Appeals Review committee  
c/o BeneSys, Inc.  
5331 SW Macadam Avenue, Suite 220  
Portland, Oregon 97239

The appeal shall follow the procedures described in Sections 11.5, 11.6, 11.7 and 11.8, and the procedures described below.

- (e) If the appeal involves issues of medical judgment, the Trustees or subcommittee of Trustees will consult a health care professional who has appropriate training and experience in the field of medicine involved. The health care professional must not be the one who was consulted in connection with the initial denial and must not be a subordinate of that individual. If the Appeals Review Committee or the Trustees consult a medical or vocational expert, he will be identified regardless of whether the Appeals Review Committee or the Trustees rely on his opinion.

- (f) If the Appeals Review Committee or Trustees intends to issue a decision adverse to the applicant based on new or additional evidence or a new rationale, they will provide the new or additional evidence or new rationale to the applicant as soon as possible and prior to the date of the decision in order to give the applicant a reasonable opportunity to respond prior to the decision being made.
- (g) If the Appeals Review Committee or the Trustees deny the appeal, the decision will be written in a culturally and linguistically appropriate manner as described in applicable Department of Labor regulations, and include the following:
  - (i) A complete discussion of why the Plan denied the Permanent and Total Disability pension application and the standards applied in reaching the decision. If the decision is contrary to the Permanent and Total Disability determination made by the Social Security Administration or a physician or vocational professional who evaluated the applicant, there will be a complete discussion regarding the basis for the disagreement;
  - (ii) Reference to the specific Plan provision(s) on which the denial is based;
  - (iii) A statement that upon written request, the applicant or his representative will be provided free of charge reasonable access to and copies of all non-privileged documents, records and other information relevant to the claim. Whether a document, record or other information is relevant to the claim will be determined in accordance with ERISA regulation 29 C.F.R. § 2560.503-1(m)(8);
  - (iv) Any information generated on the Plan's behalf related to the Permanent and Total Disability pension application, regardless of whether the Plan relied on the information in reaching the decision;
  - (v) The specific internal rule, guideline, protocol, or similar guideline that the Plan relied upon in denying the Permanent and Total Disability pension application or a statement that there was no internal rule, guideline, protocol, or similar guideline relied upon;

- (vi) If the determination 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 the applicant's medical circumstances, or it must include that such explanation will be provided free upon request;
- (vii) A statement that the applicant or the applicant's representative may receive, upon request, free of charge, reasonable access to and copies of all documents, records, and other information (including the applicant's entire claim file) that is relevant to the Permanent and Total Disability pension application and may submit issues and comments in writing regarding the decision;
- (viii) A statement advising the applicant of other "voluntary alternative dispute resolution options" and that "one way to find out what may be available is to contact your local U.S. Department of Labor office and your state insurance regulatory agency"; and
- (ix) The right to bring a lawsuit for benefits under Section 502(a) of ERISA.

ADOPTED and EXECUTED this 15<sup>th</sup> day of August 2018.



Union Trustee



Employer Trustee

**AMENDMENT NO. 5**  
**TO THE EIGHTH RESTATED PLAN DOCUMENT GOVERNING THE**  
**INLANDBOATMEN'S UNION OF THE PACIFIC NATIONAL PENSION PLAN**

Pursuant to the authority granted to the Trustees in Section 9.1 of the First Restated Trust Agreement Governing the Inlandboatmen's Union of the Pacific National Pension Trust and Section 12.1 of the Eighth Restated Plan Document Governing the Inlandboatmen's Union of the Pacific National Pension Plan (the Plan), the Trustees amend the Plan effective July 1, 2017, as follows:

1. Article 3.3, **Postponed Retirement Date**, is amended to read as follows:

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**3.3 Postponed Retirement Date.** A Participant may elect a Postponed Retirement Date and remain in the active service of his/her Employer or in employment as described in Article 4.7 or Article 4.7A, as applicable, after his/her Normal Retirement Date. The Postponed Retirement Date will be the first (1st) day of any month subsequent to the date of such election. The Participant's retirement annuity payments will commence at his/her Postponed Retirement Date in an amount as determined under Article 4.4.

Participants in employment described in Article 4.7 or Article 4.7A, as applicable, on or after his/her Normal Retirement Date must notify the Plan Administrator and the regional office of the Union that is responsible for the Participant's representation or dispatch in writing that the Participant is in employment as described in Article 4.7 or Article 4.7A, as applicable.

2. Article 3.4, **Application for Retirement**, subparagraph (a) is amended to read as follows:

**(a)** A Participant for whom Settlement Contributions have been made pursuant to Article 1.9(b) and who has not otherwise acquired a Vested Interest, may, not later than three (3) months after the Pension Fund's receipt of the total amount of Settlement Contributions due on behalf of the Participant, elect an effective date that is not earlier than the date he/she has acquired a Vested Interest as a result of crediting the Settlement Contributions as provided in Article 1.9(b)(4) and not later than six (6) months after the application date. If the Participant is entitled to retire on the effective date, the Participant's (and his/her survivor's) benefits shall be computed from such date and payment shall commence on the effective

date or the first (1<sup>st</sup>) day of the month following thirty (30) days after the application date, whichever occurs last. In the event that the Participant selects an effective date that is prior to the application date, the Plan Administrator may, at its discretion, withhold computation and commencement of payments until the Plan Administrator is satisfied that the Employee was not employed after the effective date subject to suspension under Articles 4.7, 4.7A and 4.8.

3. Article 3.6, **Retroactive Annuity Starting Date**, subparagraph (d) is amended to read as follows:

- (d) The calculation of benefits, whether under Article 3.6(b)(1) or 3.6(b)(2), shall not include periods during which the Participant was not eligible to receive a benefit, or ~~benefits were otherwise subject to suspension under~~ Articles 4.6, 4.7, and/or 4.7A.

4. The introductory paragraph in Article 4.6, **Return to Work**, is amended to read as follows:

- 4.6 Return to Work.** Subject to limitations in Article 4.7 and Article 4.7A, a Participant receiving pension payments (“Retiree”) may return to employment in Alaska, Washington, Oregon, California, and Hawaii in any manner or capacity in:

5. A new Article 4.7A, **Temporary Revision of the Return to Work Limitations for the San Francisco Region of the Union**, is added to the Plan to read as follows:

- 4.7A Temporary Revision of the Return to Work Limitations for the San Francisco Region of the Union.** Due to an extraordinary need for more qualified employees to work for Employers in bargaining unit positions in the San Francisco Region of the Union and the time it takes Employers in the San Francisco Region of the Union to recruit and train new employees for bargaining unit positions, Article 4.7 **Limitations on Return to Work** is temporarily revised as follows:

- (a) Article 4.7A is limited to Retirees between the ages of 65 and 70 ½ who work for an Employer in the San Francisco Region of the Union between July 1, 2017, and June 30, 2019 (“San Francisco Retirees”);

- (b) A San Francisco Retiree may return to work no more than 150 days in a Plan Year;
  - (c) After employment of 150 days in a Plan Year, a San Francisco Retiree may work no more than five (5) days in a month;
  - (d) Effective July 1, 2019, a San Francisco Retiree's employment during the July 1, 2018, through June 30, 2019 Plan Year will not count toward the 120 days of employment in any two (2) consecutive Plan Years in Article 4.7(a);
  - (e) Except as revised by Article 4.7A, the limitations on return to work in Article 4.7 remain in effect; and
  - (f) Article 4.7A shall terminate, without further action by the Trustees, on June 30, 2019.
- 

6. Article 4.9, **Recommendation of Benefits Following Suspension of Benefits**, subparagraph (a) is amended to read as follows:

- (a) If a Participant who retired on an Early, Normal, or Postponed Retirement returns to work pursuant to Article 4.6, but does not exceed the limits in Article 4.7 or Article 4.7A, as applicable, the pension benefit will continue.

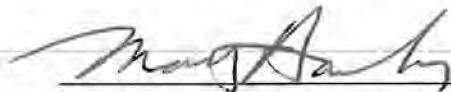
7. Article 4.9, **Recommendation of Benefits Following Suspension of Benefits**, subparagraph (c), first paragraph is amended to read as follows:

- (c) If a Participant who retired on a Normal or Postponed Retirement returns to work pursuant to Article 4.6 and exceeds the limits in Article 4.7 or Article 4.7A as applicable, the Participant shall receive his/her retirement benefit for each month during the remainder of the Plan Year the Participant works not more than five (5) days per month. Benefits shall recommence July 1, subject to the limitations set forth in Article 4.7 and Article 4.7A as applicable.

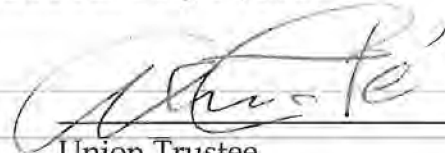
8. Article 4.11, **Notification of Employment Following Retirement**, subparagraph (a) is amended to read as follows:

- (a) A retired Participant shall notify the Plan Administrator and the regional office of the Union that is or would be responsible for the Participant's representation or dispatch in writing within fifteen (15) days following such Participant's return to work as defined in Article 4.6 whether permitted pursuant to Article 4.6 or restricted pursuant to Article 4.7 or Article 4.7A.

ADOPTED February 8, 2017, and EXECUTED May 17, 2017.



Employer Trustee



Union Trustee

**AMENDMENT NO. 4**  
**TO THE EIGHTH RESTATED PLAN DOCUMENT GOVERNING THE**  
**INLANDBOATMEN'S UNION OF THE PACIFIC NATIONAL PENSION PLAN**

Pursuant to the authority granted to the Trustees in Section 9.1 of the First Restated Trust Agreement Governing the Inlandboatmen's Union of the Pacific National Pension Trust and Section 12.1 of the Eighth Restated Plan Document Governing the Inlandboatmen's Union of the Pacific National Pension Plan (the Plan), the Trustees amend the Plan effective May 17, 2017, as follows:

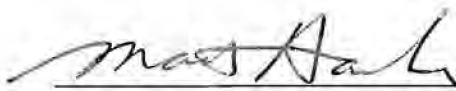
1. Article 4.17, **Unclaimed Benefits**, is eliminated and replaced with the following:

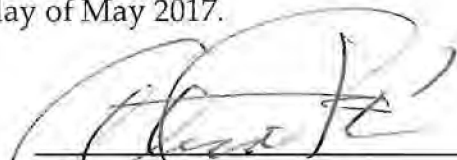
4.17 **Unclaimed Benefits.** If a Participant, beneficiary, alternate payee under a qualified domestic relations order, or any other person or entity ("Claimant") who is entitled to receive retirement benefits from the Plan, cannot be located after a due diligence search effort, then all retirement benefits for the Claimant shall be deemed forfeited subject to reinstatement as described below. This section of the Plan may also be applied to a retirement benefit check(s) which has been issued and has been returned as undeliverable or not cashed if the proper recipient of the retirement benefit check(s) cannot be located after a due diligence search effort. The forfeited retirement benefits shall be subject to Section 9.3 of the Plan.

If a claim for the forfeited retirement benefits is later made by a Claimant, the retirement benefits shall be reinstated and paid without interest according to the terms of the Plan.

As required by Code Section 401(a)(8) and applicable Treasury Regulations, forfeited retirement benefits will not be applied to increase the benefits any Participant would otherwise receive under the Plan.

ADOPTED and EXECUTED this 17<sup>th</sup> day of May 2017.

  
\_\_\_\_\_  
Employer Trustee

  
\_\_\_\_\_  
Union Trustee

AMENDMENT NO. 3  
TO THE EIGHTH RESTATED PLAN DOCUMENT GOVERNING THE  
INLANDBOATMEN'S UNION OF THE PACIFIC NATIONAL PENSION PLAN

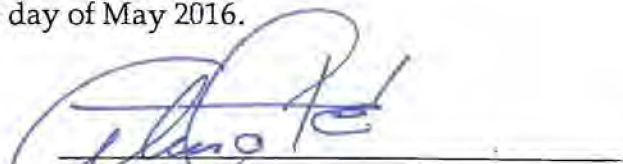
Pursuant to the authority granted to the Trustees in Section 9.1 of the First Restated Trust Agreement Governing the Inlandboatmen's Union of the Pacific National Pension Trust and Section 12.1 of the Eighth Restated Plan Document Governing the Inlandboatmen's Union of the Pacific National Pension Plan (the Plan), the Trustees amend the Plan.

1. Effective May 18, 2016, a new Article 10.23 **Recovery of Erroneous Payments and Over-Payments** is added to the Plan to read as follows:

10.23 **Recovery of Erroneous Payments and Over-Payments.** In the event a Participant, Retiree, beneficiary, alternate payee, or any other person (the "Recipient") receives an erroneous payment(s) or an overpayment(s) from the Plan and/or the Pension Fund, the Trustees shall make reasonable efforts to collect the amount of the erroneous payment(s) or overpayment(s) with interest from the Recipient. To the extent the full amount of the erroneous payment(s) or overpayment(s) cannot be collected from the Recipient, the Trustees may reduce future Plan benefits to the Recipient until the erroneous payment(s) or overpayment(s) with interest has been collected. The rate of interest shall be as specified in Exhibit A for actuarial equivalence. If the Recipient dies before full recovery of the erroneous payment(s) or overpayment(s) with interest, the reduction of future Plan benefits may continue with respect to the Recipient's beneficiary. Any such reduction shall be consistent with applicable Internal Revenue Service and ERISA guidelines for correcting an erroneous payment(s) or overpayment(s) made by a qualified retirement plan. In the event a Retiree has an obligation to repay Plan benefits due to employment following retirement in violation of the limitations in Article 4.7, the Retiree's repayment obligation shall be as described in Article 4.11(b), rather than this Article 10.23.

ADOPTED and EXECUTED this 18<sup>th</sup> day of May 2016.

  
\_\_\_\_\_  
Employer Trustee

  
\_\_\_\_\_  
Union Trustee

**AMENDMENT NO. 2  
TO THE EIGHTH RESTATED PLAN DOCUMENT GOVERNING THE  
INLANDBOATMEN'S UNION OF THE PACIFIC NATIONAL PENSION PLAN**

Pursuant to the authority granted to the Trustees in Section 9.1 of the First Restated Trust Agreement Governing the Inlandboatmen's Union of the Pacific National Pension Trust and Section 12.1 of the Eighth Restated Plan Document Governing the Inlandboatmen's Union of the Pacific National Pension Plan (the Plan), the Trustees amend the Plan.

1. Effective February 3, 2016, the first sentence in Section 3.4 of the Plan is amended to read as follows:

**Application for Retirement.** In order to effect his/her retirement, a Participant shall complete and have on file with the Plan Administrator an application in a form or forms provided by the Plan Administrator.

2. Effective February 3, 2016, a new page 4 is added to Exhibit A to read as follows:

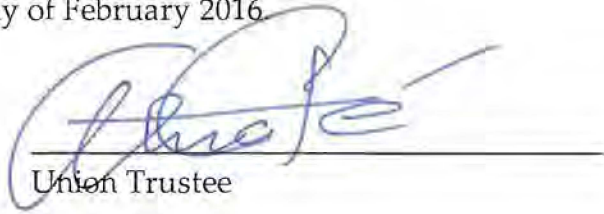
**EXHIBIT A, PAGE 4  
Inlandboatmen's Union of the Pacific National Pension Plan**

The factors used to determine the Unsubsidized Early Retirement Benefit in Section 16.3(l) of the Plan shall be made on the following basis:

Interest: Seven and one-half percent (7 ½ %) per annum  
Mortality: RP-2000 Combined Healthy Mortality Table for Males with Blue Collar Adjustment, Projected to 2010 using Scale AA

ADOPTED and EXECUTED this 3<sup>rd</sup> day of February 2016

  
\_\_\_\_\_  
Employer Trustee

  
\_\_\_\_\_  
Union Trustee

**AMENDMENT NO. 1  
TO THE EIGHTH RESTATED PLAN DOCUMENT GOVERNING THE  
INLANDBOATMEN'S UNION OF THE PACIFIC NATIONAL PENSION PLAN**

**Effective January 1, 2015**

Pursuant to the authority granted to the Trustees in Section 9.1 of the First Restated Trust Agreement Governing the Inlandboatmen's Union of the Pacific National Pension Trust and Section 12.1 of the Eighth Restated Plan Document Governing the Inlandboatmen's Union of the Pacific National Pension Plan (the Plan), the Trustees amend the Plan.

1. Effective January 1, 2015, Section 1.14(b) is amended to read as follows:
  - (b) Employees of the Union who are covered by a Joinder Agreement in a job for which there is a Contribution obligation the Pension Fund.
  
2. Effective January 1, 2015, Section 2.1(c) is amended to read as follows:
  - (c) The date as of which he/she becomes employed in a job classification for which the Employer is required to make a Contribution to the Pension Fund as specified in a Collective Bargaining Agreement, or the date he/she becomes employed in a job classification for which the Employer or the Union is required to make a Contribution to the Pension Fund as specified in a Joinder Agreement.

ADOPTED and EXECUTED 19<sup>th</sup> of August 2015.

  
\_\_\_\_\_  
Employer Trustee

  
\_\_\_\_\_  
Union Trustee

**EIGHTH RESTATED PLAN DOCUMENT  
GOVERNING THE  
INLANDBOATMEN'S UNION OF THE PACIFIC  
NATIONAL PENSION PLAN**

**Effective January 1, 2015**

## TABLE OF CONTENTS

PREFACE TO THE JANUARY 1, 2015 RESTATEMENT.....	1
ARTICLE 1 DEFINITIONS .....	2
1.1 Accrued Benefit .....	2
1.2 Actuarial Equivalent.....	4
1.3 Affiliate .....	5
1.4 Annuity Starting Date.....	5
1.5 Benefit Service.....	5
1.6 Code .....	5
1.7 Collective Bargaining Agreement.....	6
1.8 Computation Date.....	6
1.9 Contributions .....	6
1.10 Credited Service .....	7
1.11 Disability Retirement.....	11
1.12 Effective Date .....	11
1.13 Effective Date of Entry.....	11
1.14 Employee.....	11
1.15 Employer .....	11
1.16 ERISA .....	12
1.17 Hour of Service.....	12
1.18 Joinder Agreement.....	12
1.19 Leave of Absence.....	12
1.20 New Employer.....	13
1.21 Normal Retirement Date .....	13
1.22 Participant .....	13
1.23 Pension Fund .....	13
1.24 Plan.....	13
1.25 Plan Administrator .....	13
1.26 Plan Year.....	13
1.27 Reciprocal Plan .....	13
1.28 Trust Agreement .....	14

1.29	Trustees.....	14
1.30	Union.....	14
1.31	Vested Interest.....	14
<b>ARTICLE 2 ELIGIBILITY AND PARTICIPATION.....</b>		<b>16</b>
2.1	Participation On and After July 1, 1981.....	16
2.2	Participant Bound by Terms of Plan.....	16
<b>ARTICLE 3 RETIREMENT DATES.....</b>		<b>17</b>
3.1	Normal Retirement Date.....	17
3.2	Early Retirement Date.....	18
3.3	Postponed Retirement Date.....	18
3.4	Application for Retirement.....	18
3.5	Participant’s Consent.....	19
3.6	Retroactive Annuity Starting Date.....	20
<b>ARTICLE 4 RETIREMENT BENEFITS.....</b>		<b>22</b>
4.1	Normal Retirement Annuity.....	22
4.2	Amount of Normal Retirement Benefit.....	22
4.3	Amount of Early Retirement Benefit.....	22
4.4	Amount of Postponed Retirement Benefit.....	25
4.5	Maximum Retirement Benefit.....	25
4.6	Return to Work.....	26
4.7	Limitations on Return to Work.....	27
4.8	Waiver.....	27
4.9	Resumption of Benefits Following Suspension of Benefits.....	27
4.10	Definitions.....	28
4.11	Notification of Employment Following Retirement.....	28
4.12	Accrual of Benefits upon Return to Work.....	29
4.13	Notification.....	29
4.14	Application for Benefits.....	29
4.15	Commencement of Benefits.....	29
4.16	Even Dollar Payments.....	30
4.17	Unclaimed Benefits.....	30
4.18	Eligible Rollover Distributions.....	31

<b>ARTICLE 5 NORMAL AND OPTIONAL BENEFIT FORM.....</b>	<b>33</b>
5.1 Normal Annuity Form.....	33
5.2 Optional Benefit Forms .....	35
5.3 Minimum Distribution Requirements.....	36
<b>ARTICLE 6 TERMINATION OF EMPLOYMENT .....</b>	<b>43</b>
6.1 Termination without Vested Interest .....	43
6.2 Termination with Vested Interest.....	43
6.3 Optional Forms of Payment.....	43
6.4 Payment of Benefit upon Reemployment.....	43
6.5 Contiguous Service .....	44
<b>ARTICLE 7 DISABILITY .....</b>	<b>45</b>
7.1 Qualifications for Disability Benefits.....	45
7.2 Disability Defined .....	45
7.3 Interim Disability Award .....	45
7.4 Permanent Disability Benefit.....	46
7.5 Amount of Disability Benefit.....	46
7.6 Continuation of Participation.....	47
7.7 Retirement Benefits Payable to Disabled Participant.....	47
7.8 Recovery of Disabled Participant.....	47
7.9 Application for Early Retirement.....	47
7.10 Verification of Disability .....	48
<b>ARTICLE 8 DEATH BENEFITS – DESIGNATION OF BENEFICIARY.....</b>	<b>49</b>
8.1 Surviving Spouse Death Benefit.....	49
8.2 Death After Retirement .....	51
8.3 Designation of Beneficiary .....	51
8.4 Payment to Successive Preference Beneficiaries.....	52
8.5 Benefits Payable to a Minor .....	53
8.6 Limitation of Payment to Beneficiary.....	53
8.7 Death of Beneficiary Before Participant.....	53
8.8 Cash Payment .....	53
8.9 Conditions for Award or Determination.....	53
8.10 Death Benefits while Performing Military Service.....	53

<b>ARTICLE 9 FUNDING OF PLAN BENEFITS .....</b>	<b>55</b>
9.1 Method of Financing Plan Benefits.....	55
9.2 Contributions by Employer .....	55
9.3 Forfeitures .....	55
9.4 Reversion or Diversion Prohibited .....	55
<b>ARTICLE 10 ADMINISTRATION OF PLAN .....</b>	<b>56</b>
10.1 Responsibility for Administration.....	56
10.2 Change of Fiduciary.....	56
10.3 Fiduciary Liability.....	56
10.4 Communication of Plan.....	56
10.5 Expenses .....	56
10.6 Discrimination Prohibited.....	57
10.7 Limitation of Payment.....	57
10.8 Non-Alienation of Benefits .....	57
10.9 Protection of Benefits .....	59
10.10 Jurisdiction.....	60
10.11 No Enlargement of Employment Rights.....	60
10.12 Previously Merged Plans .....	60
10.13 Savings Clause.....	60
10.14 Merger and Consolidation of Plan or Transfer of Plan Assets .....	60
10.15 Responsibility for Furnishing Information.....	60
10.16 Right to Require Submission of Information.....	60
10.17 Payment to or on Behalf of Incompetent .....	60
10.18 Time Limitation on Benefits.....	61
10.19 Withdrawal Liability.....	61
10.20 Reciprocal Agreement .....	61
10.21 Pro Rata Pensions.....	61
10.22 Money Follows the Worker Pension .....	63
<b>ARTICLE 11 CLAIMS AND APPEALS PROCEDURES.....</b>	<b>64</b>
11.1 Exclusive Procedures.....	64
11.2 Condition to Action .....	64
11.3 Denial of Claim.....	64

11.4	Content of Initial Adverse Determination Notice .....	64
11.5	Appeal to the Appeals Review Committee or Trustees.....	65
11.6	Scope of Review.....	66
11.7	Decision by Appeals Review Committee .....	66
11.8	Decision by the Trustees .....	67
11.9	Contents of Adverse Determination on Appeal .....	67
11.10	Authority of Appeals Review Committee and Trustees .....	68
<b>ARTICLE 12 AMENDMENT TO PLAN .....</b>		<b>69</b>
12.1	Right of Amendment.....	69
12.2	Qualification of Plan .....	69
12.3	Limitation of Amendment .....	69
<b>ARTICLE 13 TERMINATION OF PLAN .....</b>		<b>70</b>
13.1	Right to Terminate Plan .....	70
13.2	Termination by Trustees .....	70
13.3	Termination by Pension Benefit Guaranty Corporation .....	70
13.4	Distribution of Benefits on Plan Termination .....	71
13.5	Benefits Unaffected by Continued Employment.....	71
13.6	Disposition of any Excess.....	71
<b>ARTICLE 14 TOP-HEAVY RULES .....</b>		<b>72</b>
14.1	General Rule.....	72
14.2	Determination of Top-Heavy Status.....	72
14.3	Special Vesting, Minimum Benefit and Compensation Rules .....	75
<b>ARTICLE 15 ADOPTION AND EFFECTIVE DATE.....</b>		<b>77</b>
<b>ARTICLE 16 REHABILITATION PLAN AND SCHEDULES.....</b>		<b>78</b>
16.1	Cash Payment Eliminated.....	78
16.2	Purpose.....	78
16.3	Defined Terms .....	78
16.4	Death Benefits – Article 8.1(b) of the Plan .....	80
16.5	Pension Benefits for Retirements Prior to August 2, 2011 are not Affected by the Rehabilitation Plan.....	81
16.6	Early Retirement Benefits for Terminated Participants who Retire After August 1, 2011.....	82

16.7	Rules for Active Participants who Retire After August 1, 2011 and Before Their Employer Has Adopted a Schedule .....	82
16.8	Annual Update of the Rehabilitation Plan and Schedules .....	83
16.9	Work under Different Schedules .....	83
16.10	Preferred Schedule .....	83
16.11	Default Schedule .....	85
16.12	Other Issues.....	86

## PREFACE TO THE JANUARY 1, 2015 RESTATEMENT

The Inlandboatmen's Union of the Pacific National Pension Plan (the Plan) was last restated effective January 1, 2010 and has been amended six times.

Now, in order to update the Plan Document to comply with the Pension Protection Act of 2006, the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, the Heroes Earnings Assistance and Relief Tax Act of 2008, the Worker, Retiree, and Employer Recovery Act of 2008, the Small Business Jobs Act of 2010, the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010, the Moving Ahead for Progress in the 21<sup>st</sup> Century Act, and the American Taxpayer Relief Act of 2012, to the extent applicable, and to make other changes to the Plan Document and in conjunction with a request to the Internal Revenue Service for a new determination letter, the Plan is hereby restated effective January 1, 2015. The January 1, 2015 Restatement is applicable only to benefits which commence on and after January 1, 2015. Benefits which commence prior to January 1, 2015 will be determined under the prior Plan Document.

## ARTICLE 1 DEFINITIONS

- 1.1** **Accrued Benefit** is the dollar amount, accumulated as of a given time, of the benefit to be paid under the normal annuity form commencing at a Participant's Normal Retirement Date or postponed retirement date. Subject to Article 6.5, a Participant's Accrued Benefit will be equal to the sum computed pursuant to this Article 1.1:
- (a) \$25.00 per month multiplied by the number of years of Past Benefit Service, as determined under Article 1.10(a).
  - (b) For Plan Years commencing on and after July 1, 1981, through the first (1<sup>st</sup>) six (6) months of the Plan Year commencing July 1, 2003, for which a Participant is credited with Future Benefit Service, his/her monthly benefit will be equal to the sum of the amount determined as follows:
    - (1) First (1<sup>st</sup>) through ninth (9<sup>th</sup>) years of Future Benefit Service at two and one-quarter percent (2¼%) of Employer Contributions;
    - (2) Tenth (10<sup>th</sup>) through nineteenth (19<sup>th</sup>) years of Future Benefit Service at two and one-half percent (2½%) of Employer Contributions; and
    - (3) Twenty (20) years and over of Future Benefit Service at two and three-quarters percent (2¾%) of Employer Contributions.
  - (c) For the last six (6) months of the Plan Year commencing on July 1, 2003, and every Plan Year thereafter for which a Participant is credited with Future Benefit Service, his/her monthly benefit will be equal to the sum of the amount determined as follows:
    - (1) First (1<sup>st</sup>) through ninth (9<sup>th</sup>) years of Future Benefit Service at one and forty hundredths percent (1.40%) of Employer Contributions;
    - (2) Tenth (10<sup>th</sup>) through nineteenth (19<sup>th</sup>) years of Future Benefit Service at one and fifty-five hundredths percent (1.55%) of Employer Contributions; and
    - (3) Twenty (20) years and over of Future Benefit Service at one and seventy hundredths percent (1.70%) of Employer Contributions.
  - (d) On the first (1<sup>st</sup>) day of each January 1984 through 1986, each Participant who was retired on or before January 1, 1983, and whose Accrued Benefit, as computed pursuant to Articles 1.1(a) and 1.1(b) above equals not less than \$50.00 per

month, shall be paid on each such date the additional sum of \$600, or a total additional benefit of \$1,800. In the event that a Participant retires on or after January 1, 1983, the total additional benefit provided hereby will be reduced by \$50.00 for each full month that has elapsed between January 1, 1984, and a Participant's retirement date. In the event that a Participant's Accrued Benefit, as determined pursuant to Articles 1.1(a) and 1.1(b) above is less than \$50.00, the amount paid annually pursuant to this Article shall be equal to twelve (12) times Participant's Accrued Benefit adjusted, if necessary, to the Participant's retirement date as provided in the last preceding sentence. The benefit provided hereby shall not be increased as a result of the additional benefits provided pursuant to Article 1.1(e) below.

- (e) Commencing July 1, 1981, and ending on December 31, 2003, the Accrued Benefit for all Participants shall be increased by an amount that is equal to ten percent (10%) of the amounts determined pursuant to Articles 1.1(a) and 1.1(b), in addition to any amounts which may be due pursuant to Article 1.1(d) above.
- (f) Commencing July 1, 1986, and continuing through June 30, 1988, the Accrued Benefit earned for those years by all Participants shall be increased by an amount that is equal to one hundred percent (100%) of the amounts determined pursuant to Articles 1.1(a) and 1.1(b), in addition to any amounts which may be due pursuant to Articles 1.1(d) and 1.1(e) above.
- (g) Commencing April 1, 1994, and continuing thereafter, the retirement benefit being paid on that date to any person who commenced receiving monthly benefits prior to July 1, 1993, shall be increased by one percent (1%) for each year, or fraction thereof, that such person has been in retirement from July 1, 1983, through June 30, 1993. If the person receiving the benefit is a beneficiary of the retiree, the increase in benefits shall be calculated from the date of retirement of the retiree. All fractional interests will be determined on a monthly basis. The benefits provided under this Article will not apply to benefits being paid (i) as a result of an election made between January 1, 1988, and June 30, 1988, entitling the Participant to a \$500 per month benefit in addition to the benefit otherwise due the Participant as a result of an early retirement or, thereafter, if during said period the Participant was drawing long-term disability, or (ii) to benefits paid as a result of retirement under any plan of the Ferry Concessions Retirement Trust.
- (h) Commencing July 1, 1998, and continuing thereafter, the retirement benefit being paid on that date to any person who commenced receiving monthly benefits prior thereto shall be increased by one percent (1%) for each year that such person has been in retirement from July 1, 1993, through June 30, 1998. If the person receiving the benefit is a beneficiary of the retiree, the increase in benefits shall be calculated from the date of retirement of the retiree. All fractional interests will be determined on a monthly basis. The benefits provided under this Article will

not apply to benefits being paid as a result of an election made pursuant to Article 4.3 of the Plan entitling the Participant to a \$400 or \$500 per month benefit in addition to the benefit otherwise due the Participant as a result of an early retirement or, thereafter, if during said period the Participant was drawing long-term disability.

- (i) The Accrued Benefit earned for the 1988-89 Plan Year by all Participants shall be increased by an amount that is equal to one hundred percent (100%) of the amounts determined pursuant to Articles 1.1(a) and 1.1(b), in addition to any amounts which may be due pursuant to Article 1.1(e) above.
- (j) In computing the benefit provided in Articles 1.1(b) and 1.1(c), a Participant's Future Benefit Service will include all years of service without a break in service of the Participant prior to July 1, 1981, with any pension plan to which the Union was a party. Service in any other plan with which the Trustees have a reciprocal agreement will also be counted as Future Benefit Service.

**1.2 Actuarial Equivalent** is a form of benefit differing in time, period, or manner of payment from another form of benefit under the Plan but having the same value when computed using the Plan's actuarial assumptions as of a common valuation date. The assumptions to be used in determining whether the values are equal will be those customarily used by the actuary selected by the Trustees using the actuarial assumptions as set forth in Exhibit A. In the event of a change in Exhibit A, the Actuarial Equivalent of the Accrued Benefit on or after the date of the change is the greater of the Actuarial Equivalent of the Accrued Benefit as of the date of the change computed on the old basis or the Actuarial Equivalent of the total Accrued Benefit computed on the new basis.

For distributions before July 1, 2008, for purposes of cashing out any benefits and for calculating any other benefit options subject to Code Section 417(e)(3), Actuarial Equivalency shall be determined by the actuary selected by the Trustees, assuming mortality according to the "applicable mortality table" prescribed by the Commissioner of the Internal Revenue Service at the time of distributions and interest at the "applicable interest rate" specified by the Commissioner of the Internal Revenue Service for 30-year Treasury securities for the month of May preceding the Plan Year of distribution. For distributions before January 1, 2003, the applicable mortality table prescribed in Revenue Ruling 95-6 shall apply. For distributions on or after January 1, 2003 and prior to July 1, 2008, the applicable mortality table prescribed in Revenue Ruling 2001-62 shall apply.

For distributions between July 1, 2008 and June 30, 2009, for purposes of cashing out any benefits and for calculating any other benefit options subject to Code Section 417(e)(3) the Actuarial Equivalency shall be determined by the actuary selected by the Trustees using the assumptions in (a) or (b) below that provide the largest benefit.

- (a) The “applicable mortality table” shall be the table prescribed in Revenue Ruling 2001-62 and the “applicable interest rate” shall be as specified by the Commissioner of the Internal Revenue Service for 30-year Treasury securities for the month of May preceding the Plan Year of distribution; or
- (b) The “applicable mortality table” shall be the table prescribed by the Secretary of the Treasury under Code Section 417(e)(3) for the Plan Year of distribution and the “applicable interest rate” shall be as specified in Code Section 417(e)(3) for the month of May preceding the Plan Year of distribution.

For distributions on or after July 1, 2009, for purposes of cashing out any benefits and for calculating any other benefit options subject to Code Section 417(e)(3), Actuarial Equivalency shall be determined by the actuary selected by the Trustees assuming mortality according to the “applicable mortality table” prescribed by the Secretary of the Treasury under Code Section 417(e)(3) for the Plan Year of distribution and interest at the “applicable interest rate” or rates specified in Code Section 417(e)(3) for the month of May preceding the Plan Year of distribution.

- 1.3 **Affiliate** is any business entity in a control group relationship with an Employer for purposes of Code Section 414.
- 1.4 **Annuity Starting Date** is defined in accordance with Code Section 417(f) to mean:
  - (a) The first (1<sup>st</sup>) day of the first (1<sup>st</sup>) period for which an amount is payable as an annuity; or
  - (b) In the case of a benefit not payable in the form of an annuity, the first (1<sup>st</sup>) day on which all events have occurred which entitle the Participant to a benefit.
- 1.5 **Benefit Service** is the total of a Participant’s Past Benefit Service and Future Benefit Service determined as follows:
  - (a) **Past Benefit Service** is the total of a Participant’s Past Credited Service as determined under Article 1.10(a).
  - (b) **Future Benefit Service** is the total of a Participant’s Future Credited Service as determined under Article 1.10(b), for which Contributions are made to the Pension Fund on his/her behalf.
- 1.6 **Code** means the Internal Revenue Code of 1986, as amended or replaced from time to time and any regulations issued pursuant thereto that affect the Plan or the Pension Fund.

- 1.7 **Collective Bargaining Agreement** means any Collective Bargaining Agreement between an Employer and the Union (or another union with Trustee approval), including any amendments, extensions, renewals, or successor agreements thereto, under the terms of which the Employer contributes sums of money to the Pension Fund for the purpose of providing the benefits described in this Plan.
- 1.8 **Computation Date** is the date as of which the amount of a Participant's monthly benefit under the Plan is being calculated.
- 1.9 **Contributions** means:
- (a) **Employer Contributions** are Contributions paid or required to be paid to the Pension Fund from an Employer on behalf of an Employee for the purpose of providing benefits described in the Plan. Such Contributions are determined under a Collective Bargaining Agreement. Employer Contributions also include Contributions paid or required to be paid pursuant to a written agreement by the Union on behalf of Employees participating pursuant to Article 1.14(b), or by an Employer on behalf of Employees participating pursuant to Article 1.14(c).
  - (b) **Settlement Contributions** are Contributions received by the Pension Fund for the purpose of providing benefits described in the Plan under the following circumstances:
    - (1) The Contributions must originate from a Participant's settlement of a work-related injury or illness.
    - (4) The Contributions must be made by, or on behalf of, the Participant's Employer and may not be made, under any circumstances, directly by the Participant.
    - (5) The Contributions will be credited for the period that the Participant was disabled as a result of an injury and cannot exceed the amount that would have been contributed on behalf of the Participant if the Participant had been entitled to (i) Employer Contributions during the entire period of disability and (ii) the maximum amount required by each Collective Bargaining Agreement effective during the term of disability.
    - (6) The Contributions received will be applied in the order and amount that such Contributions would have been due, without interest, liquidated damages, or other reduction, in accordance with each Collective Bargaining Agreement effective during the term of the disability, commencing with the first (1<sup>st</sup>) Employer Contribution that would have been due but for the disability.

- (7) The maximum Contribution for a Participant who is claiming a disability pension will not be greater than the amount required to provide the Participant with a Vested Interest. The maximum Contribution for a Participant who is not claiming a disability pension will not be greater than the amount required to provide the Participant with Future Credited Service equal to the Participant's Future Credited Service at the date the disability was incurred.
- (8) The acceptance of Settlement Contributions shall be subject to such further rules as the Trustees may, from time to time, adopt and administer on a non-discriminatory basis uniform among all Participants.

**1.10** Credited Service is the period of a Participant's service, with one (1) or more Employers as an Employee. The Credited Service will be the total of Past Credited Service and Future Credited Service.

- (a) Past Credited Service may be awarded to a Participant as a result of service with a New Employer if that New Employer agrees to pay the Actuarial Equivalent of the benefit based on the Past Benefit Service to which all of its Employees are entitled. In the event that the Trustees permit such payment to be made subsequent to the Participant's New Employer's Effective Date of Entry, and such New Employer fails to pay the full amount due as determined by the Trustees, the Participants who have been credited with such Past Credited Service shall, upon such failure, have their Past Credited Service recomputed to reflect the actual Contributions made; provided, however, that, prior to the payment in full by any such New Employer of such amounts due for Past Benefit Service, no Participant, surviving spouse, or beneficiary shall be paid retirement benefits for Past Credited Service in an amount that exceeds the payment made by such New Employer to the Trustees for Past Credited Service on behalf of the Employee. The maximum number of Past Credited Service years that can be awarded pursuant to this Article is the lesser of fifteen (15) years or the length of the Participant's service with the Employer. Past Benefit Service is calculated pursuant to Article 1.1(a). The credit cannot exceed \$25.00 per year of Past Benefit Service.
- (b) Future Credited Service is all Credited Service (except Past Credited Service) and will be determined as follows:
  - (1) For the period from the Effective Date to July 1, 1982, a Participant will be credited with one (1) year of Future Credited Service for each Plan Year during which the Participant is continuously employed and completes at least 500 Hours of Service for an Employer or Employers. Participants employed by an Employer who come under contract after the Plan Year date of July 1, shall be required to have worked for an Employer a pro rata number of hours in relation to 500 Hours of Service for a 12-month

period for a year of service during the first (1<sup>st</sup>) Plan Year of Employer's Contributions; and, for the purpose of determining the amount of Future Credited Service, one (1) year of Future Credited Service for each year during which the Participant was continuously employed or did not suffer a service break prior to the Effective Date under any other Inlandboatmen's Union Pension Plan or any other plan with which the Trustees have a reciprocal agreement.

- (2) Commencing on and after July 1, 1982, and continuing through June 30, 1984, a year of Future Credited Service will be earned for each Plan Year in which a Participant completes 500 Hours of Service for an Employer or Employers; provided, that a one (1) year break in service will occur in any Plan Year in which a Participant fails to accrue, for any reason other than military service, disability, or Leave of Absence, at least 500 Hours of Service for an Employer or Employers.
- (3) Commencing on or after July 1, 1984, a year of Future Credited Service will be earned for each Plan Year in which a Participant completes 240 Hours of Service for an Employer or Employers; provided, that a one (1) year break in service will occur in any Plan Year in which a Participant fails to accrue, for any reason other than military service, pursuant to the Uniformed Services Employment and Reemployment Act of 1994 or Leave of Absence, at least 240 Hours of Service for an Employer or Employers.
- (4) Except for those years excluded under Articles 1.10(b)(1) and 1.10(b)(2), all complete years of Future Credited Service will be aggregated for all purposes under the Plan.
- (5) For the purpose of determining whether a Participant has incurred a one (1) year break in service, Hours of Service shall be recognized for maternity and paternity Leave of Absence. A maternity or paternity Leave of Absence shall mean an absence from work for any period by reason of the Employee's pregnancy, birth of the Employee's child, placement of a child with the Employee in connection with the adoption of such child, or any absence for a period immediately following such birth or placement. For this purpose, Hours of Service shall be credited for the Plan Year in which the absence from work begins, only if credit is necessary to prevent the Employee from incurring a one (1) year break in service, or in any other case, in the immediately following Plan Year. The Hours of Service credited for a maternity or paternity Leave of Absence shall be those which would normally have been credited but for such absence or, in any case, in which the Plan Administrator is unable to determine such hours

normally credited, eight (8) Hours of Service per day. The total Hours of Service required to be credited for a maternity or paternity Leave of Absence shall not exceed 241.

- (6) For the period from the Effective Date to July 1, 1985, Future Credited Service will not be taken into account for any purpose under the Plan if the Participant does not have a Vested Interest in his/her Accrued Benefit and if the number of consecutive one (1) year breaks in Future Credited Service equals or exceeds the number of complete years of Future Credited Service completed prior to such break in service.
- (7) For Plan Years commencing on and after July 1, 1985, Future Credited Service will not be taken into account for any purpose under the Plan if the Participant does not have a Vested Interest in his/her Accrued Benefit and if the number of consecutive one (1) year breaks in Future Credited Service equals or exceeds the greater of the number of complete years of Future Credited Service completed prior to such breaks or five (5).
- (8) If a Participant's years of service are disregarded pursuant to Article 1.10(b)(6) or 1.10(b)(7), such Participant will be treated as a new Employee for eligibility purposes. If a Participant's years of service may not be disregarded pursuant to Article 1.10(b)(6) or 1.10(b)(7), such Participant shall continue to participate in the Plan or, if terminated, shall participate immediately upon reemployment.
- (9) Notwithstanding any provision in Article 1.10(b) or elsewhere in this Plan to the contrary, a break in service shall not be deemed to have occurred as to any Employee whose Employer may have changed legal form, including but not limited to, reorganization under the Bankruptcy Code or sale or other transfer of the Employer's assets if the Trustees find that there is a continuity of operation between a former Employer and a currently contributing Employer, taking into account the operating assets, services performed, Employee composition, and other factors deemed relevant by the Trustees and both of the Employers were obligated to make Contributions to this Pension Fund.
- (10) Notwithstanding any provisions in this Plan to the contrary, all service, on or after the Effective Date and prior to the Effective Date of Entry, with any Employer aggregated under Code Section 414 will be treated as Past Credited Service; provided, however, no Contributions will be accepted from a New Employer unless such New Employer elects and pays, no later than the Effective Date of Entry of such New Employer, the actuarial

present value of the Past Credited Service to which all such New Employer's Employees are entitled pursuant hereto.

- (11) Effective July 1, 1987, the Pension Plan of the Columbia River Retirement Trust merged with this Plan and its benefits were frozen under its structure effective July 1, 1987.
- (12) Effective July 1, 1988, the Pension Plan of the Inland Waters Pension Trust merged with this Plan and its benefits were frozen under its structure effective July 1, 1988.
- (13) Effective July 1, 1993, the Pension Plan of the Ferry Concessions Retirement Trust ("Ferry Concessions") merged with this Plan and its benefits were frozen under its structure effective July 1, 1993. For the calendar year 1994, for vesting purposes, a Ferry Concessions Participant shall receive a year of service under Ferry Concessions if the Participant meets the year of service requirements during the calendar year. The Participant shall also receive a year of service for vesting purposes if the Participant meets this Plan's requirements during the period July 1, 1994 to June 30, 1995. A Ferry Concessions Participant may receive one (1) year of service for vesting purposes under Ferry Concessions and this Plan in the 18-month period, January 1, 1994, through June 30, 1995. The Ferry Concessions benefit shall be calculated utilizing only the Contributions from January 1, 1994 through June 30, 1994. This Plan's benefit shall be calculated based on all Contributions after June 30, 1994.
- (14) Uniformed Services Employment and Reemployment Rights Act of 1994 (the "Act") provisions shall be applied as follows:
  - (i) To the extent allowed by the Code and ERISA, these provisions shall apply to the Plan and shall be effective sixty (60) days after October 13, 1994. All defined terms herein shall be defined in accordance with the Act.
  - (ii) Each period served by a Participant in the uniformed services shall, upon reemployment, constitute Hours of Service for Plan purposes including vesting and benefit accruals.
  - (iii) Each Participant affected by these provisions shall receive Future Credited Service at the rate the Participant would have received had the period of uniformed service not occurred. If the rate cannot be accurately determined, the Participant shall receive credit based upon the average rate of contributions and hours for the 12-

month period immediately preceding the period of uniformed service. If the period of employment is shorter than twelve (12) months, that period shall be used for the calculation.

(iv) Benefits accrued pursuant to Article 1.10(b)(14)(iii) shall be treated as experience losses of the Plan. The Employer reemploying the Participant shall not be required to make Contributions to the Plan to fund the benefits.

(v) Each Employer reemploying a Participant shall notify the Plan within thirty (30) days of such reemployment.

**1.11 Disability Retirement.** The rules set forth in Article 7 shall govern eligibility for Disability Retirement.

**1.12 Effective Date** is the Effective Date of the Plan, which is July 1, 1981.

**1.13 Effective Date of Entry** is, for any Employer, the Effective Date or, if later, the date the Employer adopts the Plan. An Employer will be deemed to have adopted the Plan as of the date such Employer agrees to be bound by the terms of the Trust Agreement, by executing a Joinder Agreement in the form required by the Trustees.

**1.14 Employee** means:

(a) Employees represented by the Union (or another union with Trustee approval), for purposes of collective bargaining, employed by an Employer and covered by the terms of a Collective Bargaining Agreement in a job for which there is a Contribution obligation to the Pension Fund.

(b) Employees of the Union who, at the election of the Union, are designated as Participants, subject to provisions of the Code.

(c) Employees of an Employer who are covered by a Joinder Agreement in a job for whom there is a Contribution obligation to the Pension Fund.

**1.15 Employer** means any sole proprietorship, partnership, limited liability company, unincorporated association, corporation, or joint venture; the United States of America; any state, county, or municipality; or any other public agency, public corporation, or governmental unit that is obligated to make Contributions pursuant to a Collective Bargaining Agreement or Joinder Agreement and including the Union.

1.16 **ERISA** means the Employee Retirement Income Security Act of 1974, as amended or replaced from time to time and any regulations issued pursuant thereto that affect the Plan or Pension Fund.

1.17 **Hour of Service** means:

(a) Each hour for which the Employee is paid directly or indirectly, or entitled to payment for the performance of duties. These hours will be credited to the Employee for the computation period or periods in which the duties are performed.

(b) Each hour for which the Employee is paid directly or indirectly, or entitled to payment by an Employer with respect to a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated). Such periods include, but are not limited to, vacation, holiday, sickness, incapacity (including disability), layoff, jury duty, military duty, Leave of Absence, and accumulated time off.

For the purpose of this Article 1.17(b), the number of Hours of Service credited to the Employee for any single continuous period during which no duties are performed, in each computation period, will be equal to the lesser of the number of hours required to be credited under 29 C.F.R. § 2530.200b-2(b) and (c).

(c) Each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by an Employer. The same Hours of Service will not be credited both under Article 1.17(a) or Article 1.17(b), as the case may be, and under this Article 1.17(c). These hours will be credited to the Employee for the computation period or periods to which the award, agreement, or payment pertains rather than the computation period in which the award, agreement, or payment is made.

For purposes of this Article 1.17, computation period means a Plan Year.

1.18 **Joinder Agreement** means a document in writing between an Employer or Union and the Trustees, Plan, or Pension Fund under the terms of which the Employer or Union is required to make Contributions to the Pension Fund on behalf of Employees covered by the Joinder Agreement.

1.19 **Leave of Absence** is any Leave of Absence authorized by an Employer on a basis of uniform and nondiscriminatory rules applicable to all Employees in similar circumstances. Leave of Absence will include service in the Armed Forces of the United States of America and sick leave. However, if the Employee fails to return to active employment within the time specified by the Trustees, after sick leave, after having been pronounced fit for duty by a doctor designated by the Trustees or, after military service, by not com-

plying with the provisions of the Uniformed Services Employment and Reemployment Rights Act of 1994, such absence will not be considered a Leave of Absence. If the Participant fails to return to active employment because of death, his/her service will be deemed to have continued without a break in service until the date of his/her death.

- 1.20 **New Employer** is any Employer who is required by a Collective Bargaining Agreement or Joinder Agreement to make Contributions to the Pension Fund and such Employer was not contributing to any existing Inlandboatmen's Union Pension Plan prior to such Employer's Effective Date of Entry.
- 1.21 **Normal Retirement Date** is described in Article 3.1.
- 1.22 **Participant** is any person covered by the Plan and includes:
- (a) Any Employee employed by an Employer for whom the Employer is required to make Contributions to the Pension Fund pursuant to a Collective Bargaining Agreement or Joinder Agreement.
  - (b) Any Employee of the Union for whom Contributions are made to the Pension Fund.
  - (c) Any terminated or retired person who is receiving, or who is entitled to receive, benefits under the Plan.
- 1.23 **Pension Fund** is the fund established under the Trust Agreement with respect to this Plan and held on accordance with the terms of the Trust Agreement.
- 1.24 **Plan** is the Inlandboatmen's Union of the Pacific National Pension Plan, the terms of which are set forth herein as amended and restated from time to time.
- 1.25 **Plan Administrator** is the person or entity designated by the Trustees in accordance with the Trust Agreement to administer the Plan.
- 1.26 **Plan Year** is the period from July 1, 1981, through June 30, 1982, and each succeeding (12-month period thereafter. "Plan Anniversary" is July 1, 1981, and each July 1 thereafter.
- 1.27 **Reciprocal Plan** means any other qualified retirement plan that is a party to an agreement or other arrangement with the Pension Fund, the Plan, or the Trustees providing for recognition by one (1) plan of service or benefits or both credited under the other plan or for the transfer of Contributions between plans at the Employee's or Participant's request.

- 1.28 **Trust Agreement** is the First Restated Trust Agreement for the Inlandboatmen’s Union of the Pacific National Pension Trust dated February 26, 1997, including any amendments thereto and restatements thereof.
- 1.29 **Trustees** mean the individuals designated as Employer Trustees and Union Trustees pursuant to the terms of the Trust Agreement and their successors.
- 1.30 **Union** is the Inlandboatmen’s Union of the Pacific Marine Division, of the International Longshoremen’s and Warehousemen’s Union and any successor.
- 1.31 **Vested Interest** is the nonforfeitable, unconditional right of a Participant or his/her beneficiary to a pension benefit subject to the following provisions of this Plan, acquired as follows:

- (a) A Participant will acquire a Vested Interest after the completion of ten (10) years of Credited Service prior to July 1, 1986; provided, however, that any Participant who entered the Plan at age fifty-five (55) or over prior to said date will acquire a one hundred percent (100%) Vested Interest after five (5) years of Credited Service, except that any Participant who entered the Plan at age sixty-two (62) or over prior to said date will acquire a one hundred percent (100%) Vested Interest after three (3) years of Credited Service.
- (b) Prior to July 1, 1997, if a Participant has acquired one (1) full year of Future Credited Service after July 1, 1986, the Participant will acquire a Vested Interest on the following basis:

Completed Years of Credited Service	Percent of Vested Interest
Fewer than 5	0%
At least 5 and less than 6	50%
At least 6 and less than 7	60%
At least 7 and less than 8	70%
At least 8 and less than 9	80%
At least 9 and less than 10	90%
More than 10	100%

- (c) Beginning July 1, 1997, if a Participant has acquired more than five (5) and fewer than ten (10) years of Credited Service after July 1, 1986, and prior to July 1, 1997, the Participant will acquire a Vested Interest and be entitled to a normal retirement benefit, in accordance with the provisions of this Plan, at such time, commencing with the 1997 Plan Year, that such Participant has acquired at least two (2) Hours of Service for an Employer or Employers; provided, however, that in

the event such Participant fails to acquire at least two (2) Hours of Service for an Employer or Employers on or after July 1, 1997, the Participant's Vested Interest will continue to be determined in accordance with the schedule at Article 1.31(b).

- (d) Beginning July 1, 1997, if a Participant has acquired fewer than five (5) years of Credited Service after July 1, 1986, and prior to July 1, 1997, the Participant will acquire a one hundred percent (100%) Vested Interest and be entitled to a normal retirement benefit, in accordance with the provisions of this Plan, at such time that the number of years of Credited Service equals five (5). The Participant will acquire no Vested Interest until the 5-year requirement is met.
- (e) Credited Service awarded as a result of a reciprocal agreement or a Joinder Agreement will be counted toward vesting under Articles 1.31(b), (c) and (d) as long as a break in service, calculated pursuant to Article 1.10(b)(7), has not occurred. Credit toward vesting will not exceed Credited Service. Any Participant who entered the Plan after July 1, 1986, will, in all circumstances, acquire a Vested Interest not later than his/her Normal Retirement Date, as defined in Article 3.1 provided, however, that a Participant's right to his/her normal retirement benefit is nonforfeitable on attainment of the Participant's normal retirement age, as defined in Code Section 411(a)(8).

**ARTICLE 2**  
**ELIGIBILITY AND PARTICIPATION**

- 2.1 Participation On and After July 1, 1981.** Each Employee will be eligible for participation and will automatically become a Participant in the Plan on the first (1<sup>st</sup>) day of the month coinciding with, or next following, the latest of the following dates:
- (a) July 1, 1981;
  - (b) The date which is the Employer's Effective Date of Entry;
  - (c) The date as of which he/she becomes employed in a job classification for which the Employer makes a Contribution to the Pension Fund as specified in the Collective Bargaining Agreement or Joinder Agreement, or if an Employee of the Union, the date on which the Union makes an election to treat him/her as an Employee under the Plan.
  - (d) The date of his/her reemployment, in the case of a former Participant.
- 2.2 Participant Bound by Terms of Plan.** Each Participant will be deemed conclusively and, for all purposes, to have assented to the terms of the Plan and will be bound with the same force and effect as if he/she had been a party to the execution of the Plan.

**ARTICLE 3**  
**RETIREMENT DATES**

**3.1 Normal Retirement Date.**

- (a) Except as provided in Article 3.1(b) and (c), the Normal Retirement Date for a Participant is the first (1<sup>st</sup>) day of the month coinciding with or next following the later of the following dates:
  - (1) his/her sixty-fifth (65<sup>th</sup>) birthday; or
  - (2) the date on which he/she completes five (5) years of Credited Service.
- (b) The Normal Retirement Date for a Participant who:
  - (1) was born on or after October 1, 1921, and prior to October 1, 1924; and
  - (2) had a Vested Interest; and
  - (3) elected to retire during the period commencing July 1, 1986, and ending September 30, 1986, was the first (1<sup>st</sup>) day of the month coinciding with or next following the date of such election. The Participant must have been retired and receiving his/her benefit not later than such day, that is, the first (1<sup>st</sup>) day of August, September, or October 1986.
- (c) The Normal Retirement Date for a Participant who:
  - (1) was born on or after March 1, 1923, and prior to July 1, 1926; and
  - (2) had a Vested Interest; and
  - (3) elected to retire during the period commencing January 1, 1988, and ending February 29, 1988, and has not previously elected to retire, and
  - (4) had 1,000 or more Hours of Service commencing with the 1985-86 Plan Year unless disabled during that period (as defined at Article 6.1 of the Third Restated Plan Document), was the first (1<sup>st</sup>) day of the month coinciding with or following the date of such election but not later than July 1, 1988; provided, however, that a Participant whose election to retire had been deferred while drawing long-term disability benefits must have been retired and receiving his/her benefit not later than sixty (60) days after the date of the termination of such benefits. Subject to the foregoing condition, the Effective Date was determined by the Participant.

3.2 **Early Retirement Date.** A Participant may elect an Early Retirement Date provided he/she has attained age fifty-five (55) and has completed at least ten (10) years of Credited Service. The Early Retirement Date will be the first (1<sup>st</sup>) day of any month subsequent to the date of such election. The Participant's retirement annuity payments will commence at his/her Early Retirement Date in an amount as determined under Article 4.3.

3.3 **Postponed Retirement Date.** A Participant may elect a Postponed Retirement Date and remain in the active service of his/her Employer or in employment as described in Article 4.7 after his/her Normal Retirement Date. The Postponed Retirement Date will be the first (1<sup>st</sup>) day of any month subsequent to the date of such election. The Participant's retirement annuity payments will commence at his/her Postponed Retirement Date in an amount as determined under Article 4.4.

Participants in employment described in Article 4.7 on or after his/her Normal Retirement Date must notify the Plan Administrator and the regional office of the Union that is responsible for the Participant's representation or dispatch in writing that the Participant is in employment as described in Article 4.7.

3.4 **Application for Retirement.** In order to effect his/her retirement, a Participant shall complete an application in a form or forms provided by the Plan Administrator. An application date shall be provided on such form or forms and the Participant will designate an effective date for his/her retirement and the commencement of the receipt of retirement benefits. The effective date shall be the first (1<sup>st</sup>) day of a month that is no earlier than six (6) months prior to, or later than six (6) months subsequent to, the application date subject to the following conditions:

- (a) A Participant for whom Settlement Contributions have been made pursuant to Article 1.9(b) and who has not otherwise acquired a Vested Interest, may, not later than three (3) months after the Pension Fund's receipt of the total amount of Settlement Contributions due on behalf of the Participant, elect an effective date that is not earlier than the date he/she has acquired a Vested Interest as a result of crediting the Settlement Contributions as provided in Article 1.9(b)(4) and not later than six (6) months after the application date. If the Participant is entitled to retire on the effective date, the Participant's (and his/her survivor's) benefits shall be computed from such date and payment shall commence on the effective date or the first (1<sup>st</sup>) day of the month following thirty (30) days after the application date, whichever occurs last. In the event that the Participant selects an effective date that is prior to the application date, the Plan Administrator may, at its discretion, withhold computation and commencement of payments until the Plan Administrator is satisfied that the Employee was not employed after the effective date subject to suspension under Articles 4.7 and 4.8.

- (b) A Participant's selection of an effective date pursuant hereto shall be conclusive notwithstanding the Participant's death or disability subsequent to his/her application date.
- (c) A Participant's effective date shall not precede the final date that payment has been made of all compensation due or accrued from the Participant's last Employer.

**3.5 Participant's Consent.** If the present value of a Participant's Vested Interest exceeds \$5,000, the Participant and the Participant's spouse (or where either the Participant or the spouse has died, the survivor), must consent to any distribution of the Participant's Accrued Benefit. The consent of the Participant and the Participant's spouse shall be obtained in writing within the 180-day period ending with the effective date as defined in Article 3.4. The Plan Administrator shall notify the Participant and the Participant's spouse of the right to defer any distribution until the Participant's Normal Retirement Date. Such notification shall include a general description of the material features, an explanation of the relative values of, and the optional forms of benefit under the Plan in a manner that would satisfy the notice requirements of Code Section 417(a)(3), and shall be provided no less than 180 days prior to the effective date, or, if the application date is later than the effective date, as soon as administratively possible. However, distribution may commence less than thirty (30) days after the notice described in the preceding sentence is given, provided (i) the Plan Administrator clearly informs the Participant that the Participant has a right to a period of at least thirty (30) days after receiving the notice to consider the decision of whether or not to waive the qualified joint and survivor annuity and consent to a form of distribution other than the qualified joint and survivor annuity, (ii) the Participant is permitted to revoke an affirmative distribution election at least until the Annuity Starting Date, or, if later, at any time prior to the expiration of the 7-day period that begins the day after the notice is provided to the Participant, (iii) the Annuity Starting Date is after the notice is provided to the Participant, and (iv) distribution in accordance with the affirmative election does not commence before the expiration of the 7-day period that begins the day after the notice is provided to the Participant.

Notwithstanding the foregoing, only the Participant need consent to the commencement of distribution in a Joint and Survivor Pension as described at Article 5.1.

If the Actuarial Equivalent of a surviving spouse's benefit exceeds \$5,000, the surviving spouse must consent to any distribution pursuant hereto. The Plan Administrator shall notify the surviving spouse within thirty (30) days of notice of the death of the Participant of the spouse's right to defer any distribution as provided in the Plan.

In determining whether the present value of any Accrued Benefit exceeds \$5,000, if the present value of the Accrued Benefit at the time of any distribution exceeds \$5,000, the present value of the Accrued Benefit at any subsequent time will be deemed to exceed \$5,000.

### 3.6 Retroactive Annuity Starting Date.

- (a) Retroactive Annuity Starting Date means an Annuity Starting Date that is affirmatively elected in accordance with Article 3.4 by a Participant that occurs on or before the date the written explanation of benefit payment options as described in Article 3.5 is provided to the Participant.
- (b) In order to elect a Retroactive Annuity Starting Date, a Participant must be provided the following options:
  - (1) The optional forms of payment are available at a prospective Annuity Starting Date under either Article 3.1, 3.2, or 3.3, that is between thirty (30) and 180 days after information regarding the optional forms of payment is provided. If the prospective Annuity Starting Date is an Early Retirement Date under Article 3.2, the prospective benefit will be calculated under Article 4.3 using the Participant's age as of the prospective Annuity Starting Date. If the prospective Annuity Starting Date is after the Participant's Normal Retirement Date, the benefit will be actuarially increased from the later of (i) the Participant's Normal Retirement Date or (ii) what would be the Participant's Retroactive Annuity Starting Date to the prospective Annuity Starting Date.
  - (2) In lieu of a benefit calculated pursuant to Article 3.6(b)(1), a Participant may elect an optional form of payment available at the Retroactive Annuity Starting Date, consisting of an initial single sum payment of the benefits that would have been paid for each month from the Retroactive Annuity Starting Date to the month preceding the prospective Annuity Starting Date. The single sum payment shall include interest at the rate specified in Exhibit A. Monthly payments commencing at the prospective Annuity Starting Date shall be in the amount that would have been paid to the Participant had payments actually commenced on the Participant's Retroactive Annuity Starting Date.
- (c) In the case of retirement after a Participant's Normal Retirement Date as defined in Article 3.1, the actuarial increase in Article 3.6(b)(1) shall be determined using the assumptions detailed in Article 1.2 and shall be applied to the normal and optional retirement benefits determined under Articles 5.1 or 5.2.

- (d) The calculation of benefits, whether under Article 3.6(b)(1) or 3.6(b)(2), shall not include periods during which the Participant was not eligible to receive a benefit, or benefits were otherwise subject to suspension under Articles 4.6 and 4.7.
- (e) Any election under Article 3.6(b)(2), in lieu of benefit payments described in Article 3.6(b)(1), shall be subject to the notice and spousal consent requirements including, but not limited to, those in Article 3.5 and Code Sections 401(a)(11) and 417 and the regulations issued thereunder including requirements specific to the election of retroactive payments under Treasury Regulation Section 1.417(e)-1.
- (f) Notwithstanding any other provision contained in the Plan, this Article 3.6 shall be interpreted with the intent of complying with the Retroactive Annuity Starting Date requirements of Treasury Regulation Sections 417(e)-1(b)(3)(iv); 417(e)-1(b)(3)(v); and 417 (e)-1(b)(3)(vi).

**ARTICLE 4**  
**RETIREMENT BENEFITS**

**4.1 Normal Retirement Annuity.** At the Participant's Normal Retirement Date, a Participant will be entitled to receive a normal retirement annuity. The normal retirement annuity is a monthly annuity on the normal annuity form described in Article 5.1 with the first (1<sup>st</sup>) monthly payment payable on the Participant's Normal Retirement Date, if the Participant is then living; provided, the Participant has made timely application as provided in Article 3.4.

**4.2 Amount of Normal Retirement Benefit.** The amount of normal retirement annuity payable to any Participant who remains in employment until his/her Normal Retirement Date will be equal to the amount of the Participant's Accrued Benefit as of the Participant's Normal Retirement Date.

**4.3 Amount of Early Retirement Benefit.**

(a) Except as otherwise provided in this Article 4, the amount of the monthly retirement annuity payable to a Participant who elects an Early Retirement Date in accordance with Article 3.2 will be determined as follows: If the Participant has not reached the age of sixty-two (62), and has not less than 240 Hours of Service during the 1989/90 Plan Year or any Plan Year thereafter, the amount will be equal to (a) the Participant's normal retirement annuity, (b) reduced by one-quarter percent (.25%) per month for each month from the date of commencement of the Early Retirement Benefit to the date the Participant reaches the age of sixty-two (62) years.

The Early Retirement Benefit for all other Participants shall be reduced by one-quarter percent (.25%) per month for each month from the date of the Early Retirement Benefit to the date the Participant reaches the age of sixty-five (65) years.

(b) If a Participant (i) was born on or after July 1, 1931, and prior to July 1, 1936, (ii) has not less than twenty-five (25) years of Credited Service, (iii) elects to retire on or before July 1, 1996, and (iv) has not previously elected to retire, the amount of monthly retirement will be equal to (a) the Participant's normal retirement annuity, (b) reduced by one-quarter percent (.25%) per month for each month from the date of commencement of the Early Retirement Benefit to the date the Participant reaches the age of sixty-five (65) years, (c) to which will be added \$400 per month, each month, commencing upon retirement, and continuing for two (2) years, or until the Participant attains age sixty-five (65), or until his/her death, whichever occurs first (1<sup>st</sup>); provided, however, in the event that a Participant who was married on his/her date of retirement, dies while entitled to the

\$400 benefit, the benefit will continue to be paid to his/her spouse for two (2) years after the retirement date, or until the Participant would have attained age sixty-five (65), whichever occurs first (1<sup>st</sup>).

- (c) There are four (4) special classes of retired Participants, all of whom were required to have a Vested Interest on their respective retirement dates:
- (1) *Class 1.* Active Participants born on or after March 1, 1926, and prior to July 1, 1931, who first (1<sup>st</sup>) elected to retire during the period commencing January 1, 1988, and ending February 29, 1988, actually retired, and whose retirement benefits commenced not later than July 1, 1988.
  - (2) *Class 2.* Active Participants born on or after July 1, 1931, and prior to July 1, 1933, who first (1<sup>st</sup>) elected to retire during the period commencing January 1, 1988, and ending June 30, 1988, actually retired, and whose retirement benefits commenced not later than July 1, 1988.
  - (3) *Class 3.* Active Participants born on or after July 1, 1931, and prior to July 1, 1936, who first (1<sup>st</sup>) elected to retire during the period commencing March 1, 1996, and ending July 1, 1996, actually retired, and whose retirement benefits commenced not later than July 1, 1996.
  - (4) *Class 4.* Active Participants born on or after January 1, 1932, and prior to July 1, 1937, who first (1<sup>st</sup>) elected to retire during the period commencing July 1, 1996, and ending January 1, 1997, actually retired, and whose retirement benefits commenced not later than January 1, 1997.
- (d) The conditions to a Participant's entitlement to a benefit described in Article 4.3(c) are:
- (1) the Participant had a Vested Interest.
  - (2) a Class 1 or Class 2 Participant had 1,000 Hours of Service commencing with the 1985-86 Plan Year (unless he/she was disabled during this period as defined in Article 6 of the Third Restated Plan Document) and the Participant was not drawing long-term disability benefits during an otherwise applicable election period. If a Participant was drawing long-term disability benefits during an otherwise applicable election period, the Participant must have retired and commenced receiving benefits within sixty (60) days of the date of termination of the long-term disability benefits.

- (3) a Class 3 or Class 4 Participant had at least twenty-five (25) years of Credited Service.
  - (4) the Participant was not previously retired.
- (e) The benefit to Participants described in Article 4.3(c) who meets the conditions in Article 4.3(d) are:
- (1) For a Class 1 or Class 2 Participant, the monthly benefit is equal to (a) the normal retirement annuity; (b) reduced by one-quarter percent (.25%) per month for each month from the Early Retirement Date to the Participant's Normal Retirement Date; (c) to which was added \$500 per month, commencing upon retirement (but not earlier than March 1, 1988, for Class 2 Participants), and continuing until the last day of the month that the Participant attained age sixty-two (62), became eligible to receive social security benefits (including, but not limited to, those awarded as a result of disability), or was awarded long-term disability through his/her Employer, whichever occurred first (1<sup>st</sup>). In the event that a Participant who was married on his/her date of retirement died while entitled to the \$500 benefit, the benefit would continue to have been paid to his/her spouse until the last day of the month that the spouse becomes eligible to receive social security benefits (including, but not limited to, those awarded as a result of disability), or the last day of the month that the Participant would have attained age sixty-two (62), whichever occurred first (1<sup>st</sup>). In the event that a Participant was not married on his/her date of retirement and died while entitled to the \$500 benefit, such benefit would end on the last day of the month of his/her death.
  - (2) For a Class 3 or Class 4 Participant, the monthly benefit is equal to (a) the normal retirement annuity; (b) reduced by one-quarter percent (.25%) per month for each month, or fraction thereof, remaining from the Early Retirement Date to the first (1<sup>st</sup>) of the month coinciding with or next following the Participant's age of sixty-two (62) years; (c) to which was added \$400 per month, commencing upon retirement, and continuing for two (2) years, or until the Participant attained age sixty-five (65), or until his/her death, whichever occurred first (1<sup>st</sup>). In the event that a Participant who was married on his/her date of retirement died while entitled to the \$400 benefit, the benefit would continue to have been paid to his/her spouse for two (2) years after the retirement date, or until the Participant would have attained age sixty-five (65), whichever occurred first (1<sup>st</sup>). In the event that a Participant was not married on his/her date of retirement and died while entitled to the \$400 benefit, such benefit would end on the last day of the month of his/her death.

**4.4 Amount of Postponed Retirement Benefit.** The amount of monthly retirement annuity payable to a Participant who elects a Postponed Retirement Date in accordance with Article 3.3 will be equal to Article 4.4(a), and as applicable Article 4.4(b).

- (a) The Postponed Retirement Benefit is equal to the amount of the Participant's Accrued Benefit as of the Participant's Postponed Retirement Date. The Accrued Benefit shall include all Future Benefit Service earned by the Participant after the Normal Retirement Date. No actuarial adjustment shall be made for delaying payment of retirement benefits past the Normal Retirement Date.
- (b) Notwithstanding Article 4.4(a) above, a Participant's benefit will be actuarially increased to take into account the period after age seventy and one-half (70½). The actuarial increase begins on April 1 following the calendar year in which the Participant attains age seventy and one-half (70½) and ends on the date on which benefits commence after retirement in an amount sufficient to satisfy Code Section 401(a)(9).

**4.5 Maximum Retirement Benefit.** Notwithstanding any other provision of the Plan, the annual retirement benefit to which a Participant shall be entitled hereunder shall not exceed the maximum amount permitted by Code Section 415, the provisions of which are incorporated herein by reference. The following subsections prescribe how Code Section 415 is to be applied when a provision of Code Section 415 can be applied in more than one (1) manner or to clarify the application of Code Section 415 to this Plan. In accordance with Internal Revenue Service Regulation 1.415(a)-1(d)(3), if no language is set forth in this Plan and a default rule exists, then the default rule applies.

- (a) **Limitation Year** means the calendar year.
- (b) **Compensation** effective for Plan Years and Limitation Years beginning on or after January 1, 2008 means a Participant's compensation as defined in Internal Revenue Service Regulation 1.415(c)-2(b) and 1.415(c)-2(c) for all purposes under the Plan. Compensation also includes payments made by the later of two and one-half (2½) months after severance from employment, or the end of the Limitation Year that includes the date of severance from employment, if, absent a severance from employment, such payments would have been made to the Employee while the Employee continued in employment with the Employer, and are regular compensation for services during the Employee's regular working hours, compensation for services outside the Employee's regular working hours (such as overtime or shift differential), commissions, bonuses or similar compensation. Effective January 1, 2009, Compensation also includes military pay differential wage payments as defined in Code Section 3401(h).

- (c) **Cost-of-Living Adjustments** means the maximum dollar limitation under Code Section 415(b)(1)(A) is adjusted annually as provided under Internal Revenue Service Regulation 1.415(a)-1(d)(3)(v). The annual increase in the maximum dollar limitation shall apply to any Participant who has commenced receiving benefits and to any Participant who has severed employment from all Employers who are maintaining the Plan but has not commenced benefits. The maximum dollar limitation will be adjusted in accordance with Internal Revenue Service Regulations 1.415(d)-1(a)(4) and 1.415(d)-1(a)(5).
- (d) **Aggregating Plans.** No other multiemployer plan shall be aggregated with this Plan for purposes of applying the limits of Code Section 415. If an Employer maintains defined benefit plans which are not multiemployer plans in addition to this Plan, only benefits under this Plan that are provided by the particular Employer shall be aggregated with the Employer's other defined benefit plans in applying the maximum dollar limit under Code Section 415(b)(1)(A). This Plan shall not be aggregated with any other plan that is not a multiemployer plan for purposes of applying the compensation limit of Code Section 415(b)(1)(B).
- (e) **Mortality Adjustments.** For purposes of adjusting Code Section 415(b)(1)(A) maximum dollar limitation for Annuity Starting Dates prior to age 62 and after age 65, an adjustment will not be made to reflect the probability of a Participant's death in accordance with Internal Revenue Service Regulation 1.415(b)-1(d)(2).
- (f) **Grandfather Rule.** For benefits accrued or payable as of December 31, 2007, Code Section 415 will be applied with respect to a Participant on an Employer by Employer basis. Notwithstanding the foregoing, a Participant shall not be entitled to accrual of additional benefits on or after January 1, 2008 unless such additional benefits plus the benefits accrued before January 1, 2008 satisfy the requirements of Code Section 415 in effect on January 1, 2008.

4.6 **Return to Work.** Subject to limitations in Article 4.7, a Participant receiving pension payments ("Retiree") may return to employment in Alaska, Washington, Oregon, California, and Hawaii in any manner or capacity in:

- (a) An industry whose business activities are the types engaged in by any Employer contributing to the Pension Fund; or
- (b) A trade or craft in which the Retiree was employed at any time while Contributions were made on his/her behalf to the Pension Fund.

**4.7 Limitations on Return to Work.**

- (a) A Retiree may return to employment for no more than 120 days in any two (2) consecutive Plan Years.
- (b) After serving 120 days, a Retiree may return to employment for not more than five (5) days per month.
- (c) In the event a Participant has not previously been employed during a period of two (2) consecutive Plan Years and serves on a single voyage for more than 120 days, the service may continue until the voyage reaches a port where relief could be provided.
- (d) A Retiree may not return to work for more than five (5) days per month with a non-contributing employer in a trade or craft in which the Retiree was employed by a Contributing Employer if the business activities of the non-contributing employer are the types engaged in by any Contributing Employer.
- (e) The total amount of service for all Employers permitted by a Retiree covered by Article 4.6 will not exceed the limits set forth in this Article 4.7.
- (f) A Retiree receiving Disability Retirement benefits paid by this Pension Fund, a Retiree who has attained age seventy and one-half (70½), and a Retiree who is employed outside of Alaska, Washington, Oregon, California, or Hawaii is exempt from any restrictions under this Article 4.7.

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

**4.9 Recommencement of Benefits Following Suspension of Benefits.**

- (a) If a Participant who retired on an Early, Normal, or Postponed Retirement returns to work pursuant to Article 4.6, but does not exceed the limits in Article 4.7, the pension benefit will continue.
- (b) If a Participant who retired on an Early Retirement returns to work pursuant to Article 4.6 and exceeds the limits in Article 4.7, the Participant shall not be again eligible to retire on an Early Retirement Benefit and benefits paid to such Participant shall be suspended until Participant's Normal Retirement Date or the termination of such employment, whichever occurs last.

However, if such Participant has applied for a disability benefit as described in Article 7, and the Trustees find that the Participant had reasonable cause to make such application notwithstanding the denial of an interim or a permanent disability award, the Employee may again be eligible to retire on an Early Retirement Pension.

The recommended benefit shall be computed pursuant to Article 4.2, 4.3, or 4.4 as applicable, based on all Benefit Service at the date of subsequent retirement, less the Actuarial Equivalent of the benefits paid to the Participant during the Participant's early retirement. The recommended benefit, excluding additional benefits earned during reemployment, shall be paid in the same form as the form in effect on prior retirement, including the same joint annuitant, if any. The Participant's subsequent retirement will be a new Annuity Starting Date with respect to any additional benefits earned, and the Participant will be entitled to elect a new benefit form with respect to those benefits.

- (c) If a Participant who retired on a Normal or Postponed Retirement returns to work pursuant to Article 4.6 and exceeds the limits in Article 4.7, the Participant shall receive his/her retirement benefit for each month during the remainder of the Plan Year the Participant works not more than five (5) days per month. Benefits shall recommence July 1, subject to the limitations set forth in Article 4.7.

The recommended benefit shall be equal to the suspended benefit, plus the benefit, if any, earned during reemployment, subject to the applicable actuarial increases described in Article 4.4(b). The recommended benefit will be paid in the same form as the form in effect on prior retirement, including the same joint annuitant, if any.

**4.10 Definitions.** A day of service is defined in Section 2530.200(b)-7(a)(1) of the Code of Federal Regulations.

**4.11 Notification of Employment Following Retirement.**

- (a) A retired Participant shall notify the Plan Administrator and the regional office of the Union that is or would be responsible for the Participant's representation or dispatch in writing within fifteen (15) days following such Participant's return to work as defined in Article 4.6 whether permitted pursuant to Article 4.6 or restricted pursuant to Article 4.7.
- (b) A Participant shall notify the Plan Administrator and the regional office of the Union in writing with which the Participant was last affiliated of the Participant's general intent to seek employment pursuant to this provision. In the event the Participant has provided such notice, the Participant shall notify the said

regional office and the Plan Administrator by telephone within fifteen (15) days following such Participant's return to work. If a Participant with a Normal Retirement Benefit fails to notify the Trustees as provided in Article 4.11(a), the Trustees shall, upon the discovery of such employment, suspend the payment of all retirement benefits next due as a result of such Participant's employment for the number of months that such Participant was so employed; provided, however, that, in the event the Plan is entitled to suspend benefits for more than three (3) months, it shall, commencing with the fourth (4<sup>th</sup>) month, suspend twenty-five percent (25%) of the benefit per month until it has recovered the entire amount due pursuant to this provision.

- (c) If a Participant with an Early Retirement Benefit fails to notify the Trustees as provided in Article 4.11(a), the Trustees shall, upon the discovery of the employment, suspend the payment of all the Early Retirement Benefits next due the Participant, and the Participant will not qualify for any retirement benefit (except disability) until the Participant is entitled to a Normal Retirement Benefit.

**4.12 Accrual of Benefits upon Return to Work.** A Participant who has retired may, upon reentry to employment, resume the accrual of Future Credited Service.

**4.13 Notification.** No payment shall be withheld by the Plan pursuant to the provisions of this Article 4 unless the Plan Administrator notifies the Participant by personal delivery or First Class Mail during the first (1<sup>st</sup>) calendar month in which the Plan withholds payments that his/her benefits are suspended. Such notification shall contain a description of the specific reasons why benefit payments are being suspended, a description of the Plan provision relating to the suspension of benefits, a copy of such provisions, and a statement to the effect that applicable Department of Labor Regulations may be found in Section 2530.203-3 of the Code of Federal Regulations.

In addition, the notice shall inform the Participant of the Plan's procedures for appealing a suspension of benefits.

If the Plan intends to offset any suspendable amounts actually paid during the periods of employment, the notification shall identify specifically the periods of employment, the suspendable amounts which are subject to offset, and the manner in which the Plan intends to offset such suspendable amounts.

**4.14 Application for Benefits.** Benefits payable under this Article 4 shall not commence until after a completed application has been received pursuant to Article 3.4.

**4.15 Commencement of Benefits.** Unless a Participant elects a Postponed Retirement Date under Article 3.3, the payment of benefits to a Participant shall begin no later than the sixtieth (60<sup>th</sup>) day after the latest of the close of the Plan Year in which (i) the Participant

attains the earlier of age sixty-five (65) or the Normal Retirement Age as defined in Article 3.1; (ii) the fifth (5<sup>th</sup>) anniversary of the year in which the Participant commenced participation in the Plan; or (iii) the date the Participant terminates his/her service with all Employers who contribute to the Plan.

In the case of a Participant who separated from service prior to attaining the earliest retirement age under the Plan, benefits may commence upon attaining the earliest retirement date as provided herein.

In the case of a Participant who elects a Postponed Retirement Date under Article 3.3, benefits must begin no later than the required beginning date described in Article 5.3(f)(4).

If a Participant fails to apply for retirement so that benefits begin in accordance with this Article 4.15, and the benefits are not forfeited pursuant to Article 4.17, the Participant shall receive retroactive payments, based on the form of benefit ultimately elected, back to the first (1<sup>st</sup>) day of the month following the Participant's Normal Retirement Date under Article 3.1. In addition, the Participant shall receive interest on the retroactive payments based on an interest rate periodically set by the Trustees for this purpose but in no event shall receive interest for periods forty-five (45) days after the Participant receives the eligibility to retire notice.

**4.16 Even Dollar Payments.** In the event that the amount of the monthly payment to be paid a Participant after all computations and selections of benefit forms have been completed results in the payment of an amount that is not an even dollar, the actual payment to the Participant will be increased to the next even dollar; provided, however, that this rule will not apply to any recipient of benefits who is not a Participant.

**4.17 Unclaimed Benefits.** If a Participant, alternate payee under a qualified domestic relations order, or a beneficiary who is entitled to receive a retirement benefit under the Plan fails to accept such benefits and/or fails to demonstrate an interest in such benefits, in person or in writing, then any and all benefits for such Participant, alternate payee, or beneficiary will be held under the Plan.

For the purposes of this Article 4, it will be sufficient proof of a person's failure to demonstrate an interest in his/her benefit if it can be shown that notices sent by registered or certified mail to the last known address of the Participant, alternate payee, beneficiary, executor, or administrator could not be delivered.

If benefits remain unclaimed for more than one (1) year, then the Plan shall declare the benefits forfeited. This forfeiture rule may also be applied to benefit checks which have previously been issued and which have been returned as undeliverable. The forfeited benefits shall be subject to Article 9.3. Prior to declaring any benefits forfeited, the Trus-

tees shall make a diligent search for the Participant, alternate payee, or beneficiary. The search shall, if available, include the use of the Internal Revenue Service and Social Security Administration letter forwarding programs, and shall include the use of a commercial locator service to determine that the Participant, alternate payee, or beneficiary cannot be located. If a valid claim for benefits is filed by the Participant, alternate payee, or beneficiary after the benefits are forfeited, then the benefits shall be reinstated and paid without interest according to the terms of the Plan.

**4.18 Eligible Rollover Distributions.** Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Article, a distributee may elect, at the time and in the manner prescribed by the Trustees, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

- (a) An "eligible rollover distribution" is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include any distribution that is one (1) of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint-life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten (10) years or more; any distribution to the extent such distribution is required under Code Section 401(a)(9); and the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).
- (b) An "eligible retirement plan" is an individual retirement account described in Code Section 408(a), an individual retirement annuity described in Code Section 408(b), an annuity plan described in Code Section 403(a), a qualified trust described in Code Section 401(a) that accepts the distributee's eligible rollover distribution, an eligible plan described in Code Section 457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan, and a Roth IRA described in Code Section 408A. The definition of eligible retirement plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order as defined in Code Section 414(p).
- (c) A "distributee" includes an Employee or former Employee. In addition, the Employee's or former Employee's surviving spouse and the Employee's or former Employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Code Section 414(p), are distributees with regard to the interest of the spouse or former spouse.

- (d) A “direct rollover” is a payment by the Plan to the eligible retirement plan specified by the distributee.
  
- (e) For distributions after December 31, 2006, a Participant’s designated beneficiary, who is not the Participant’s spouse, and who is entitled to receive a distribution that is an eligible rollover distribution by reason of the Participant’s death may elect to have such distribution transferred from the Plan or an individual retirement account, an individual retirement annuity (IRA) described in Code Section 408(a) or Code Section 408(b), or a Roth IRA described in Code Section 408A so long as the IRA or Roth IRA is established for the purpose of receiving the distribution on behalf of a designated beneficiary who is not the Participant’s spouse. The IRA or Roth IRA must be established in a manner that identifies the deceased individual and the beneficiary, for example “Tom Smith as Beneficiary of John Smith”. The IRA or Roth IRA will be treated as an inherited IRA or Roth IRA pursuant to Code Sections 402(c)(11) and 408(d)(3)(C) under which benefits must be distributed in accordance with the required minimum distribution rules that apply to inherited IRAs or Roth IRAs of non-spouse beneficiaries.

**ARTICLE 5**  
**NORMAL AND OPTIONAL BENEFIT FORM**

- 5.1 Normal Annuity Form.** If a Participant has a spouse on the date the Participant's Annuity Starting Date, the Participant's pension shall be paid in the form of a fifty percent (50%) joint and survivor pension unless the Participant elects otherwise in writing and the Participant's spouse consents to such election.
- (a)** Under a fifty percent (50%) joint and survivor pension, a reduced amount in relationship to the 60-month certain and life annuity shall be paid to the Participant for the Participant's lifetime; and the Participant's spouse, if surviving at the Participant's death, shall be entitled to receive thereafter a lifetime survivorship pension in a monthly amount equal to fifty percent (50%) of the reduced monthly amount which had been payable to the Participant. The reduced amount payable to the Participant under the fifty percent (50%) joint and survivor pension shall be determined so that the aggregate of the pension payments expected to be made to the Participant and the Participant's spouse shall be the Actuarial Equivalent of the 60-month certain and life annuity set forth below. The last payment of a fifty percent (50%) joint and survivor pension shall be made as of the first (1<sup>st</sup>) day of the month in which the death of the Participant or surviving spouse occurs, whichever is later.
  - (b)** In lieu of the fifty percent (50%) joint and survivor pension, a Participant may elect in writing, within the 180-day period prior to the date the Participant's Annuity Starting Date, and only with the consent of the Participant's spouse, to receive a monthly amount in the form of a 60-month certain and life annuity. A Participant entitled to receive a Normal, Early, or Postponed Retirement Benefit may also elect instead an optional form of benefit under Article 5.2. However, if such Participant does elect an optional form of benefit under Article 5.2 and if the contingent annuitant under the option is not the Participant's spouse, then the Participant's optional election shall be canceled and the Participant's pension shall be paid in the form of a fifty percent (50%) joint and survivor pension unless, within the 180-day period preceding the Participant's Annuity Starting Date, the Participant's spouse consents to the Participant's optional form of benefit. Pension payments shall not commence to be made to a married Participant until either (a) the Participant has elected the fifty percent (50%) joint and survivor benefit or (b) the Participant and spouse have elected and consented to an optional form of benefit.
  - (c)** A Participant who has elected to waive the qualified joint and survivor pension with spousal consent may revoke the election at any time and any number of times during the 180-day period ending on the Annuity Starting Date.

- (d) The spouse's consent to any election made pursuant to this Plan and which requires the spouse's consent shall be in writing and shall acknowledge the effect of such consent. In addition, the spouse's signature on the written consent must be witnessed by a notary public or a Plan representative. The spouse's consent need not be obtained if the Trustees are satisfied that there is no spouse, that the spouse cannot be located or because of any other circumstances which may be prescribed in the regulations issued by the Secretary of the Treasury. A spouse's consent under this Plan shall be valid only with respect to the specified alternate contingent annuitant designated by the Participant. If such alternate contingent annuitant is subsequently changed prior to the Participant's Annuity Starting Date, a new consent by the spouse will be required. The spouse's consent to any election made by a Participant pursuant to this Plan, once made, may not be revoked by the spouse.
- (e) The Plan Administrator shall provide to each Participant no less than thirty (30) days and no more than 180 days prior to the Annuity Starting Date a written explanation of (i) the terms and conditions of the fifty percent (50%) joint and survivor pension as well as the seventy-five percent (75%) life and contingent annuity; (ii) a general description of the eligibility conditions and other material features of each optional form of benefit available under the Plan and sufficient additional information to explain the relative value of these options; (iii) the Participant's right, if any, to defer distribution of pension benefits and a description of how much larger benefits will be if commencement is deferred; (iv) the Participant's right to make and the effect of an election to waive the fifty percent (50%) joint and survivor pension form of benefit; (v) the rights of a Participant's spouse; and (vi) the right to make and the effect of a revocation of a previous election to waive the fifty percent (50%) joint and survivor pension. The 180-day period to waive the fifty percent (50%) joint and survivor pension form of benefit shall not end before the thirtieth (30<sup>th</sup>) day after the date on which the explanation is provided. A Participant may elect (with applicable spousal consent) to waive the requirement that the written explanation be provided at least thirty (30) days before the Annuity Starting Date if the distribution commences more than seven (7) days after the explanation in this paragraph is provided and the Participant is informed of the right to have a period of at least thirty (30) days to consider the distribution decision.
- (f) If a Participant does not have a spouse on the Participant's Annuity Starting Date, the normal form for benefit payments under the Plan will be a 60-month certain and life annuity, under which monthly payments will be made to the Participant commencing on the Participant's Annuity Starting Date, if the Participant is then living, and continuing during the Participant's lifetime with the guarantee that payments will in any event be made for a period of sixty (60) months certain. Payments will terminate with the last payment due immediately

preceding the Participant's death or the end of the 60-month certain period, whichever is later. If the Participant dies during the 60-month certain period, the remaining payments for the 60-month certain period will be made to the Participant's beneficiary. Instead of receiving the remaining payments, the beneficiary may elect to receive the lump sum Actuarial Equivalent value of the remaining payments.

- (g) The joint and survivor pension requirements provided for in this Article 5.1 shall apply only to Participants who are credited with an Hour of Service, or at least one (1) hour of paid leave, on or after August 23, 1984. Former Participants who are not credited with an Hour of Service on or after August 23, 1984, shall have the right to have joint and survivor annuities provided to them in accordance with the terms of the Plan in effect prior to August 23, 1984, and in accordance with the provisions of Section 303(e)(1) of the Retirement Equity Act of 1984.
- (h) Effective August 11, 2004, if a Participant elects an pension effective date for his/her retirement which constitutes a Retroactive Annuity Starting Date under Article 3.6, then the Participant shall have the options described in that Article and the spouse must consent to such election.

**5.2 Optional Benefit Forms.** In the event a married Participant duly elects and the Participant's spouse consents pursuant to Article 5.1 not to receive the retirement benefit in the form of a fifty percent (50%) joint and survivor pension, or if such Participant is not married and does not elect the form of a 60-month certain and life annuity, the Participant may elect prior to the Participant's Annuity Starting Date, to receive the Actuarial Equivalent of such benefit in one (1) of the optional benefit forms described below:

- (a) **Life and Contingent Annuity Option.** Commencing on the Participant's Annuity Starting Date, if the Participant is then living, monthly payments will be made to the Participant for as long as the Participant lives. After the death of the Participant, such payments will continue to the person designated by the Participant at the time the Participant elects the option in the amount of fifty percent (50%), sixty-six and two-thirds percent (66.66%), seventy-five percent (75%), or one hundred percent (100%) of the Participant's monthly benefit.

Effective July 1, 1987, if a contingent annuitant designated by a retired Participant who has elected a life and contingent annuity option shall predecease the retired Participant, the benefit to the retired Participant shall revert back to the benefit level of the 60-month certain and life annuity. The increased pension benefit shall be effective the first (1<sup>st</sup>) day of the month following the death of the contingent annuitant.

- (b) **Life Annuity Option.** Monthly payments will be made to the Participant commencing on the Participant's Annuity Starting Date, if the Participant is then living, and terminating with the last payment due immediately preceding the Participant's death. No death benefit is payable under this option.
- (c) **Life Annuity with Guaranteed Period Option.** Monthly payments will be made to the Participant commencing on the Participant's Annuity Starting Date, if the Participant is then living, and monthly payments will be made for as long as the Participant lives or for the guaranteed period, if longer, specified by the Participant at the time the Participant elects the option. The guaranteed period may be 120 or 180 months. Payments will terminate with the last payment due immediately preceding the Participant's death or the end of the guaranteed period, whichever is later.

If the Participant dies during the guaranteed period, the remaining payments for the guaranteed period will be made to the Participant's beneficiary. Instead of receiving the remaining payments, the beneficiary may elect to receive the lump sum Actuarial Equivalent value of the remaining payments.

- (d) **Optional Cash Out.** If the present value of any monthly benefit payable under this Plan is less than or equal to \$5,000, the benefit shall be paid in a single lump sum. If the present value of any monthly benefit payable under the Plan is greater than \$5,000, but less than \$10,000, the Participant and the Participant's spouse (or where either the Participant or the Participant's spouse has died, the survivor), may elect to have the Plan Administrator pay such present value in a single sum. Such payment shall be in full settlement of all liability under the Plan to such person. If the present value of such payment is in excess of \$5,000, such payment shall be subject to the spousal consent requirements of Article 3.5.

### 5.3 Minimum Distribution Requirements.

- (a) **General Rules.**

- (1) **Effective Date.** The provisions of this Article 5.3 will apply for purposes of determining the required minimum distributions for calendar years beginning after December 31, 2005. For purposes of determining minimum required distributions for calendar years 2003, 2004 and 2005, a good faith interpretation of the requirements of Code Section 401(a)(9) and previous Plan provisions will apply.

- (2) **Precedence.**
  - (i) The requirements of this Article 5.3 will take precedence over any inconsistent provisions of the Plan.
  - (ii) This Article 5.3 does not authorize any distribution options not otherwise provided under the Plan.
- (3) **Requirements of Treasury Regulations Incorporated.** All distributions required under this Article 5.3 will be determined and made in accordance with the Treasury Regulations under Code Section 401(a)(9).
- (4) **TEFRA Section 242(b)(2) Elections.** Notwithstanding the other provisions of this Article, other than Article 5.3(a)(3), distributions may be made under a designation made before January 1, 1984, in accordance with Section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the Plan that relate to Section 242(b)(2) of TEFRA.

(b) **Time and Manner of Distribution.**

- (1) **Required Beginning Date.** The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's required beginning date (defined in Article 5.3(f)(4)).
- (2) **Death of Participant Before Distributions Begin.** If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed no later than as follows:
  - (i) If the Participant's surviving spouse is the Participant's sole designated beneficiary, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70½, if later.
  - (ii) If the Participant's surviving spouse is not the Participant's sole designated beneficiary, distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.
  - (iii) If there is no designated beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's

entire interest will be distributed by December 31 of the calendar year containing the fifth (5<sup>th</sup>) anniversary of the Participant's death.

- (iv) If the Participant's surviving spouse is the Participant's sole designated beneficiary and the surviving spouse dies after the Participant, but before distributions to the surviving spouse begin, this Article 5.3(b), other than Article 5.3(b)(1), will apply as if the surviving spouse were the Participant.

For purposes of this Article 5.3(b) and 5.3(e), distributions are considered to begin on the Participant's required beginning date (or, if Article 5.3(b)(2)(iv) applies, the date distributions are required to begin to the surviving spouse under Article 5.3(b)(2)(i). If annuity payments irrevocably commence to the Participant before the Participant's required beginning date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under Article 5.3(b)(2)(i), the date distributions are considered to begin is the date distributions actually commence.

- (3) **Form of Distribution.** Unless the Participant's interest is distributed in a single sum on or before the required beginning date, as of the first (1<sup>st</sup>) distribution calendar year, distributions will be made in accordance with Article 5.3(c), (d), and (e).

(c) **Determination of Amount to be Distributed Each Year.**

- (1) **General Annuity Requirements.** If the Participant's interest is paid in the form of annuity distributions under the Plan, payments under the annuity will satisfy the following requirements.
  - (i) The annuity distributions will be paid in periodic payments made at intervals not longer than one (1) year;
  - (ii) The distribution period will be over a life (or lives) or over a period certain not longer than the period described in Article 5.3(d) or (e);
  - (iii) Once payments have begun over a period certain, the period certain will not be changed even if the period certain is shorter the maximum permitted;
  - (iv) Payments will either be non-increasing or increase only as follows:

- (A) By an annual percentage increase that does not exceed the annual percentage increase in the cost of living index that is based on prices of all items and issued by the Bureau of Labor Statistics;
  - (B) To the extent of the reduction in the amount of the Participant's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in Article 5.3(d) dies or is no longer the Participant's beneficiary pursuant to a qualified domestic relations order within the meaning of Code Section 414(p);
  - (C) To provide cash refunds of employee contributions upon the Participant's death; or
  - (D) To pay increased benefits that result from a Plan amendment.
- (2) **Amounts Required to be Distributed by Required Beginning Date.** The amount that must be distributed on or before the Participant's required beginning date (or, if the Participant dies before distributions begin, the date distributions are required to begin under Article 5.3(b)(2)(i) or (ii)) is the payment that is required for one (1) payment interval. The second (2<sup>nd</sup>) payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received, e.g., bi-monthly, monthly, semi-annually, or annually. All of the Participant's benefit accruals as of the last day of the first (1<sup>st</sup>) distribution calendar year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the Participant's required beginning date.
- (3) **Additional Accruals after First Distribution Calendar Year.** Any additional benefits accruing to the Participant in a calendar year after the first (1<sup>st</sup>) distribution calendar year will be distributed beginning with the first (1<sup>st</sup>) payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.

(d) **Requirements for Annuity Distributions that Commence during Participant's Lifetime.**

- (1) **Joint Life Annuities Where the Beneficiary is not the Participant's Spouse.** If the Participant's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the Participant and a non-spouse beneficiary, annuity payments to be made on or after the Participant's required beginning date to the designated beneficiary after the Participant's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the Participant using the table set forth in Q&A-2 of Section 1.401(a)(9)-6 of the Treasury Regulations. If the form of distribution combines a joint and survivor annuity for the joint lives of the Participant and a non-spouse beneficiary and a period of certain and life annuity, the requirements of the preceding sentence will apply to annuity payments to be made to the designated beneficiary after the expiration of the period certain.
  
- (2) **Period Certain Annuities.** Unless the Participant's spouse is the sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the Participant's lifetime may not exceed the applicable distribution period for a Participant under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations for the calendar year that contains the Annuity Starting Date. If the Annuity Starting Date precedes the year in which the Participant reaches age seventy (70), the applicable distribution period for the Participant is the distribution period for age seventy (70) under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations plus the excess of seventy (70) over the age of the Participant as of the Participant's birthday in the year that contains the Annuity Starting Date. If the Participant's spouse is the Participant's sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the Participant's applicable distribution period, as determined under this Article 5.3(d)(2), or the joint life and last survivor expectancy of the Participant and the Participant's spouse as determined under the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the calendar year that contains the Annuity Starting Date.

(e) **Requirements for Minimum Distributions where a Participant Dies before Date Distributions Begin.**

(1) **Participant Survived by Designated Beneficiary.** If the Participant dies before the date distribution of his interest begins and there is a designated beneficiary, the Participant's entire interest will be distributed beginning no later than the time described in Article 5.3(b)(2)(i) or (ii), over the life of the designated beneficiary or over a period certain not exceeding:

(i) Unless the Annuity Starting Date is before the first (1<sup>st</sup>) distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year immediately following the calendar year of the Participant's death; or

(ii) If the Annuity Starting Date is before the first (1<sup>st</sup>) distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year that contains the Annuity Starting Date.

(2) **No Designated Beneficiary.** If the Participant dies before the date distributions begin and there is no designated beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth (5<sup>th</sup>) anniversary of the Participant's death.

(3) **Death of Surviving Spouse Before Distributions to Surviving Spouse Begin.** If the Participant dies before the date distribution of his interest begins, the Participant's surviving spouse is the Participant's sole designated beneficiary, and the surviving spouse dies before distributions to the surviving spouse begin, this Article 5.3(e) will apply as if the surviving spouse were the Participant, except that the time by which distributions must begin will be determined without regard to Article 5.3(b)(2)(i).

(f) **Definitions.**

(1) **Designated Beneficiary.** The individual who is designated as the beneficiary under Article 8.3 of the Plan and is the designated beneficiary under Code Section 401(a)(9) and Section 1.401(a)(9)-1, Q&A-4 of the Treasury Regulations.

- (2) **Distribution Calendar Year.** A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first (1<sup>st</sup>) distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first (1<sup>st</sup>) distribution calendar year is the calendar year in which distributions are required to begin pursuant to Article 5.3(b).
- (3) **Life Expectancy.** Life expectancy as computed by using the Single Life Table in Section 1.401(a)(9)-9 of the Treasury Regulations.
- (4) **Required Beginning Date.** Required beginning date for a Participant other than a five percent (5%) owner is April 1 of the calendar year following the later of the calendar year in which the Participant:
  - (i) Attains age seventy and one-half (70½); or
  - (ii) Retires from employment with an Employer.

For a five percent (5%) owner, the required beginning date is April 1 of the calendar year following the calendar year in which the five percent (5%) owner attains age seventy and one-half (70½).

**ARTICLE 6**  
**TERMINATION OF EMPLOYMENT**

- 6.1 Termination without Vested Interest.** If the employment of a Participant is terminated at any time prior to his/her Normal Retirement Date for any reason other than disability, and if the Participant has not acquired a Vested Interest, the Participant will not be entitled to any benefits under the Plan unless such Participant is subsequently reemployed before the Participant incurs a break in the Participant's Credited Service as described in Article 1.10; provided, however, that a Participant whose termination was caused by disability must, nevertheless, have a Vested Interest in order to be entitled to benefits under this Plan. For purposes of this Article 6, "disability" is bodily injury, disease, or mental disorder which, on the basis of medical evidence, is found by the Trustees to render that Participant incapable of engaging in any regular occupation in any business activities of the types engaged in by any Employer.
- 6.2 Termination with Vested Interest.**
- (a) If a Participant with ten (10) years of Credited Service is terminated prior to his/her Normal Retirement Date, but after the Participant has acquired a Vested Interest, the Participant will be entitled to receive a monthly annuity benefit as provided in Article 4.3 with monthly payments commencing any time after the Participant has attained age fifty-five (55) and prior to the Participant's Normal Retirement Date.
  - (b) If a Participant is terminated after acquiring a Vested Interest, the Participant will be entitled to receive a monthly annuity on the normal annuity benefit form with monthly payments commencing at the Participant's Normal Retirement Date, if the Participant is then living.
  - (c) The amount of either such deferred monthly annuity under this Article 6.2 will be the amount of Accrued Benefit earned by the terminated Employee as of the date of termination of his/her employment proportionate to his/her Vested Interest and adjusted according to Article 4.3 in the event of early retirement.
- 6.3 Optional Forms of Payment.** A Participant who is entitled to receive a deferred monthly annuity under Article 6.2 may elect any optional form of payment in accordance with Article 5, provided written notice of such election is made pursuant to Article 5 and an application for retirement has been filed with the Plan Administrator as provided in Article 3.4.
- 6.4 Payment of Benefit upon Reemployment.** If the employment of a Participant who has acquired a Vested Interest is terminated, and if such Participant has not retired and is

subsequently reemployed by an Employer, the benefit which is determined for the Participant will include all Credited Service earned after the Vested Interest was acquired.

- 6.5 **Contiguous Service.** All Hours of Service that an individual completes for any Employer as an Employee, and all non-Employee Hours of Service for an Employer or an Affiliate that immediately precedes or follows the individual's service as an Employee for such Employer (without an intervening quit, discharge, or retirement) will be counted solely for the purpose of vesting. For example, a Participant who transfers from hourly to salaried employment for the same Employer or its Affiliate will continue to earn vesting credit (but not benefit credit); but a Participant who transfers from hourly employment with one (1) Employer to salaried employment with another Employer or an Affiliate will earn neither vesting nor benefit credit after the transfer.

## ARTICLE 7 DISABILITY

- 7.1 **Qualifications for Disability Benefits.** If, on or after January 1, 1994, a Participant's employment with an Employer or employer contributing to a trust with whom this Plan has a reciprocal agreement is terminated before the Participant's Normal Retirement Date due to disability, as defined in Article 7.2, and such Participant has not received any benefits under Article 6, the Participant will be entitled to receive monthly disability payments, provided that the Participant has acquired a Vested Interest or has completed at least five (5) years of Credited Service; and provided further, that the Participant was employed by an Employer or an employer contributing to a trust with whom this Plan has a reciprocal agreement on the date that he/she is found by the Trustees to have become disabled.
- 7.2 **Disability Defined.** For purposes of this Plan, "disability" is total and permanent bodily injury, disease, or mental disorder which, on the basis of medical evidence, is found by the Trustees to be permanent and continuous during the remainder of the Participant's lifetime and which will render the Participant incapable of engaging in any regular occupation substantially gainful in character which he/she would be expected to be capable of performing in light of his/her training, age, experience, and abilities.
- 7.3 **Interim Disability Award.**
- (a) Disability will not be considered established until it has continued for a period of six (6) consecutive months unless a Social Security award is made earlier or the six (6) consecutive months waiting period is waived by the Trustees for good cause.
  - (b) Upon the Trustees' receipt of a copy of a Participant's application for an award of disability to the Social Security Administration, the Trustees shall make an initial determination whether the Participant is disabled. The determination will be made on the basis of the Participant's application for a Social Security award, any other evidence submitted by the Participant, and any further evidence that the Trustees may reasonably require, including but not limited to, an independent medical examination, examination by a vocational rehabilitation specialist, or review by a Social Security specialist. Except as provided in Article 7.3(c), notwithstanding the absence of an award of disability in favor of the Participant by the Social Security Administration, the Trustees may award an "interim disability benefit" on the basis of the evidence before them.
  - (c) The Trustees, at each of their regular meetings after an interim disability award, may review that award. The Trustees may require the Participant to submit any further information reasonably necessary to decide the award and to submit to

such further examinations as the Trustees may require. Such additional information may include copies of the Participant's current federal personal income tax return and any records of the Social Security Administration (or an authorization to obtain the records). In the event the Participant refuses to cooperate in providing the information, the Trustees may, for that reason alone, terminate the interim disability benefit. In the event the Trustees determine that the record presented at any meeting of the Trustees after an interim disability benefit is made does not justify continuance of the interim disability benefit, the Trustees may terminate the interim disability benefit effective the last day of the month that such determination is made.

- (d) No action of the Trustees taken pursuant to this Article 7.3 or otherwise in connection with the award of an interim disability benefit or the denial thereof shall be the basis by which any Participant or any other person may claim an award of a permanent disability benefit as described in Article 7.4.
- (e) Except as the Trustees may specifically provide and order, all expenses incurred by a Participant and required by the Trustees for consideration of the interim disability award shall be paid by the Pension Fund.
- (f) An interim disability benefit shall terminate on the earlier of (i) express action of the Trustees pursuant to Article 7.3(c), or (ii) the date on which the award or denial of a disability benefit by the Social Security Administration becomes final.

**7.4 Permanent Disability Benefit.** Without respect to the Trustees having granted or denied the interim disability award, a Participant shall be entitled to a permanent disability benefit in the event the Social Security Administration determines that the Participant is disabled. Notwithstanding a final award by the Social Security Administration denying disability, the Trustees may find that the Participant is disabled based upon the specific findings and conforming to the definition of disability set forth in Article 7.2. The Trustees may employ procedures set forth in Article 7.3(b) to assist in making such findings.

**7.5 Amount of Disability Benefit.** The amount of a Participant's interim disability award or permanent disability benefit will be equal to the Participant's Vested Accrued Benefit as of the date of his/her termination of employment due to the disability pursuant to Articles 7.3 or 7.4, and subject to the provisions of Articles 7.8; provided, however, that such a Participant will not be permitted to elect the optional forms of payment as provided in Article 5.2.

The first (1<sup>st</sup>) monthly disability payment will be payable to the Participant as of the first (1<sup>st</sup>) day of the month coinciding with, or next following, the date of the Participant's termination of employment due to disability. However, in no event will the payment of a Participant's disability benefit commence later than six (6) months subsequent to the

date the Participant's written application for benefits is made to the Trustees. Thereafter, disability payments will be payable on the first (1<sup>st</sup>) day of each month, terminating at the earliest of the following dates:

- (a) The date it is determined that the Participant is no longer disabled; or
- (b) The date of the death of the Participant; or
- (c) The date the Plan is terminated under Article 13; or
- (d) The Participant's Normal Retirement Date.

**7.6 Continuation of Participation.** A Participant who is receiving monthly disability payments under the Plan will continue to be considered a Participant in the Plan, except that the Participant will not be credited with Credited Service for the period of the Participant's disability.

**7.7 Retirement Benefits Payable to Disabled Participant.** If the disability of a Participant who is receiving a disability benefit under this Article 7 continues to the Participant's Normal Retirement Date, such Participant will retire on the Normal Retirement Date and must elect either the normal annuity form described in Article 5.1 or an optional form of benefit described in Article 5.2, subject to the spousal consent requirements of Article 5.

**7.8 Recovery of Disabled Participant.** If, prior to the Normal Retirement Date of a Participant who has been awarded a permanent disability benefit, it is determined that such Participant is no longer disabled, as defined at Article 7.2, his/her benefits under this Article 7 will terminate on the last day of the month of such determination. If the Participant returns to the employment of any Employer within thirty-one (31) days or, if later, the earliest date employment with any Employer is available to the Participant, after the date of such determination, the period of the Participant's disability will be considered a Leave of Absence and will not be considered as a break in his/her Credited Service, and the Participant will once again be subject to all of the provisions of the Plan.

**7.9 Application for Early Retirement.** A Participant who has retired under Article 3.2 may simultaneously, or any time thereafter, apply for disability benefits under this Article 7 subject to all of the terms and conditions of this Plan relating to disability benefits; provided, however, that such Participant will be deemed to be disabled as defined in Article 7.2 and the Participant's benefits will be increased commencing on the date that the Participant has applied for disability benefits if it is determined that the Participant was disabled as defined in Article 7.2 on or prior to that date. A Participant whose disability occurs after the Participant has applied for early retirement benefit under the Plan shall not be eligible for disability benefits.

**7.10 Verification of Disability.** A Participant who is receiving a disability benefit may be required by the Trustees to submit such reasonable evidence as they may require in order to verify the continuance of the disability, including, but not limited to, the submission to medical examination at any time prior to age sixty-five (65), but not more often than semi-annually; the presentation of copies of the Participant's current federal personal income tax return; and any records (or an authorization to obtain the records,) of the Social Security Administration. In the event the Participant refuses to cooperate in providing such information as may reasonably be required by the Trustees, the Trustees may determine that the Participant is no longer disabled in accordance with Article 7.8.

**ARTICLE 8**  
**DEATH BENEFITS – DESIGNATION OF BENEFICIARY**

**8.1 Surviving Spouse Death Benefit.**

- (a) A surviving spouse shall be entitled to a surviving spouse's pension in the form of a pre-retirement survivor annuity if:
  - (1) The Active Participant or the Terminated Participant has not received any retirement benefits pursuant to this Plan other than a disability benefit pursuant to Article 7; and
  - (2) The Active Participant or the Terminated Participant has acquired a Vested Interest.
  
- (b) The pre-retirement survivor annuity for the surviving spouse of an Active Participant shall be equal to one-half (½) of the amount the Active Participant would have received as a 60-month certain and life annuity had the Active Participant retired on the first (1<sup>st</sup>) day of the month of the Active Participant's death without any discount based upon the Active Participant's age. Such computation shall be made as of the first (1<sup>st</sup>) day of the month in which the Active Participant's death occurred and will be payable during the surviving spouse's lifetime commencing as of the first (1<sup>st</sup>) of such month; provided, however, the benefit to be paid to the surviving spouse of an Active Participant who dies before the Annuity Starting Date, will be determined as follows if it results in a larger benefit:
  - (1) If the Active Participant dies after attaining the earliest retirement age under the Plan, the benefit may not be less than the benefit that would have been payable to the surviving spouse if the Active Participant had retired with an immediate qualified joint and survivor pension on the day before the Active Participant's death.
  - (2) If the Active Participant dies before attaining the earliest retirement age under the Plan, the benefit may not be less than the benefit that would be payable to the surviving spouse if the Active Participant had separated from service at the earlier of actual separation or death, survived until the earliest retirement age, retired on that date with an immediate qualified joint and survivor pension, and died the next day.
  
- (c) The pre-retirement survivor annuity for the surviving spouse of a Terminated Participant shall be as follows:

- (1) If the Terminated Participant dies after attaining the earliest retirement age under the Plan, the benefit is a monthly benefit payable for the life of the surviving spouse equal to the survivor portion of the fifty percent (50%) joint and survivor pension on the day before the Terminated Participant's death.
  - (2) If the Terminated Participant dies on or before attaining the earliest retirement age under the Plan, the benefit is a monthly benefit payable for the life of the surviving spouse equal to the survivor portion of the fifty percent (50%) joint and survivor pension if the Terminated Participant had separated from service at the earlier of actual separation or death, survived until the earliest retirement age, retired on that date with a fifty percent (50%) joint and survivor pension and died the next day. The benefit is payable at the Terminated Participant's earliest retirement age.
- (d) If the Active Participant or Terminated Participant had not attained his Normal Retirement Date at the time of death, the surviving spouse may elect when to commence the pre-retirement survivor annuity by notice in writing to the Plan Administrator. The pre-retirement survivor annuity will commence on the first (1<sup>st</sup>) day of the calendar month sixty (60) days after the Plan Administrator's receipt of the surviving spouse's notice to commence the pre-retirement survivor annuity. Written consent to start the pre-retirement survivor annuity is not necessary once the Active Participant or Terminated Participant has attained his Normal Retirement Date (or would have attained his Normal Retirement Date if not dead). If the pre-retirement survivor annuity starts after the date in Article 8.1(b) for an Active Participant or the date in (c) for a Terminated Participant, the pre-retirement survivor annuity shall be the Actuarial Equivalent of the pre-retirement survivor annuity as of the applicable date in Article 8.1(b) or (c).
- (e) The pre-retirement survivor annuity requirements provided for in this Article shall apply if a Participant has one (1) Hour of Service, or at least one (1) hour of paid Leave of Absence, on or after August 23, 1984.
- (f) In lieu of receiving a lifetime annuity as provided in Article 8.1(b) or (c), the surviving spouse may elect to receive the Actuarial Equivalent of the surviving spouse's pre-retirement survivor annuity in the form of a 120-month certain and life annuity. Under this form of annuity, payments are made for 120 months and then cease. The surviving spouse shall name a beneficiary to receive the remaining payments in the event the surviving spouse dies within the 120-month period. Such benefit shall be due the surviving spouse commencing the first (1<sup>st</sup>) day of the month during which the Active Participant or Terminated Participant dies unless the surviving spouse elects to defer to a later date.

- (g) A spouse may elect both of the options set forth at Articles 8.1(d) and 8.1(f).
- (h) The Trustees shall require proof of date of marriage and proof of death as applicable under the circumstances and may, upon receipt of such proof establishing evidence contrary to that in their files, actuarially adjust any payments theretofore or thereafter paid under the Plan.
- (i) If the Actuarial Equivalent of any surviving spouse or beneficiary death benefit provided under Article 8.1(b), (c), (f), or (j) does not exceed \$5,000, the Plan Administrator may direct immediate distribution of such benefit in a lump sum to the surviving spouse or beneficiary. No distribution may be made under the preceding sentence after the Annuity Starting Date. The surviving spouse may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of the lump-sum distribution paid by eligible rollover distribution as detailed in Article 4.18.
- (j) A spouse may name one (1) or more beneficiaries to receive the pre-retirement survivor annuity in the event the spouse dies before the commencement of the payment of the annuity provided:
  - (1) The pre-retirement survivor annuity will commence on the first (1<sup>st</sup>) day of the calendar month sixty (60) days after the Plan Administrator's receipt of notice to commence from the beneficiary, but in no event later than the Participant's Normal Retirement Date;
  - (2) A beneficiary claiming the annuity shall be under age twenty-two (22) on the date of death of the spouse;
  - (3) Any benefit paid pursuant hereto will terminate not later than the beneficiary attaining age twenty-two (22);
  - (4) If more than one (1) beneficiary is designated, the amount of the spouse's benefit for each beneficiary will be recalculated based upon each such beneficiary's age.

**8.2 Death After Retirement.** If a Participant dies after his/her Annuity Starting Date, the death benefit, if any, payable to the Participant's beneficiary will be determined in accordance with the annuity form under which the Participant's benefit is being paid.

**8.3 Designation of Beneficiary.**

- (a) Each Participant for whom a death benefit may become payable may designate a beneficiary to whom benefits, if any, will be paid in the event of the Participant's

death. If the Participant is not receiving benefits from the Plan, the beneficiary may be changed by the Participant at any time, or from time to time, during the Participant's life by giving written notice to the Trustees. If the Participant is receiving benefits from the Plan, the beneficiary may not be changed if the benefit is paid in the life and contingent annuitant option. If the benefit is paid in a form other than the life and contingent annuitant option, the beneficiary may be changed only if the spouse consents to the change. Such designation of beneficiary or change of beneficiary will take effect only when received by the Plan Administrator. When so received, whether the Participant is living or not, the designation of beneficiary or change of beneficiary will be operative as of the date of execution of such notice, but without prejudice to the Trustees on account of any payment made by them before such receipt.

(b) When a Participant's divorce/dissolution decree and property settlement agreement have been entered with the respective court handling the divorce/dissolution, any beneficiary designation in favor of the ex-spouse shall automatically be canceled, unless the spouse is mandatorily designated as a beneficiary or alternate payee pursuant to a duly entered qualified domestic relations order, or the Participant is receiving benefits from the Plan and the benefit is being paid as a life and contingent annuitant option.

(c) Each recipient for whom a death benefit is payable will be required to designate his/her own beneficiary to whom benefits, if any, will be paid in the event of the recipient's death. The recipient's beneficiary may be changed by the recipient at any time, or from time to time, during the recipient's life by giving written notice to the Plan Administrator. If the recipient is receiving benefits from the Plan, the recipient's beneficiary may not be changed if the benefit is paid in the life and contingent annuitant option to modify the amounts or total paid to the recipient. Such designation of beneficiary or change of beneficiary will take effect only when received by the Plan Administrator. When so received, whether the recipient is living or not, the designation of beneficiary or change of beneficiary will be operative as of the date of execution of such notice, but without prejudice to the Trustees on account of any payment made by them before such receipt.

**8.4 Payment to Successive Preference Beneficiaries.** If no beneficiary has been designated by the Participant or beneficiary, or if the designated beneficiary or recipient does not survive the Participant, any death benefits becoming payable will be paid to the surviving person or persons in the first (1<sup>st</sup>) of the following classes of successive preference beneficiaries or recipients who survive the Participant or beneficiary: the Participant's or beneficiary's (a) spouse; (b) children, including legally adopted children; (c) parents; (d) brothers and sisters or; (e) estate. If two (2) or more persons become entitled to benefits as preference beneficiaries, they will share equally.

- 8.5 **Benefits Payable to a Minor.** Any death benefits payable to a minor may be paid to the legally appointed guardian of the minor or, if there be no such guardian, to such adult or adults as have, in the opinion of the Trustees, assumed the custody and principal support of such minor.
- 8.6 **Limitation of Payment to Beneficiary.** Payment to a Participant's spouse, beneficiary, or recipient under this Article 8 will be in lieu of any other payment under the Plan.
- 8.7 **Death of Beneficiary Before Participant.** The interest of any beneficiary who predeceases the Participant will vest in such Participant unless otherwise specifically provided by the Participant in a written notice received by the Trustees.
- 8.8 **Cash Payment.** Effective August 1, 1985, upon the death of a Participant, his/her beneficiary, as determined pursuant to Articles 8.3 through 8.7, shall be paid a sum, in cash, that is equal to 150% of the Employer Contributions received by the Pension Fund for work performed by the Participant in the month of his/her death and the thirty-six (36) full months (or, if applicable, the eighteen (18) full bi-monthly reporting periods,) immediately preceding the Participant's death; provided, however, that the benefit paid pursuant hereto shall not exceed \$10,000; provided, further, that the cash payment shall be reduced to the extent necessary so that the sum of the cash payment and the Actuarial Equivalent of any joint and survivor pension payable as a result of the death of Participant does not exceed 100 times the Participant's anticipated monthly benefit. This benefit is eliminated for any Participant who dies after October 26, 2010.
- 8.9 **Conditions for Award or Determination.** The Trustees shall award any benefit or make any determination based upon the death of an individual upon their receipt of a death certificate certifying such individual's death. In the event a claimant is unable to provide a death certificate, the Trustees may determine whether the individual is deceased. Such determination will be made on the basis of evidence provided to the Trustees, including but not limited to, a court order recognizing the death of the individual, the sinking of a vessel while at sea carrying the individual, an official report investigating the circumstances surrounding the claimed death, or a presumptive death certificate. Payment based upon such determination will be full acquittance of any benefit payable under the Plan unless, before such payment is made, the Trustees have received written notice of a valid claim by some other person. The Trustees may require any beneficiary of the benefit or award made to execute an indemnity agreement in favor of the Pension Fund.
- 8.10 **Death Benefits while Performing Military Service.** In the case of death or disability occurring on or after January 1, 2007, if a Participant dies while performing qualified military service as defined in Code Section 414(u), the survivors of the Participant are entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the Plan as if the Participant had resumed

participation and then terminated on account of death. The period of a deceased Participant's qualified military service shall be treated as vesting service under the Plan.

**ARTICLE 9**  
**FUNDING OF PLAN BENEFITS**

- 9.1 Method of Financing Plan Benefits.** All benefits under the Plan will be payable directly from the Pension Fund. Except as may be provided in Subtitle B, Part 4 of ERISA, no person will have any claim for benefits against any Employer, the Union, or the Trustees, except as may be specifically set forth in the Plan.
- 9.2 Contributions by Employer.** It is the intent of each Employer to contribute to the Plan such amounts as are determined under the Collective Bargaining Agreement, Joinder Agreement, or both. Such amounts are intended to be sufficient on a sound actuarial basis to provide for the payment of benefits under the Plan, and in no event less than the amounts necessary to have the Plan continue to qualify under the applicable provisions of the Code.
- 9.3 Forfeitures.** Any forfeitures which arise under the Plan will remain a part of the Pension Fund for the benefit of the remaining Participants.
- 9.4 Reversion or Diversion Prohibited.** In no event will any part of the Pension Fund be used for any purposes other than for the exclusive benefit of the Participants, their spouses, or their beneficiaries in accordance with the terms of the Plan and paying reasonable expenses for the administration of the Plan and Pension Fund.

**ARTICLE 10**  
**ADMINISTRATION OF PLAN**

**10.1 Responsibility for Administration.** Except where the power of determination is expressly reserved to any Employer or the Union, the Trustees or a subcommittee of Trustees will have the full power and authority to determine all matters arising in the administration, interpretation, and application of the Plan, and the determination of any such matter by the Trustees or a subcommittee of Trustees will be conclusive on all persons. In the event of a deadlock on the part of the Trustees in any matters, such matters will be determined as provided in the Trust Agreement.

The Trustees may name one (1) or more fiduciaries who will have authority to control and manage the operation and administration of the Plan. In addition, the Trustees may, at their discretion, include an allocation of fiduciary responsibilities among the fiduciaries named. In the event that no fiduciaries are named, the Trustees will be deemed to be the named fiduciaries.

**10.2 Change of Fiduciary.** The Trustees reserve the right, at any time, by vote of the majority of the Trustees, to discharge any fiduciary who is not a Trustee and to appoint a successor fiduciary. Any fiduciary who is not a Trustee may resign as a fiduciary at any time by giving an appropriate written notice to the Trustees. A Trustee may resign pursuant to the provisions of the Trust Agreement.

**10.3 Fiduciary Liability.** No fiduciary will be liable for any act or failure to act of any other fiduciary, person, or organization with respect to the carrying out of a responsibility which has been allocated to another fiduciary, person or organization in accordance with Article 10.1.

**10.4 Communication of Plan.** The latest copies of the Plan, announcement material, annual report, Collective Bargaining Agreement, Trust Agreement, contract and other instruments under which the Plan was established or is operated, will be made available for inspection at the office of the Plan Administrator to any Participant or beneficiary who so requests. At the close of each Plan Year, each Participant and each beneficiary who is receiving benefits under the Plan will be furnished with a summary of the latest annual report. In addition, each Participant will be provided with announcement material setting forth in summary form a statement of the essential features of the Plan and the rights of Participants and beneficiaries under the Plan.

**10.5 Expenses.** Reasonable expenses incurred in the administration of the Plan, including compensation of attorneys, consultants, accountants, and actuaries, as may be agreed to by the Trustees, will become a direct charge upon the assets of the Pension Fund, and paid in a manner and at times as directed by the Trustees.

10.6 **Discrimination Prohibited.** Any rules and regulations and any exercise of discretion or other action by the Trustees will be equitable and nondiscriminatory and will be uniform in application as between Participants or beneficiaries who are similarly situated.

10.7 **Limitation of Payment.** If the present value of any monthly benefit payable under the Plan to any person is less than or equal to \$5,000, the Plan Administrator shall pay such present value to such person in a single sum. Such payment will be in full settlement of all liability under the Plan to such person. No distribution may be made under the preceding sentence after the Annuity Starting Date unless the Participant and the spouse of the Participant consent in writing to such distribution (or where the Participant has died, the written consent of the surviving spouse).

10.8 **Non-Alienation of Benefits.**

(a) Except as provided in Article 10.8(b) and (c), no Participant, annuitant, or beneficiary has the right, either voluntarily or involuntarily, to anticipate, alienate, sell, transfer, assign, pledge, encumber, or charge any benefit or payment under the Plan.

(b) A Participant, annuitant, or beneficiary may, in such person's sole and absolute discretion, authorize and direct the Plan Administrator to deduct from the benefits otherwise payable to such person a specific amount from each such payment and to pay the same to a health plan, insurer, or medical provider designated by such person; provided, however, that such direction may be terminated by notice to the Plan Administrator, received any time prior to the payment of any such amount pursuant hereto; and provided further, that no person or organization other than the Participant, annuitant, or beneficiary, shall have any interest in such funds prior to the date that the funds are paid over to, and received by, a health plan, insurer, or medical provider.

(c) The Plan Administrator may comply with a "qualified domestic relations order."

(d) **Qualified Domestic Relations Orders.** Effective January 1, 1985, the Plan shall make the payments to any alternate payee that are required by any qualified domestic relations order, notwithstanding any other provisions in the Plan to the contrary.

(1) A qualified domestic relations order is a judgment, decree, or order (including approval of a property settlement agreement) made pursuant to a state domestic relations law (including community property law) that relates to the provision of child support, alimony payments, or marital property rights to a spouse, former spouse, child, or other dependent of a Participant ("alternate payee") who is recognized by a qualified domestic

relations order as having a right to receive all, or a portion of, the benefits payable under a plan with respect to such Participant and which:

- (i) Creates or recognizes the existence of an alternate payee's right to, or assigns to an alternate payee the right to, receive all or a portion of the benefits payable to a Participant under this Plan; and
- (ii) Specifies:
  - (A) The name and last known mailing address (if any) of the Participant and each alternate payee covered by the order;
  - (B) The amount or percentage of the Participant's Plan benefits to be paid to any alternate payee, or the manner in which such amount or percentage is to be determined; and
  - (C) The number of payments or the period to which the order applies and each Plan to which the order relates; and
- (iii) Does not require the Plan to:
  - (A) Provide any type or form of benefit or any option not otherwise provided under the Plan;
  - (B) Pay any benefits to any alternate payee prior to the earliest date that the affected Participant could have received a pension under the Plan (whether by reason of disability or termination of employment) taking into account only the Actuarial Equivalent of the benefits actually accrued except the fact the Participant may not have terminated his/her employment shall be disregarded;
  - (C) Provide increased benefits; or
  - (D) Pay benefits to an alternate payee that are required to be paid to another alternate payee under a prior qualified domestic relations order.
- (e) For purposes of this Plan, an alternate payee who had been married to the Participant for at least one (1) year may be treated as an eligible spouse with respect to the portion of the Participant's benefit in which such alternate payee has an interest, provided that the qualified domestic relations order provides for such treatment. However, under no circumstances may the spouse of any alternate

payee (who is not a Participant) be treated as an eligible spouse under the terms of the Plan.

- (f) Upon receipt of any judgment, decree, or order (including approval of a property settlement agreement) relating to the payment by the Plan to an alternate payee pursuant to a state domestic relations law, the Plan Administrator shall promptly notify the Participant and alternate payee of the receipt of such judgment, decree, or order and shall notify the Participant and alternate payee of the Plan's procedure for determining whether or not the judgment, decree, or order is a qualified domestic relations order.
- (g) The Trustees shall establish a procedure to determine the status of a judgment, decree, or order as a qualified domestic relations order and to administer Plan distributions in accordance with qualified domestic relations orders. Such procedures shall be in writing, shall include a provision specifying the notification requirements in the preceding paragraph, shall permit an alternate payee to designate a representative for receipt of communications from the Plan, and shall include such other provisions as the Trustees shall determine, including provisions required under the regulations promulgated by the Secretary of the Treasury.
- (h) During any period in which the issue of whether a judgment, decree, or order is a qualified domestic relations order is being determined (by the Plan Administrator, a court of competent jurisdiction or otherwise), the Plan Administrator shall segregate in a separate account under the Plan the amount, if any, which would have been payable to the alternate payee during such period if the judgment, decree, or order had been determined to be a qualified domestic relations order.
- (i) If the judgment, decree, or order is determined to be a qualified domestic relations order within the 18-month period following the receipt by the Plan Administrator of the proposed qualified domestic relations order, then payment from the segregated account shall be paid to the appropriate person. If such a determination is not made within the 18-month period, the segregated account shall be returned to the general assets of the Pension Fund and shall be paid at the time and in the manner provided under the Plan as if no order, judgment, or decree had been received by the Plan Administrator.

**10.9 Protection of Benefits.** To the extent permitted by the law, no benefit or payment under the Plan will be subject to any claim or process of law by any creditor of a Participant, annuitant, or beneficiary.

- 10.10 Jurisdiction.** The Plan will be construed, administered, and enforced according to ERISA, the Code and to the extent not pre-empted by ERISA, by the laws of the State of Oregon.
- 10.11 No Enlargement of Employment Rights.** Nothing contained in the Plan may be construed as conferring any rights upon any person for a continuation of employment, or in any way affect such employment, nor may it be construed as limiting in any way the right of any Employer to terminate or to retire an Employee.
- 10.12 Previously Merged Plans.** Three (3) pension plans have previously merged with this Plan. They are: Columbia River, Inland Waters and Ferry Concessions. In all cases, the previous benefits structures were frozen. However, most of the benefits under the Inland Waters and Columbia River benefit structure were improved effective July 1, 1993, to match this Plan's structure. No such improvements have been made to the Ferry Concessions benefit structure.
- 10.13 Savings Clause.** In case any provision of the Plan is held illegal or invalid for any reason, said illegality or invalidity will not affect the remaining parts of the Plan, but the Plan will be construed and enforced as if said illegal and invalid provision had never been inserted in the Plan.
- 10.14 Merger and Consolidation of Plan or Transfer of Plan Assets.** This Plan may not merge or consolidate with, or transfer its assets or liabilities to, any other plan unless each Participant in the Plan would, if the Plan then terminated, receive a benefit immediately after the merger, consolidation, or transfer which is equal to or greater than the benefit he/she would have been entitled to receive immediately before the merger, consolidation, or transfer if the Plan had been terminated.
- 10.15 Responsibility for Furnishing Information.** Each Employer will be required to provide the Trustees with such personnel data as is required to carry out the provisions of the Plan.
- 10.16 Right to Require Submission of Information.** The Trustees have the right to require submission of all necessary information before any Participant or beneficiary is paid, including records of employment, proofs of date of birth, disability, death and marital status. No benefit, dependent in any way upon such information, will be payable unless and until the information so required has been furnished.
- 10.17 Payment to or on Behalf of Incompetent.** If satisfactory evidence is received that a person entitled to receive any benefit under this Plan is physically or mentally incompetent to receive such payment and to give a valid release therefor and another person or institution is then appointed, maintaining, or has custody of such person, such payments may be made to the person or institution that the Trustees find is appointed, maintain-

ing, or having custody of such person, and any such payment shall be in complete discharge of the Trustees of any and all liability under the Plan for such payment without responsibility on the part of the Trustees to follow the application of funds so paid.

**10.18 Time Limitation on Benefits.** Benefits shall commence within the applicable period established in this Plan; provided, however, that no benefit will be paid that accrued more than five (5) years before written notice to the Plan Administrator.

**10.19 Withdrawal Liability.** The Trustees may adopt withdrawal liability procedures to ensure that there is a system for monitoring Employers that cease Contributions to the Pension Fund and to ensure that an Employer that has completely withdrawn or partially withdrawn pays its required share of unfunded vested benefit liability. Such procedures, as adopted or amended, shall be deemed to be incorporated by this reference in the Plan. The Trustees may adopt a *de minimis* rule pursuant to Section 4209 of ERISA.

**10.20 Reciprocal Agreement.** The Trustees shall have the right to enter into agreements with other qualified retirement plans allowing a Participant to preserve the benefits accumulated under this Plan when the Participant changes from employment covered by this Plan to employment covered by another qualified retirement plan, or when the Participant changes from employment covered by another qualified retirement plan to this Plan. Such an agreement may provide for recognition by one (1) plan of service or benefits or both or the transfer of Contributions between plans under terms deemed acceptable to the Trustees.

**10.21 Pro Rata Pensions.**

(a) **Purpose.** Pro rata pensions are provided under this Plan for Participants who would otherwise be ineligible for a pension because their employment has been divided between employment creditable under this Plan and employment creditable under another qualified retirement plan or whose pensions would otherwise be less than the full amount because of such division of employment.

(b) **Reciprocal Plan.** The Trustees have the sole authority to recognize another qualified retirement plan as a Reciprocal Plan by resolution or another written document.

(c) **Related Hours.** The term "Related Hours" means hours of service for a Participant which are credited under a Reciprocal Plan excluding, however, any Related Hours based on work of the type which would be contiguous service (defined in Article 6.5) if performed under this Plan.

(d) **Related Credit.** The term "Related Credit" means years of service, or portions thereof, credited under this Plan based on Related Hours from a Reciprocal Plan,

excluding, however, any Related Hours based on work of the type which would be contiguous service if performed under this Plan.

- (e) **Combined Credited Service.** The term "Combined Credited Service" means the total of a Participant's Related Credit plus the Credited Service accumulated under this Plan (hereinafter referred to as IBU Credited Service), excluding Related Credit and Credited Service under this Plan that has been lost due to a permanent break in service and excluding any Credited Future Service earned in any contiguous service.
- (f) **Non-Duplication of Credited Service.** A Participant shall not receive double credit for the same period of employment. No more than one (1) year of Credited Service or Related Credit shall be given for all employment in any year.
- (g) **Eligibility for a Pro Rata Pension.** A Participant who is retiring shall be eligible for a pro rata pension if
  - (i) He/she would be eligible for a early, normal, postponed, or disability pension under this Plan if his Combined Credited Service would be treated as IBU Credited Service; and
  - (ii) In addition to any other requirements necessary to be eligible for a pension under Article 10(g)(i), a Participant has accumulated at least one (1) year of Future Credited Service under Article 1.10(b).

Related Hours shall be considered in determining whether a Participant incurred a break in service. Once a Participant has left employment for which Contributions are made to this Plan or a Reciprocal Plan, determining whether the Participant had a permanent break in service under this Plan shall be based on his Combined Credited Service.

Related Credit shall be included as Future Benefit Service when determining a Participant's Accrued Benefit under Article 1.1 of this Plan.

Combined Credited Service shall be considered in determining whether a Participant or his/her beneficiary has a Vested Interest to a pension benefit under this Plan.

- (h) **Amount of the Pro Rata Pension.** The amount of the pro rata pension is determined in the same way as the early, normal, postponed, or disability pension is determined based on Contributions made or required to be made to this Plan and not including any contributions made or required to be made to a Reciprocal Plan that are not reciprocated to this Plan.

- (i) **Payment.** Payment of a pro rata pension shall be subject to all conditions specified in the Trustees' resolution or other written document recognizing the Reciprocal Plan and shall be subject to all conditions applicable to the payment of other types of pensions under this Plan.
- (j) **Terms of the Rehabilitation Plan and Schedules are not Affected.** This Article 10.21 is not applicable to ARTICLE 16 REHABILITATION PLAN AND SCHEDULES except as specifically provided in Article 16. Related Hours as defined in Article 10.21(c) are not considered Contributory Hours as defined in Article 16.3(d).
- (k) **No Effect on Reciprocal Agreements.** Inclusion of Article 10.21 in the Plan shall not amend or modify the terms of any Reciprocal Agreement the Trustees have or might enter into which provide other rules and procedures for recognition of reciprocal service.

#### 10.22 Money Follows the Worker Pension.

- (a) **Transfer of Contributions.** At the timely written request of a worker pursuant to Article 10.22(b), Employer Contributions made to the Plan for Contributory Hours worked on or after January 1, 2014 shall be transferred to the worker's Reciprocal Plan provided this Plan and the Reciprocal Plan have adopted a money follows the worker Reciprocal Agreement and the transfer request is consistent with the Reciprocal Agreement. At the timely written request of a Participant pursuant to Article 10.22(b), Contributions made to a Reciprocal Plan for Contributory Hours worked on or after January 1, 2014 shall be accepted by this Plan provided the Reciprocal Plan and this Plan have adopted a money follows the worker Reciprocal Agreement and the transfer request is consistent with the Reciprocal Agreement.
- (b) **Written Request for Transfer.** The request for transfer of Employer Contributions from this Plan to a Reciprocal Plan or from a Reciprocal Plan to this Plan must be made by the worker or Participant in writing on an approved form sent to both plans. The form must be submitted to the plan where the Employer Contributions are initially paid within sixty (60) days from the start of employment unless an extension is granted.
- (c) **Rights Governed by Reciprocal Plan.** Upon transfer of contributions to a Reciprocal Plan, a worker's eligibility to participate in and eligibility for benefits with respect to such transferred contributions shall be determined by the provisions of the Reciprocal Plan. This Plan shall have no liability for benefits with respect to Employer Contributions that have been transferred to a Reciprocal Plan.

**ARTICLE 11**  
**CLAIMS AND APPEALS PROCEDURES**

- 11.1 **Exclusive Procedures.** The following procedures are the sole and exclusive procedures available to a Participant, beneficiary, retired person or any other person, (the claimant) who is dissatisfied with any determination, or who is otherwise adversely affected by any action of the Plan Administrator, Appeals Review Committee, or the Trustees.
- 11.2 **Condition to Action.** No legal or equitable action for benefits under the Plan shall be brought unless and until the claimant has exhausted the claims and appeals procedures set forth in this Article 11.
- 11.3 **Denial of Claim.** The Plan Administrator is responsible for reviewing claims. If a claim is denied, in whole or in part, the claimant will be sent a written explanation from the Plan Administrator. The written notice of denial will normally be provided to the claimant within forty-five (45) days after receipt of a completed application. If the Plan Administrator determines an extension of time is necessary to complete review of the claim because of matters beyond control of the Plan, the 45-day period may be extended for up to thirty (30) days, provided Plan Administrator notifies the claimant of the extension of time for processing the claim during the initial 45-day period. If, prior to the end of the first (1<sup>st</sup>) 30-day extension, the Plan Administrator determines that a further extension of time is necessary to complete review of the claim because of matters beyond control of the Plan, the 30-day extension period may be extended for up to an additional thirty (30) days, provided that the Plan Administrator notifies the claimant of the extension of time for processing the claim before the end of the first (1<sup>st</sup>) 30-day extension period. If an extension of time is required, the claimant will be notified in writing and the notice shall specify the reason(s) for the extension, the unresolved issue(s), if any, preventing a decision, additional information, if any, needed to resolve the issue(s), and the date a decision is expected.

The period of time within which a claim review is required to be made will begin at the time the claim is submitted to the Plan Administrator without regard to whether all of the information necessary to make the determination accompanies the filing. In the event that a period of time is extended, as permitted above, due to the claimant's failure to submit information necessary to make a determination, the period for making the determination will be tolled from the date on which the notification of the extension is sent to the claimant until the date on which the claimant responds to the request for additional information.

- 11.4 **Content of Initial Adverse Determination Notice.** If a claim is denied, the adverse benefit determination will be in writing and will provide:
- (a) The specific reason(s) for the adverse determination;

- (b) Reference to the specific Plan provision(s) on which the adverse determination is based;
- (c) A description of any additional material or information necessary to perfect the claim and an explanation why such material or information is necessary;
- (d) If the adverse determination is based upon an internal rule, guideline, protocol, or similar criterion, the claimant will be notified of his/her right to receive the document free of charge upon request;
- (e) A description of the Plan's review procedure, the right to relevant documents, records, and information, the time limits applicable to such procedures, the right to relevant documents, and the claimant's right to bring a civil lawsuit under Section 502 of ERISA for the benefit after an adverse determination by the Appeals Review Committee or Board of Trustees.

#### **11.5 Appeal to the Appeals Review Committee or Trustees.**

- (a) If a claimant disagrees with the adverse determination, the claimant or his/her authorized representative may file a written appeal within 180 days after receiving notice of adverse determination. The written appeal must be filed as follows:

Inlandboatmen's Union of the Pacific National Pension Trust  
Attention: Appeals Review Committee  
c/o A&I Benefit Plan Administrators, Inc.  
1220 SW Morrison Street Suite 300  
Portland, OR 97205

- (b) The claimant or his/her authorized representative may request, in the appeal, to appear at a hearing before the Appeals Review Committee and, if the appeal is not resolved by the Appeals Review Committee, to appear at a hearing before the Trustees.
- (c) Upon written request, the claimant will be provided, free of charge, reasonable access to and copies of all non-privileged documents, records, and other information relevant to the appeal. Whether a document, record, or other information is relevant is determined in accordance with ERISA Regulation 29 C.F.R. § 2560.503-1(m)(8).
- (d) If the appeal involves a disability benefit, the claimant shall have access to relevant documents, records and other information relevant to his/her claim,

including any statement of policy or guidance with respect to the Plan concerning the denial of disability benefits, without regard to whether such statement of policy or guidance was relied upon in making the adverse determination. If the adverse determination is based in whole or in part on disability or involves medical judgment, the Appeals Review Committee or Trustees shall consult with a healthcare professional or vocational expert with appropriate training and experience in the field of medicine involved in the appeal. If a health care professional or vocational expert is consulted, that person will be identified regardless of whether that person's opinion is relied upon. Such health care professional or vocational expert shall be different from any individual previously consulted in connection with the adverse determination and shall not be the subordinate of such person.

- (e) In conjunction with an appeal, the claimant or his/her authorized representative may submit written comments, documents, records, or other information relating to the appeal.

**11.6 Scope of Review.** If the Plan Administrator's decision is appealed, the claim will be referred to the Appeals Review Committee and, if necessary, the Trustees, as described in Articles 11.7 and 11.8. In either case, the claim will be reviewed *de novo*. All relevant information will be reviewed regardless of whether the information was previously submitted.

**11.7 Decision by Appeals Review Committee.**

- (a) The Co-Chairs of the Trustees shall appoint the Appeals Review Committee consisting of not fewer than two (2) Trustees. The Co-Chairs may be the Appeals Review Committee. The Appeals Review Committee will consist of an equal number of Employer Trustees and Union Trustees.
- (b) Upon receipt of a timely appeal, the Appeals Review Committee will review the claim *de novo*.
- (c) The Appeals Review Committee shall issue a written decision affirming, modifying, or setting aside the adverse determination. If the Appeals Review Committee deadlocks or determines that it will not decide the appeal, the appeal will be referred to the Trustees for decision under Article 11.8.
- (d) If the claimant makes a timely request to appear at a hearing in accordance with Article 11.5(b), the claimant may be represented at the hearing before the Appeals Review Committee by an attorney or other representative of his/her choosing at his/her own cost and expense.

- (e) The appeal will be considered by the Appeals Review Committee no later than the next regularly scheduled meeting of the Trustees following receipt of the appeal unless the appeal is received less than thirty (30) days prior to the meeting. In that event, the Appeals Review Committee will review the appeal no later than the date of the subsequent Trustee meeting. If, due to special circumstances, the Appeals Review Committee requires an extension of time to review the appeal, the claimant will be notified in writing of the special circumstances necessitating the extension and when the decision will be made.
- (f) The decision of the Appeals Review Committee will be in writing and sent to the claimant within five (5) days after the decision is reached.
- (g) A unanimous decision by the Appeals Review Committee is final and binding on all parties interested in the appeal.

**11.8 Decision by the Trustees.**

- (a) If the Appeals Review Committee deadlocks or has not reached a unanimous decision prior to a regularly scheduled meeting of the Trustees, a decision will be made by the Trustees at their next regularly scheduled meeting following receipt of the appeal by the Plan Administrator, unless the appeal is received less than thirty (30) days prior to the meeting. In that event, the Trustees will review the appeal not later than the date of the subsequent regularly scheduled Trustee meeting if the Appeals Review Committee has not, by that date, reached a decision. If, due to special circumstances, the Trustees requires an extension of time to review the appeal, the claimant will be notified in writing of the special circumstances necessitating the extension and when the decision will be made.
- (b) If the claimant or authorized representative makes a timely request to appear at a hearing in accordance with Article 11.5(b), the claimant may be represented at the hearing before the Trustees by an attorney or other representative of his/her choosing at his/her own cost and expense.
- (c) The decision of the Trustees will be in writing and sent to the claimant within five (5) days after the decision is reached.
- (d) The decision is final and binding on all parties interested in the appeal.

**11.9 Contents of Adverse Determination on Appeal.** If either the Appeals Review Committee or the Trustees denies an appeal, the adverse determination will include the following:

- (a) The specific reason(s) for the adverse determination;

- (b) Reference to the specific Plan provision(s) on which the decision is based;
- (c) A statement that, upon written request, the claimant will be provided free of charge reasonable access to and copies of all non-privileged documents, records and other information relevant to the claim. Whether a document, record, or information is relevant to a claim is determined in accordance with ERISA Regulation 29 C.F.R. § 2560.503-1(m)(8);
- (d) A statement that any internal rule, guideline, protocol, or similar criterion used as a basis for the adverse determination will be available free of charge upon written request; and
- (e) A statement of the claimant's right to bring a civil lawsuit under ERISA Section 502.

#### **11.10 Authority of Appeals Review Committee and Trustees.**

- (a) The Appeals Review Committee and the Trustees, whichever decides the appeal, has the full and exclusive power and authority to administer the Plan and Pension Fund, to construe and interpret all Plan documents and the Trust Agreement, including but not limited to all Plan documents and the summary plan description, and resolve all questions, including factual questions, arising in the administration, interpretation, and application of the Plan and the aforementioned documents. The Appeals Review Committee's authority and the Trustees' authority includes, but is not limited to:
  - (1) The right to resolve all matters when review has been requested;
  - (2) The right to establish and enforce rules and procedures for the administration of claims so long as the rules and procedures are consistent with ERISA; and
  - (3) The right to construe and interpret all Plan documents, including but not limited to, the Plan and the summary plan description.
- (b) The exercise of the aforementioned powers and authorities by the Appeals Review Committee and Trustees will be given the fullest deference allowed by law.

**ARTICLE 12**  
**AMENDMENT TO PLAN**

- 12.1 **Right of Amendment.** Subject to the terms and conditions of the Trust Agreement, the Trustees reserve the right to amend, modify or restate the Plan, retroactively or otherwise, at any time, in any manner consistent with the requirements and regulations of the Code, the Labor Management Relations Act of 1947 and ERISA.
- 12.2 **Qualification of Plan.** It is intended that the Plan will constitute a qualified pension plan under Code Section 401(a), as now in effect or hereafter amended. Any modification or amendment of the Plan may be made retroactively, if necessary or appropriate, to qualify or maintain the Plan as a plan meeting the requirements of the applicable provisions of the Code, or any other applicable provisions of the U.S. federal tax laws or ERISA, as now in effect or hereafter amended or adopted, and the regulations issued thereunder.
- 12.3 **Limitation of Amendment.** In no event may any amendment be made to the Plan which:
- (a) Will cause any funds to revert to an Employer or be used to or directed to any purpose other than for the exclusive benefit of Participants, their spouses, or their beneficiaries in accordance with the terms of the Plan except Contributions made by an Employer pursuant to a mistake of law or fact pursuant to ERISA Section 403(c)(2)(A) may be returned to the extent allowed by the Trustees; or
  - (b) Will decrease any Accrued Benefit, early retirement benefit, or a retirement-type subsidy; or eliminate any early retirement benefit, retirement-type subsidy or optional form of benefit; except as allowed by the Code and/or ERISA; or
  - (c) Will cause or effect any impermissible discrimination in favor of officers, shareholders, or highly compensated employees; or
  - (d) Substantially increases the duties or powers of the Trustees without the Trustees first giving written consent thereto; or
  - (e) Will change the vesting schedule unless the Vested Interest of each Participant as of the date such amendment is adopted or becomes effective, whichever is later, will be the greater of the percentage determined in accordance with the amended vesting schedule or the percentage determined in accordance with the vesting schedule of the Plan prior to the amendment.

**ARTICLE 13**  
**TERMINATION OF PLAN**

- 13.1 Right to Terminate Plan.** It is expected that the Plan will continue indefinitely and that each Employer will continue to make Contributions to the Pension Fund required by the applicable Collective Bargaining Agreement or Joinder Agreement. Except as stated herein, it is understood that there is no contractual commitment that the Plan or the required Contributions will be continued by each Employer.

The Trustees reserve the right at any time to terminate the Plan, or to terminate the Plan on behalf of an Employer, subject to the terms of the Collective Bargaining Agreement between an Employer and the Union governing the provision of pension benefits.

In the event of a partial or total termination of the Plan, or a complete discontinuance of Employer Contributions, the Accrued Benefit, to the extent funded as of the date of termination or discontinuance, credited to each Participant will be nonforfeitable, subject to Title IV of ERISA.

- 13.2 Termination by Trustees.** The Trustees will instruct the fiduciary named in accordance with Article 10.1 to file, prior to the effective date of the termination, a notice with the Pension Benefit Guaranty Corporation that the Plan is to be terminated and the proposed termination date. The fiduciary will pay no amount pursuant to this Article 13 unless he/she receives notice, within ninety (90) days subsequent to the proposed termination date, from the Pension Benefit Guaranty Corporation that the assets held under the Plan are sufficient to discharge all nonforfeitable benefits under the Plan. In this event, the fiduciary may allocate the assets of the Plan Fund among Participants and beneficiaries as provided under Article 13.4.
- 13.3 Termination by Pension Benefit Guaranty Corporation.** The Pension Benefit Guaranty Corporation, a nonprofit corporation, has been established within the Department of Labor by ERISA to ensure that Participants and beneficiaries covered under the Plan do not incur a loss of benefits arising from a termination of the Plan before sufficient funds have been accumulated to pay all benefits. If the Pension Benefit Guaranty Corporation determines that such risks are involved, it may institute proceedings to terminate the Plan under applicable federal laws and regulations. In this event, the Pension Benefit Guaranty Corporation will be responsible for determining the amount of insurance coverage, the priority of claims, and the distribution of assets and insurance proceeds to all claimants.

If within the 90-day period described in Article 13.2, the Pension Benefit Guaranty Corporation determines, pursuant to a "notice of termination" as described in Article 13.2, that the assets held under the Plan are not sufficient to discharge, when due, the obligations of the Plan, the Pension Benefit Guaranty Corporation will notify the fiduciary of

that finding within the 90-day period and may institute proceedings to terminate the Plan as described above.

- 13.4 Distribution of Benefits on Plan Termination.** The distribution of benefits upon termination of the Plan will be governed by the provisions of the Plan and by Title IV of ERISA.

In no event may a Participant receive a larger retirement annuity benefit under this Article 13 than the amount of his/her Accrued Benefit under the Plan as of the date of its termination.

- 13.5 Benefits Unaffected by Continued Employment.** Benefits, when determined as described above, will remain fixed regardless of any person's employment status thereafter.

- 13.6 Disposition of any Excess.** If the amount of assets in the Pension Fund available for allocation under this Article 13 is more than sufficient to purchase for each Participant the full amount of benefit to which he/she is entitled under this Article 13, the excess amount of Employer Contributions will be considered to have resulted from some prior erroneous actuarial computation and will remain as a part of the Pension Fund for disposition on behalf of the Participants as determined by the Trustees.

**ARTICLE 14**  
**TOP-HEAVY RULES**

- 14.1 General Rule.** If the Plan is determined to be Top-Heavy (as defined in Code Section 416(g)) for any Plan Year, then for any such year the special vesting, minimum benefit and compensation limitations of Article 14.3 shall apply. The provisions of Article 14 shall supersede any conflicting provisions of the Plan.
- 14.2 Determination of Top-Heavy Status.** The following definitions shall apply when determining whether the Plan is top-heavy.
- (a) **Determination Date.** The Determination Date for any Plan Year subsequent to the first (1<sup>st</sup>) Plan Year is the last day of the preceding Plan Year. For the first (1<sup>st</sup>) Plan Year of the Plan, the last day of that year.
- (b) **Top-Heavy Status.** The Plan is top-heavy for any Plan Year beginning after December 31, 1983, if as of the Determination Date, any of the following conditions exist:
- (1) If the Top-Heavy Ratio for this Plan exceeds sixty percent (60%) and this Plan is not part of any required aggregation group or permissive aggregation group of plans.
- (2) If this Plan is part of a required aggregation group of plans but not part of a permissive aggregation group and the Top Heavy Ratio for the required aggregation group of plans exceeds sixty percent (60%).
- (3) If this Plan is part of a required aggregation group of plans and part of a permissive aggregation group of plans and the Top-Heavy Ratio for the permissive aggregation group of plans exceeds sixty percent (60%).
- (c) **Top-Heavy Ratio means:**
- (1) If the Plan sponsor maintains one (1) or more defined benefit plans and the Plan sponsor has not maintained any defined contribution plan (including any Simplified Employee Pension, as defined in Code Section 408(k)) which during the five-year period ending on the Determination Date(s) has or has had account balances, the Top-Heavy Ratio for this Plan alone or for the required or permissive aggregation group as appropriate is a fraction, the numerator of which is the sum of the present value of Accrued Benefits of all Key Employees as of the Determination Date(s) (including any part of any Accrued Benefit distributed in the one-year period ending on the Determination Date(s)) (five-year period ending on

the Determination Date in the case of a distribution made for a reason other than severance from employment, death or disability), and the denominator of which is the sum of the present value of Accrued Benefits (including any part of any Accrued Benefits distributed in the one-year period ending on the Determination Date(s)) (five-year period ending on the Determination Date in the case of a distribution made for a reason other than severance from employment, death or disability) determined in accordance with Code Section 416 and the regulations thereunder.

- (2) If the Plan sponsor maintains one (1) or more defined benefit plans and the Plan sponsor maintains or has maintained one (1) or more defined contribution plans (including any Simplified Employee Pension, as defined in Code Section 408(k)) which during the five-year period ending on the Determination Date(s) has or has had any account balances, the Top-Heavy Ratio for any required or permissive aggregation group as appropriate is a fraction, the numerator of which is the sum of the present value of Accrued Benefits under the aggregated defined benefit plan(s) for all Key Employees, determined in accordance with the previous paragraph and the sum of account balances under the aggregated defined contribution plan(s) for all Key Employees as of the Determination Date(s) and the denominator of which is the sum of the present value of Accrued Benefits under the defined benefit plan(s) for all Participants, determined in accordance with the previous paragraph and the account balances under the aggregated defined contribution plan(s) for all Participants as of the Determination Date(s), all determined in accordance with Code Section 416 and the regulations thereunder. The account balances under a defined contribution plan(s) in both the numerator and denominator of the Top-Heavy Ratio are increased for any distribution of an account balance made in the one-year period ending on the Determination Date (five-year period ending on the Determination Date in the case of a distribution made for a reason other than severance from employment, death or disability).
- (3) For purposes of the two (2) preceding paragraphs, the value of account balances and the present value of Accrued Benefits will be determined as of the most recent Valuation Date that falls within or ends within the 12-month period ending on the Determination Date, except as provided in Code Section 416 and the regulations thereunder for the first (1<sup>st</sup>) and second (2<sup>nd</sup>) Plan Years of a defined benefit plan. The account balances and Accrued Benefits of a Participant (i) who is not a Key Employee but who was a Key Employee in a prior year, or (ii) who has not been credited with at least one (1) hour of Contributions with any Employer maintaining the Plan at any time during the one-year period ending on

the Determination Date will be disregarded. The calculation of the Top-Heavy Ratio and the extent to which distributions, rollovers and transfers are taken into account will be made in accordance with Code Section 416 and the regulations thereunder. Deductible employee contributions will not be taken into account for purposes of computing the Top-Heavy Ratio. When aggregating plans, the value of account balances and Accrued Benefits will be calculated with reference to the Determination Dates that fall within the same calendar year.

The Accrued Benefit of a Participant other than a Key Employee shall be determined under (i) the method, if any, that uniformly applies for accrual purposes under all defined benefit plans maintained by the Plan sponsor or (ii) if there is no such method, as if such benefit accrued not more rapidly than the slowest accrual rate permitted under the fractional rule of Code Section 411(b)(1)(C).

- (d) **Key Employee.** Key Employee means any Employee or former Employee (including any deceased Employee) who at any time during the Plan Year that includes the Determination Date is an officer of an Employer having annual Compensation greater than \$165,000 (as adjusted under Code Section 416(i)(1) for the Plan Years beginning after December 31, 2012); a five-percent (5%) owner of an Employer; or a one-percent (1%) owner of an Employer having annual Compensation of more than \$150,000. For purposes of this Article 14.2(d), annual Compensation means Compensation within the meaning of Article 4.5(b) as limited by Code Section 401(a)(17). The determination of who is a Key Employee will be made in accordance with Code Section 416(i)(1) and the applicable regulations and other guidance of general applicability issued thereunder.
- (e) **Aggregation Rules.** In determining if the Plan is Top-Heavy, the Plan shall be aggregated with each other plan in the required aggregation group as defined in Code Section 416(g)(2)(A)(i) and may, in the Trustees' discretion, be aggregated with any other plan in the permissive aggregation group as defined in Code Section 416(g)(2)(A)(ii).
- (f) **Valuation Date.** The first (1<sup>st</sup>) day of the Plan Year.
- (g) **Present Value.** The present value of cumulative Accrued Benefits shall be determined based on the interest and mortality rates currently used by the Plan.
- (h) **Special Rules.** The Trustees are authorized to adopt any other rules or regulations necessary to ensure that the Plan complies in all respects with the Top-Heavy Rules of the Code and applicable regulations.

**14.3 Special Vesting, Minimum Benefit and Compensation Rules.** The following rules will apply only to Employees (i) not included in a unit of Employees covered by a Collective Bargaining Agreement requiring Contributions to this Plan; ii) who are not employees of an employee representative as described in 26 C.F.R. § 1.416-1T-38; and (iii) only if the Plan becomes top-heavy. Such Employees, who are not Key Employees, are referred to as Top-Heavy Employees.

**(a) Vesting.**

(1) **Applicability.** If the Plan becomes top-heavy, the vesting schedule set forth in Article 14.3(a)(2) below shall apply to the Accrued Benefits of every Top-Heavy Employee who has at least one (1) hour of Contributions from an Employer while the Plan is top-heavy. Participants who do not have at least one (1) hour of Contributions from an Employer while the Plan is top-heavy will have their vesting determined under the regular vesting schedule. Any Accrued Benefits which were forfeited before the Plan became top-heavy will remain forfeited.

(2) **Special Vesting Schedule.** If the Plan becomes top-heavy, the following vesting schedule shall apply instead of the Plan's regular vesting schedule to Participants defined as Top-Heavy Employees:

Years of Vesting Service	Percent Vested
3	100%

(3) **End of Top-Heavy Status.** If, after being determined to be top-heavy, the Plan ceases to be top-heavy, then:

(i) The non-forfeitable percentage of a Participant's Accrued Benefit before the Plan ceased to be top-heavy will not be reduced;

(ii) Any Top-Heavy Employee with five (5) or more years of Credited Service at the time the Plan ceased to be top-heavy will have the vesting schedule of Article 14.3(a)(2) above applied to his Accrued Benefits whenever earned; and

(iii) Any Top-Heavy Employee with less than five (5) years of Credited Service at the time the Plan ceased to be top-heavy will have the Plan's regular vesting schedule apply to Accrued Benefits after the Plan ceased to be top-heavy.

(b) **Special Minimum Accrued Benefit Rules.**

(1) **Applicability.** If the Plan becomes top-heavy, then for the first (1<sup>st</sup>) year that the Plan is top-heavy, and for all subsequent years during which it is top-heavy, the minimum benefit set forth in Article 14.3(b)(2) below shall apply to all Top-Heavy Employees (other than Key Employees) who have a year of Credited Service during any such Plan Year.

(2) **Special Minimum Benefit.** If the Plan becomes top-heavy, the minimum regular pension benefit for Top-Heavy Employees (other than Key Employees) shall be the greater of:

(i) the Plan's basic regular pension benefit determined under Article 1.1(c), or

(ii) two percent (2%) of the Participant's average top-heavy compensation (defined below) for each year of Credited Service beginning after December 31, 1983, during which the Plan was top-heavy, up to a maximum of ten (10) such years.

(3) **Average Top-Heavy Compensation** means the compensation for work performed while a Participant is in this Plan for the period of consecutive top-heavy years not exceeding five (5), during which the Participant had the greatest aggregate compensation. Top-heavy Years are those Plan Years beginning on or after January 1, 1984 for which the Plan is determined to be top-heavy.

(c) **Compensation Limitation.** In no event shall Compensation for any Plan Year that this Plan is a top-heavy plan exceed the limits in Code Section 401(a)(17) as in effect at the first (1<sup>st</sup>) day of the year.

**ARTICLE 15**  
**ADOPTION AND EFFECTIVE DATE**

This Eighth Restated Plan Document is effective January 1, 2015.

**ARTICLE 16**  
**REHABILITATION PLAN AND SCHEDULES**

- 16.1 Cash Payment Eliminated.** The Cash Payment benefit (Article 8.8) is eliminated for any Participant who dies after October 26, 2010.
- 16.2 Purpose.** Section 305(e) of ERISA and Section 432(e) of the Code require trustees of a multiemployer defined benefit pension plan that has been certified by the plan's actuary as being in critical status to develop a rehabilitation plan that is intended to enable the plan to cease to be in critical status by the end of the plan's rehabilitation period. The rehabilitation plan must be based on reasonably anticipated experience and on reasonable actuarial assumptions.

On September 28, 2010, the Plan was certified by its actuary as being in critical status for the Plan Year beginning July 1, 2010. Effective January 31, 2011, the Trustees adopted a Rehabilitation Plan which includes a Default Schedule and a Preferred Schedule.

The purpose of Article 16 is to incorporate the significant terms of the Rehabilitation Plan into the Plan. In the event there are any inconsistencies between Article 16 of the Plan, and other Plan provision(s), Article 16 shall prevail.

- 16.3 Defined Terms.** Each capitalized term in Article 16 has the same meaning given to that term in Article 1 of the Plan or as defined in Article 16.3 unless otherwise indicated or required by the context in which the term is used.
- (a) **Active Participant** means a Participant who has 240 or more Contributory Hours earned under the Pension Fund in the Plan Year of his/her Annuity Starting Date or in the preceding Plan Year.
  - (b) **Adoption Date** means the date the bargaining parties reach a final and legally binding decision to adopt either the Default Schedule or the Preferred Schedule.
  - (c) **Applicable Schedule** for a Participant who has worked for only one (1) Employer with a Schedule, Applicable Schedule means the Schedule that has been adopted or imposed on that Employer. For a Participant who has worked under different Schedules, the Accrued Benefit, for Future Credited Service earned after June 30, 2011, is determined under the Schedule in which the Contributions were earned. The pension benefit options at retirement are determined under the Preferred Schedule or Default Schedule (Article 16.10 or 16.11) in which the majority of his/her Contributory Hours after June 30, 2011 have accrued.
  - (d) **Contributory Hours** means hours for which Contributions are paid or required to be paid to the Pension Fund on behalf of an Employee pursuant to the terms of

a Collective Bargaining Agreement or Joinder Agreement or hours for which contributions are transferred to the Pension Fund pursuant to a Reciprocal Agreement described in Article 10.22.

- (e) **Current Plan Provisions** means the terms and conditions of the Plan as they existed prior to the adoption of the Rehabilitation Plan (January 31, 2011) except as modified by the elimination of the Article 8.8 **Cash Payment** as described in Article 16.1.
- (f) **Rehabilitation Period** means the 10-year period beginning July 1, 2013 (the first [1<sup>st</sup>] day of the Plan Year following the second (2<sup>nd</sup>) anniversary of the adoption of the Rehabilitation Plan) and ending on June 30, 2023 when the Plan is expected to emerge from critical status.
- (g) **Rehabilitation Plan** means the document adopted by the Trustees on January 31, 2011 including the Default Schedule and the Preferred Schedule as amended or restated from time to time.
- (h) **Rule of 85 Benefit** means an early retirement benefit equal to the Participant's normal retirement annuity at age sixty-two (62) or an early retirement benefit equal the Participant's normal retirement annuity reduced by one-quarter of one percent (0.25%) per month for each month from the date of commencement of the early retirement benefit to the date the Participant reaches age sixty-two (62).
- (i) **Rule of 85 Requirements** means a Participant who, as of June 30, 2011, meets the following criteria:
  - (1) is age fifty-five (55) or older but has not yet reached age sixty-five (65);
  - (2) is not a Terminated Participant;
  - (3) has 240 or more Contributory Hours earned under the Pension Fund in the July 1, 2010 to June 30, 2011 Plan Year; and
  - (4) his/her age plus years of service (defined below) equal or exceed eighty-five (85).

Years of service for the Rule of 85 Requirements means years or partial years of Future Credited Service that a Participant 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 break in service (permanent break in service). If a Participant has twenty (20) or more years of IBU credited service without a permanent break in service

as of June 30, 2011, he/she 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 Individual Retirement Annuity Plan provided the future credited service has not been permanently forfeited due to a permanent break in service.

In order to qualify for the Rule of 85 Benefit, in addition to meeting the four (4) criteria above, the Collective Bargaining Agreement or Joinder Agreement covering the Participant must have adopted the Preferred Schedule or, if the Participant works under more than one (1) Collective Bargaining Agreement or Joinder Agreement with different Schedules, the majority of his/her Contributory Hours after June 30, 2011 must have accrued under Collective Bargaining Agreements or Joinder Agreements that adopted the Preferred Schedule.

- (j) **Schedule** means either the Preferred Schedule or Default Schedule which is a part of the Rehabilitation Plan as amended or restated from time to time.
- (k) **Terminated Participant** means a Participant with less than 240 Contributory Hours earned under the Pension Fund for the July 1, 2009 to June 30, 2010 Plan Year. Terminated Participant also means a Participant who is not an Active Participant at the time of his/her Annuity Starting Date.
- (l) **Unsubsidized Early Retirement Benefit** means the Actuarial Equivalent of the normal retirement annuity payable at the Normal Retirement Date for a Terminated Participant pursuant to the following table:

Age	Early Retirement Factor	
	IBU, Inland Waters, Columbia River	Ferry Concessions
55	0.3791	0.5131
56	0.4148	0.5618
57	0.4545	0.6159
58	0.4986	0.6763
59	0.5478	0.7438
60	0.6029	0.8194
61	0.6645	0.9043
62	0.7338	1.0000
63	0.8118	1.0000
64	0.9000	1.0000

16.4 **Death Benefits – Article 8.1(b) of the Plan.** The surviving spouse death benefit in Article 8.1(b) of the Plan is modified for all Terminated Participants who die after June

30, 2011. If the Terminated Participant dies after attaining the earliest retirement age under the Plan, the benefit payable to the survivor is the amount that would have been payable to the survivor if the Participant had retired with an immediate fifty percent (50%) joint and survivor pension (qualified joint and survivor pension) on the day before the Participant's death. If the Terminated Participant dies before attaining the earliest retirement age under the Plan, the benefit payable at the Participant's earliest retirement date is the amount that would be payable to the survivor if the Participant had separated from service at the earlier of actual separation or death, survived until the earliest retirement age, retired at that time with an immediate qualified joint and survivor pension, and died the next day.

**16.5 Pension Benefits for Retirements Prior to August 2, 2011 are not Affected by the Rehabilitation Plan.**

- (a) A Participant who retires prior to August 2, 2011 will receive Plan benefits pursuant to the Current Plan Provisions except: (i) as modified by Article 16.1; and (ii) if the Participant's Employer adopted the Default Schedule, the Accrued Benefit earned after June 30, 2011 will be determined under the Default Schedule in Article 16.11(e).
- (b) In order for a Participant to retire prior to August 2, 2011, the Participant must meet the following criteria:
  - (1) The Plan Administrator must have received the Participant's completed pension application with all supporting documents, except the benefit selection form, prior to August 2, 2011;
  - (2) The Participant must have an Annuity Starting Date prior to August 2, 2011;
  - (3) The Participant must have retired (terminated employment with all Employers that contribute to the Pension Fund and all employers in Alaska, Washington, Oregon, California and Hawaii who are in the same industry as any Employer who contributes to the Pension Fund) prior to August 2, 2011; and
  - (4) The Participant must have met any other criteria in the Plan and/or the Plan's administrative rules and procedures necessary to begin the receipt of pension benefits prior to August 2, 2011 except the completed benefit selection form.

- 16.6 Early Retirement Benefits for Terminated Participants who Retire After August 1, 2011.** A Terminated Participant who retires after August 1, 2011, shall receive an early retirement benefit, if elected, equal to the Unsubsidized Early Retirement Benefit.
- 16.7 Rules for Active Participants who Retire After August 1, 2011 and Before Their Employer Has Adopted a Schedule.**
- (a) An Active Participant who retires before his/her Employer has adopted a Schedule or had the Default Schedule imposed by the Pension Protection Act shall have his/her pension benefit calculated and temporarily paid as follows:
- (1) The Accrued Benefit earned after June 30, 2011 will initially be calculated using the Preferred Schedule, Article 16.10(e).
  - (2) The early retirement benefit, if elected, will initially be calculated using the Preferred Schedule, Article 16.10(g), without regard to whether the Participant meets the Rule of 85 Requirements, unless Article 16.7(a)(3) applies.
  - (3) If the employee was an Active Participant at the time of retirement but was a Terminated Participant as of June 30, 2010, the early retirement benefit for the Accrued Benefit earned through June 30, 2010 shall be the Unsubsidized Early Retirement Benefit and the early retirement benefit for the Accrued Benefit earned after June 30, 2010 will initially be calculated using the Preferred Schedule, Article 16.10(g). Once the bargaining parties adopt a Schedule or have the Default Schedule imposed by the Pension Protection Act, his/her Accrued Benefit earned after June 30, 2011 and his/her early retirement benefit will be determined based on the Preferred Schedule or Default Schedule.
  - (4) If the bargaining parties of the Active Participant subsequently adopt the Preferred Schedule and he/she meets the Rule of 85 Requirements, he/she will receive the additional Rule of 85 Benefit retroactive to his/her Annuity Starting Date in a lump sum together with interest on the lump sum payment at the rate of seven and one-half percent (7.5%) per annum;
  - (5) If the bargaining parties of the Active Participant subsequently adopt the Default Schedule, his/her Accrued Benefit earned after June 30, 2011 will be recalculated based on the Default Schedule, Article 16.11(e) and his/her monthly pension benefit will be reduced pursuant to the Default Schedule in Article 16.11(f), (g) and (h) effective the first (1<sup>st</sup>) day of the month after the Adoption Date of the Default Schedule or the first (1<sup>st</sup>)

day of the month after the Default Schedule is imposed by the Pension Protection Act; and

- (6) If an Active Participant worked for several Employers who subsequently adopt different Schedules, the rules described in Article 16.9 will determine whether the Active Participant receives the Preferred Schedule or Default Schedule of pension benefit options.

**16.8 Annual Update of the Rehabilitation Plan and Schedules.**

- (a) Each year, the Plan's actuary will review and certify the status of the Plan under Pension Protection Act funding rules and determine whether, starting with the beginning of the Rehabilitation Period, the Plan is making scheduled progress in meeting the requirements of the Rehabilitation Plan. If the Trustees determine that it is necessary, in light of updated information, they will revise the Rehabilitation Plan and present an updated Preferred Schedule and Default Schedule to the bargaining parties which may prescribe additional modifications to the adjustable benefits, the accrual rate and/or contribution rates outside the benefit formula.
- (b) Notwithstanding subsequent changes to the Rehabilitation Plan and/or Schedules, a Schedule provided by the Trustees to the bargaining parties and adopted by the bargaining parties can remain in effect for the duration of that Collective Bargaining Agreement. However, once the Collective Bargaining Agreement is renegotiated, renewed or extended, it will need to include terms consistent with the Preferred Schedule or Default Schedule in effect at the time of the renegotiation, renewal or extension.

**16.9 Work under Different Schedules.** If a Participant changes Employers and, as a result, becomes covered under a different Schedule, his/her Accrued Benefit for Future Credited Service earned after June 30, 2011 is determined by the Schedule in which the Contributions were earned. His/her pension benefit options at retirement is determined based on whether he/she was a Terminated Participant as of June 30, 2010, if he/she was an Active Participant or Terminated Participant at retirement and the Preferred Schedule or Default Schedule in which the majority of his/her Contributory Hours after June 30, 2011 have accrued.

**16.10 Preferred Schedule.**

- (a) Article 16.10 will control over any conflicting provision(s) of the Plan except for Article 16.11.

- (b) An Active Participant or Terminated Participant who retires prior to August 2, 2011 will receive pension benefits as described in Article 16.5.
- (c) Surcharges that were imposed on an Employer by the Pension Protection Act and contributed to the Pension Fund are not taken into account when determining a Participant's Accrued Benefit.
- (d) The additional Contributions required by the Preferred Schedule and contributed to the Pension Fund as described in Exhibit A of the Rehabilitation Plan are not taken into account when determining a Participant's Accrued Benefit.
- (e) The Preferred Schedule does not change the Accrued Benefit formula in the Plan (Article 1.1) at this time.
- (f) An Active Participant or Terminated Participant who retires after August 1, 2011 and is subject to the Preferred Schedule of pension benefit options at retirement because the majority of his/her Contributory Hours after June 30, 2011 were worked for Employers who adopted the Preferred Schedule shall have the benefit adjustments described in Article 16.10(g),(h), (i) and (j).
- (g) The amount of the monthly retirement annuity payable to an Active Participant who is eligible for and elects an early retirement date and who does not meet the Rule of 85 Requirements will be equal to his/her normal retirement annuity reduced by the number of months between his/her Normal Retirement Date and his/her Annuity Starting Date as follows:
  - (1) five-twelfths of one percent (0.41%) per month between the ages of fifty-five (55) and sixty-two (62); and
  - (2) one-quarter of one percent (0.25%) per month between ages sixty-two (62) and his/her Normal Retirement Date.
- (h) An Active Participant who is eligible for and elects an early retirement date and who meets the Rule of 85 Requirements will receive the Rule of 85 Benefit.
- (i) A Terminated Participant who retires after August 1, 2011 and is subject to the Preferred Schedule of pension benefit options at retirement shall have the following benefit adjustment:
  - (1) The early retirement benefit, if elected, will be determined as described in Article 16.6.

- (j) For a person who was an Active Participant at the time of retirement but was a Terminated Participant as of June 30, 2010, the early retirement benefit, if elected, for the Accrued Benefit earned through June 30, 2010 shall be the Unsubsidized Early Retirement Benefit and the early retirement benefit for the Accrued Benefit earned after June 30, 2010 shall be determined pursuant to Article 16.10(g).

#### 16.11 Default Schedule.

- (a) Article 16.11 will control over any conflicting provision(s) in the Plan except for Article 16.10.
- (b) An Active Participant or Terminated Participant who retires prior to August 2, 2011 will receive pension benefits as described in Article 16.5.
- (c) Surcharges that were imposed on an Employer by the Pension Protection Act and contributed to the Pension Fund are not taken into account when determining a Participant's Accrued Benefit.
- (d) An Active Participant or Terminated Participant who retires after August 1, 2011 and is subject to the Default Schedule of pension benefit options at retirement because the majority of his/her Contributory Hours after June 30, 2011 were worked for Employers who adopted the Default Schedule or had the Default Schedule imposed by the Pension Protection Act shall have the benefit adjustments described in Article 16.11(e), (f), (g), (h) and (i).
- (e) The Accrued Benefit formula in Article 1.1 will not apply and instead will be one percent (1%) of Employer Contributions made or required to be made to the Pension Fund after June 30, 2011 regardless of the number of years of Future Benefit Service the Participant has earned.
- (f) The amount of the early retirement annuity payable to an Active Participant who is eligible for and elects an early retirement date will be equal to his/her normal retirement annuity reduced by the number of months between his/her Normal Retirement Date and his/her Annuity Starting Date as follows:
  - (1) five-twelfths of one percent (0.41%) per month between the ages of fifty-five (55) and sixty-two (62); and
  - (2) one-quarter of one percent (0.25%) per month between ages sixty-two (62) and his/her Normal Retirement Date.
- (g) The Rule of 85 Benefit is not available under the Default Schedule.

(h) A Terminated Participant who retires after August 1, 2011 and is subject to the Default Schedule of pension benefit options at retirement shall have the following benefit adjustment:

(1) The early retirement benefit, if elected, will be determined as described in Article 16.6.

(i) For a person was an Active Participant at the time of retirement but was a Terminated Participant as of June 30, 2010, the early retirement benefit, if elected, for the Accrued Benefit earned through June 30, 2010 shall be the Unsubsidized Early Retirement Benefit and the early retirement benefit for the Accrued Benefit earned after June 30, 2010 shall be determined pursuant to Article 16.11(f).

#### 16.12 Other Issues.

(a) The Trustees have the full, absolute and unlimited discretion to determine whether and if it is prudent, given the financial condition of the Pension Fund, to further reduce adjustable benefits in accordance with Section 432(e)(8)(A)(iii) of the Code.

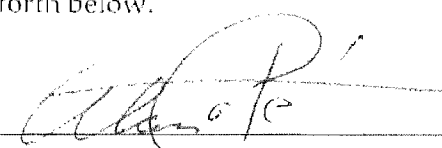
(b) The Trustees have the full, absolute and unlimited power and authority to administer the Rehabilitation Plan and Schedules, interpret the Rehabilitation Plan and Schedules and apply the Rehabilitation Plan and Schedules to specific fact situations. The exercise of such power and authority by the Trustees shall be final and binding on all parties, subject to the appeal procedures in the Plan and shall be given the fullest deference allowed by law.

(c) If a Participant, pensioner, beneficiary, alternate payee, or any other person who has a dispute or disagreement concerning the interpretation and/or application of this Article 16 to a particular situation, that dispute or disagreement shall be resolved pursuant to Article 11 – CLAIMS AND APPEALS PROCEDURES.

ADOPTED and EXECUTED the last date set forth below.

\_\_\_\_\_  
Employer Trustee

Date: \_\_\_\_\_

  
\_\_\_\_\_  
Union Trustee

Date: \_\_\_\_\_

12-29-14

- (h) A Terminated Participant who retires after August 1, 2011 and is subject to the Default Schedule of pension benefit options at retirement shall have the following benefit adjustment:
  - (1) The early retirement benefit, if elected, will be determined as described in Article 16.6.
- (i) For a person was an Active Participant at the time of retirement but was a Terminated Participant as of June 30, 2010, the early retirement benefit, if elected, for the Accrued Benefit earned through June 30, 2010 shall be the Unsubsidized Early Retirement Benefit and the early retirement benefit for the Accrued Benefit earned after June 30, 2010 shall be determined pursuant to Article 16.11(f).

**16.12 Other Issues.**

- (a) The Trustees have the full, absolute and unlimited discretion to determine whether and if it is prudent, given the financial condition of the Pension Fund, to further reduce adjustable benefits in accordance with Section 432(e)(8)(A)(iii) of the Code.
- (b) The Trustees have the full, absolute and unlimited power and authority to administer the Rehabilitation Plan and Schedules, interpret the Rehabilitation Plan and Schedules and apply the Rehabilitation Plan and Schedules to specific fact situations. The exercise of such power and authority by the Trustees shall be final and binding on all parties, subject to the appeal procedures in the Plan and shall be given the fullest deference allowed by law.
- (c) If a Participant, pensioner, beneficiary, alternate payee, or any other person who has a dispute or disagreement concerning the interpretation and/or application of this Article 16 to a particular situation, that dispute or disagreement shall be resolved pursuant to Article 11 – CLAIMS AND APPEALS PROCEDURES.

ADOPTED and EXECUTED the last date set forth below.

  
 \_\_\_\_\_  
 Employer Trustee  
 Date: 12/16/2014

\_\_\_\_\_  
 Union Trustee  
 Date: \_\_\_\_\_

EXHIBIT A

INLANDBOATMEN'S UNION OF THE PACIFIC  
NATIONAL PENSION PLAN

Actuarial Equivalent

The factors shown in Table 1 and Table 2 are used for determining optional forms of annuity payment. Wherever the determination of equivalent actuarial value or any actuarial adjustment is required by the Plan and the basis of such determination is not expressly provided elsewhere in the Plan, the determination or adjustment shall be made on the following basis:

Interest: Seven and one-half percent (7½%) per annum

Mortality: Participants

The 1983 Group Annuity Mortality Table for males with ages set forward one (1) year.

Spouses and Beneficiaries

The 1983 Group Annuity Mortality Table for females with ages set forward one (1) year.

EXHIBIT A  
PAGE 1 OF 3

Table 1

## EXHIBIT A

INLANDBOATMEN'S UNION OF THE PACIFIC  
NATIONAL PENSION PLANJoint & Survivor Annuity Factors<sup>1</sup>

	Age Difference in Years	50% J&S	66-2/3% J&S	75% J&S <sup>2</sup>	100% J&S
	More than 30	0.84	0.79	0.77	0.72
	26-30	0.85	0.80	0.78	0.73
	21-25	0.85	0.81	0.79	0.74
	16-20	0.86	0.82	0.80	0.75
	15	0.87	0.83	0.81	0.76
	14	0.87	0.83	0.81	0.76
	13	0.87	0.83	0.82	0.77
Participant	12	0.88	0.84	0.82	0.77
Older Than	11	0.88	0.84	0.82	0.78
Contingent	10	0.88	0.85	0.83	0.78
Annuitant	9	0.88	0.85	0.83	0.79
	8	0.89	0.85	0.84	0.79
	7	0.89	0.86	0.84	0.80
	6	0.89	0.86	0.84	0.80
	5	0.90	0.86	0.85	0.81
	4	0.90	0.87	0.85	0.81
	3	0.90	0.87	0.86	0.82
	2	0.91	0.88	0.86	0.82
	1	0.91	0.88	0.87	0.83
Same Age	0	0.92	0.89	0.87	0.84
	1	0.92	0.89	0.88	0.84
	2	0.92	0.90	0.89	0.85
	3	0.93	0.90	0.89	0.86
	4	0.93	0.91	0.90	0.86
	5	0.94	0.91	0.90	0.87
Participant	6	0.94	0.92	0.91	0.88
Younger Than	7	0.94	0.92	0.91	0.88
Contingent	8	0.95	0.93	0.92	0.89
Annuitant	9	0.95	0.93	0.92	0.90
	10	0.96	0.94	0.93	0.91
	11	0.96	0.94	0.93	0.91
	12	0.96	0.95	0.94	0.92
	13	0.97	0.95	0.94	0.93
	14	0.97	0.96	0.95	0.93
	15	0.97	0.97	0.96	0.94
	More than 15	0.98	0.98	0.97	0.95

<sup>1</sup> Nonspouse contingent annuitants may not be eligible for one or more of the J&S options above. Refer to Plan Section 5.3 for applicability of the J&S to a nonspouse contingent annuitant.

<sup>2</sup> The 75% J&S option is available only for annuity starting dates on or after July 1, 2008.

Interest: 7.50%  
 Participant Mortality: 1983 Group Annuity Mortality Table for Males, set forward 1 year  
 Beneficiary Mortality: 1983 Group Annuity Mortality Table for Females, set forward 1 year  
 Assumed Retirement Age: 61

EXHIBIT A  
 PAGE 2 OF 3

EXHIBIT A

INLANDBOATMEN'S UNION OF THE PACIFIC  
NATIONAL PENSION PLAN

Life Only, 120 Month Certain and Life,  
180 Month Certain and Life  
Annuity Factors

Life Only Annuity

Increase the Monthly Benefit by 1.4%.

120 Month Certain and Life Annuity

Reduce the Monthly Benefit by 3%.

180 Month Certain and Life Annuity

Reduce the Monthly Benefit by 8%.