

ILWU-PMA BENEFIT PLANS /

International Longshore & Warehouse Union —
Pacific Maritime Association

www.benefitplans.org

1188 FRANKLIN STREET • SUITE 300 • SAN FRANCISCO, CALIFORNIA 94109

(415) 673-8500

ILWU-PMA Pension Plan
ILWU-PMA Welfare Plan

ILWU-PMA Watchmen Pension Plan
ILWU-PMA Supplemental Welfare Benefit Plan

June 23, 2009

TO: ILWU Watchmen Local 26

FROM: Dottie Reed, Manager, Pension Plans

**SUBJECT: ILWU-PMA Watchmen Pension Plan - Pension Increases under the
2008-2014 Watchmen's Agreement between PMA and ILWU
Watchmen Local 26**

The 2008-2014 ILWU Watchmen's Agreement between Pacific Maritime Association and ILWU Watchmen Local 26 provides for pension increases to Local 26 pensioners and survivor pensioners as described below. The increases effective July 1, 2008 will be reflected in the July 1, 2009 pension payments, with retroactivity. There will be no change in the amount of the annuity payments issued by Allstate Life Insurance Company and Lincoln National Life Insurance Company.

- Pensioners who retired with a Separation Date prior to July 1, 2008 will receive an increase of \$4.00 per month per Year of Service effective July 1, 2008. The July 1, 2009 payment will include retroactive payments for the months of July 2008 through June 2009. Survivor pensioners will receive increases equal to one-half the above amounts.
- The survivor pension payable to the survivor of a Pensioner who retires on or after July 1, 2008 will be increased from 50% to 75% of the Pensioner's monthly benefit effective July 1, 2008. The July 1, 2009 payment will include retroactive payments for the months from July 2008 (or the survivor's pension commencement date, if later) through June 2009.
- For Pensioners retiring on or after July 1, 2008, the Memorandum of Understanding provides an increase in the rate of pension accrual to \$113.00 per month per Year of Service effective July 1, 2011, to \$123.00 per month per Year of Service effective July 1, 2012 and to \$133.00 per month per Year of Service effective July 1, 2013. Survivor pensioners will receive increases equal to seventy-five percent of the above amounts.
- A Limited Early Retirement Window will be available between August 1, 2009 and January 31, 2010 and between August 1, 2012 and January 31, 2013 to eligible registered participants. Further information about the Early Retirement Window will be provided in a separate memo.

(over)

- For retirements on or after July 1, 2008, the maximum credited years of service under the Watchmen Pension Plan is 37 years.

Individual notices describing the pension increase will be mailed to pensioners and survivors receiving a pension increase on July 1, 2009. A sample of the form of this notice is attached.

Enclosure

cc: Ron Costa, Southern California Area Welfare Director

A copy of this memo can be downloaded at www.benefitplans.org

DR:jo/opeiu29afcio/MTP Pension Increase Watch 2-062309

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June 17, 2009

SAMPLE

Local:
Reg No:

The 2008 Memorandum of Understanding between ILWU Watchmen Local 26 and PMA provides that pensioners who retired with a Separation Date before July 1, 2008 will receive a benefit increase of \$4.00 per month per year of service effective July 1, 2008. This increase will be reflected in July 1, 2009 pension payments, including retroactivity. The 2008 Memorandum of Understanding does not provide for any further benefit increases during this contract.

Your pension qualifying Years of Service are:

You will receive a separate letter detailing the amount of your July 1, 2009 pension benefit payment, which will reflect the increased pension rate and will include a one-time payment for the amount of the retroactive increase due for the months of July 2008 through June 2009. The letter will show the difference between your June and your July 2009 pension payments due to the benefit increase, the retroactive payment and any differences in your tax withholding as a result of the benefit increase.

If you and/or your spouse are enrolled in Medicare, your monthly benefit payments will continue to reflect reimbursement for Medicare Part B premiums paid to you from the ILWU-PMA Welfare Plan.