

**IRAP
SUMMARY
PLAN
DESCRIPTION**

MM&P INDIVIDUAL RETIREMENT ACCOUNT PLAN

Board of Trustees

Organization Trustees

Donald Marcus
Steven Werse
Dave Boatner
Wayne Farthing
Paul H. Nielsen
J.L. Bergin
C. Michael Murray
Donald Josberger

Employer Trustees

Edward Morgan
Mark Blankenship
Timothy Gill
John W. Sullivan
William M. Cameron
Jean Harrington
Robert Stephens

Administrator

Patrick McCullough

Fund Co-Counsel

Steptoe & Johnson LLP
Slevin & Hart, P.C.

Consultant and Actuary

The Segal Company

Auditor

Gorfine, Schiller & Gardyn, P.A.

March 2013

**M.M. & P. IRAP Third Restated
Regulations Through Amendment
No. 9**

WHAT IS THE MM&P INDIVIDUAL RETIREMENT ACCOUNT PLAN?

We are pleased to present you with this updated Summary Plan Description (SPD) for the Masters, Mates and Pilots Individual Retirement Account Plan, which describes the key features of the Individual Retirement Account Plan in effect as of January 2013. We have tried to explain everything in plain, straightforward terms; however, certain words and phrases have specific meanings in our Plan. To help you understand their meaning, we have provided a glossary that appears at the back of the booklet.

The primary purpose of this SPD is to provide you with a simple, non-technical explanation of the most important features of the Plan. We urge you read this SPD carefully, so that you will understand the Plan as it applies to you and your family. We also encourage you to contact the Plan Office if, after reading this booklet, you have any questions.

This summary has two Appendixes that do not apply to all participants:

- Appendix A, "Matching Contributions", applies only to employees of Shaver Transportation.
- Appendix B, "Special Rules for Pre-1993 Partially Vested Participants", applies only to participants who are not fully vested in their IRAP accounts *and* who were credited with vesting service in calendar years before 1993.

THIS SPD SUPERSEDES AND REPLACES ALL PREVIOUS INDIVIDUAL RETIREMENT ACCOUNT PLAN SUMMARY PLAN DESCRIPTIONS.

Sincerely,

BOARD OF TRUSTEES
MM&P INDIVIDUAL RETIREMENT ACCOUNT PLAN

IMPORTANT:

WE HAVE MADE EVERY EFFORT TO PROVIDE YOU WITH A DESCRIPTION OF THE IRAP AND A CLEAR UNDERSTANDING OF HOW THE PLAN WORKS AS OF JANUARY 2013. BUT REMEMBER, THIS BOOKLET SUMMARIZES THE IMPORTANT FEATURES OF THE PLAN AND DOES NOT COVER ALL DETAILS. COMPLETE DETAILS ARE CONTAINED IN THE OFFICIAL PLAN DOCUMENTS. YOUR RIGHTS TO BENEFITS ARE GOVERNED SOLELY BY THE TERMS OF THE IRAP AND THE INTERPRETATIONS OF THE BOARD OF TRUSTEES, WHICH HAS THE SOLE DISCRETIONARY AUTHORITY TO INTERPRET THE PLAN'S TERMS. YOUR RIGHTS TO BENEFITS CAN ONLY BE DETERMINED BY REFERRING TO THE FULL TEXT OF THE IRAP. NOTHING IN THIS BOOKLET CAN MODIFY OR CHANGE THE OFFICIAL PLAN OR TRUST. THE BOARD OF TRUSTEES RESERVES THE RIGHT TO AMEND, MODIFY OR TERMINATE THE PLAN (IN WHOLE OR IN PART) AT ANY TIME. IF THERE IS EVER ANY CONFLICT BETWEEN THE WORDING IN THIS BOOKLET AND THE WORDING IN THE OFFICIAL PLAN DOCUMENTS, THE PLAN DOCUMENTS ALWAYS GOVERN.

PLEASE NOTE THAT AMENDMENTS TO PLAN REGULATIONS ADOPTED BY THE TRUSTEES AFTER JANUARY 2013 WILL BE PUBLISHED IN *THE MASTER, MATE & PILOT* (THE UNION NEWSPAPER).

ANY QUESTIONS ABOUT THE MM&P IRAP SHOULD BE SENT TO THE ADMINISTRATOR, IN WRITING: MM&P INDIVIDUAL RETIREMENT ACCOUNT PLAN, 700 MARITIME BOULEVARD, SUITE A, LINTHICUM HEIGHTS, MD 21090-1996.

TABLE OF CONTENTS

<i>The Plan in General</i>	1
<u>INDIVIDUAL RETIREMENT ACCOUNT PLAN (IRAP)</u>	
Who Is Eligible To Become A Participant In The MM&P IRAP?	2
When Do I Become Eligible To Participate In The Plan?	2
<i>Employer Contributions</i>	2
<i>Voluntary Contributions</i>	2
How Do I Make Voluntary Contributions?	2
Can I Change Or Stop My Voluntary Contributions?	3
<i>When Am I Vested In My Account?</i>	3
How Is My Employment Credited Toward Vesting?	3
Employment Before You Became A Plan Participant	3
Employment After Your Employer Stops Contributing To The IRAP	3
Military Leave Of Absence	3
Immediate Vesting Under Special Circumstances	3
What Happens If I Leave Covered Employment Before I Am Vested?	4
Breaks-in-Service For Unvested Participants	4
Exceptions To Breaks-In-Service	4
Contributions Made To Other Plans	4
Pregnancy/Parental Leave	4
Family and Medical Leave	4
Employment As A Licensed Pilot In Any American Port Or The Panama Canal Zone	4
Permanent Break-In-Service	5
Can I Repair A Break-In-Service	5

Repairing Breaks-In-Service And Earning Vesting Service With Voluntary Contributions	5
Contribution Deadline	6
Loss Of Days Of Service If You Withdraw Voluntary Contributions Before Retirement	6
<i>How Are Employer Contributions And Voluntary Contributions Invested?</i>	6
IRAP Managed Portfolio	6
Can I Change How My Accounts Are Invested?	6
What Expenses Are Charged To My Accounts?	7
What Information Will I Receive About The Investment Of My Accounts?	7
<i>Purchase Of Pension Credit With IRAP Funds</i>	7
<i>When Can I Receive My Employer Contribution Account?</i>	8
<i>Distribution of Benefits</i>	8
How Do I Apply For My IRAP Benefits?	8
When Will I Receive My IRAP Benefits?	8
How Is The Amount In My Benefit Determined?	8
<i>Standard Payment Methods For Your Employer Contribution Account</i>	9
Standard Form If You Are Married 50% Husband And Wife Annuity	9
Standard Form If You Are Unmarried	9
<i>Alternative Payment Methods For Your Employer Contribution Account</i>	9
Installment Payout Option	9
Lump Sum Option	10
Lifetime Annuity Option	10
75% Husband-and-Wife Annuity	10
<i>Payment Methods For Your Voluntary Contribution Account</i>	10

<i>What Benefits Can My Spouse Or Beneficiary Receive After My Death?</i>	10
--	----

YOUR 401(k)

<i>Who Is Eligible To Make 401(k) Contributions?</i>	11
How Do I Make 401(k) Contributions?	11
Offshore Employees	11
PMR Employees	11
Administrative Employees	11
How Much May I Contribute To The 401(k) Arrangement?	11
Refund of Excess Contributions	12
What Types Of Contributions Can I Make To The 401(k) Arrangement?	12
Pre-Tax Contributions	12
Roth Contributions	12
Can I Change Or Stop My Contributions?	12
Offshore Employees	12
PMR And Administrative Employees	12
When Am I Vested In My 401(k) Contributions?	12
How Are My 401(k) Accounts Invested?	12
Can I Change My 401(k) Contribution Allocation?	13
What Information Will I Receive About The Investment Of My 401(k) Accounts?	13
Administrative Fees	13
<i>When Am I Eligible To Receive My Benefits?</i>	13
How Do I Apply For My Benefits?	13
When Will I Receive My Benefits?	14

Hardship Withdrawals	14
How Are My Benefits Paid?	14
Can I Borrow From My 401(k) Accounts?	14
What Benefits Can My Spouse Or Beneficiary Receive After My Death?	15
Converting Accounts Into Roth Contributions	15
What Are Roth Contributions?	15
How Can I Make Roth Contributions?	16
Taxation of Benefits	16
What If I Return To Work After I Retire?	17
<u>Other Important Information</u>	
<i>Benefit Claims Procedures</i>	18
Rollover Contributions	19
Social Security At Retirement	19
Mandatory Payment Of Benefits At Age 70 ½	19
Plan Continuation	19
Assignment Or Alienation Of Benefits	20
Amendments To The Plan	20
Forwarding Address	20
General Plan Information	20
Your Rights Under The Employee Retirement Income Security Act of 1974 (ERISA)	21
Appendix A – Matching Contributions	23
Appendix B – Special Rules For Pre-1993	24

Partially Vested Participants	
Comparison of Benefit Payments Options	26
Eligibility Of Accounts For Roth Conversions	27
Glossary Of Some Important Plan Terms	28
Administrative Information	30
Directory of Port Offices	31

The Plan in General

The MM&P Individual Retirement Account Plan (“IRAP” or “Plan”) was started on July 1, 1979, for members of the International Organization of Masters, Mates and Pilots (I.O.M.M.&P.). The Plan was established to provide retirement income or help supplement other retirement income you may receive from the MM&P Pension Plan or any other retirement plan in which you are a participant.

You are eligible for this Plan if your employer is a Contributing Employer to the Plan. Generally, a Contributing Employer is an employer that has a collective bargaining agreement or participation agreement with the I.O.M.M.&P. or an agreement with the Trustees to contribute to the Plan on your behalf. The I.O.M.M.&P. is also a Contributing Employer to the IRAP for its employees.

The IRAP has four components:

1. Your employer makes contributions to your IRAP account in accordance with its collective bargaining or other applicable agreement.
2. You may participate in the Plan’s 401(k) Arrangement by making either of two types of contribution: Pre-Tax Contributions, which are deducted from your taxable income, or Roth Contributions. Roth Contributions are not tax-deductible, but distributions from your IRAP Roth Account are tax-free if you meet conditions described later in this booklet. The amount that you may contribute under the 401(k) each year is limited by the Internal Revenue Code. The limitation in 2012 is \$17,000 if you were under age 50 on the last day of the taxable year, or \$22,500 if you were age 50 or older.
3. You may also make after-tax, non-Roth IRAP Voluntary Contributions. The income earned on these contributions is not taxed until it is distributed to you. Subject to some restrictions, you can also earn Vesting Service or repair Breaks-in-Service by making Voluntary Contributions.
4. You may roll over account balances from other qualified retirement plans, individual retirement accounts and certain other retirement vehicles into the IRAP.

The contributions made on your behalf are credited to one or more Accounts established for you within the Plan. An Account is set up for each type of contribution. Thus you may have an Employer Contribution Account, Voluntary Contribution Account, Pre-Tax Contribution Account, Roth Account and Rollover Account. The rules governing these Accounts vary in some respects. It is important not to confuse them.

In order to have a nonforfeitable right to your Employer Contribution Account, you must complete at least two years of Vesting Service. Your Accounts under the 401(k) Arrangement (Pre-Tax Contribution Account and Roth Account), your Voluntary Contribution Account, and your Rollover Account are always fully vested and nonforfeitable.

You have the right to direct how contributions made to the Plan on your behalf are invested. You may choose among a variety of investment funds. See pages 2-3 for the investment of Employer Contribution Accounts, Voluntary Contribution Accounts and Rollover Accounts and page 11 for investments under the 401(k) Arrangement.

In general, you are eligible to receive benefits under the Plan after you cease work in the maritime industry. There are special rules for different types of contribution, which are described elsewhere in this booklet.

The form in which your benefit is distributed depends on the type of contribution involved. You will receive benefits funded by your Employer Contribution Account as a 50% Husband and Wife Annuity (if you are married) or a Life Annuity (if you are single), unless you elect a different form (with your Spouse’s consent, if you are married).

Benefits funded by your other Accounts will be distributed in a lump sum or in installments over a period of years, as you elect in accordance with Plan Rules.

We have included a chart entitled “Comparison of Benefit Payment Options”, which provides an overview of the different benefit payment options available for each of your Accounts. See page 26.

If you die before receiving all of the funds in all of your Accounts, the balance will be paid to the Beneficiary or Beneficiaries whom you have designated.

If you are married, your surviving spouse is automatically your Beneficiary, unless you designate a different beneficiary with spousal consent.

You may convert all or a portion of your non-Roth Accounts into Roth Contributions, subject to a number of restrictions, as described on page 15-16. These rules are summarized in the chart on page 26.

At the end of this booklet you will find a glossary of important terms. These terms are capitalized in this Summary, so you know which ones they are and can refer to them if necessary.

The booklet has two Appendixes that apply only to some participants. You should consult them only if you are in one of the applicable groups.

Note: The tax law limits the total contributions that can be made to your account for any Plan Year. This limit applies to all contributions made to your Account, including Employer Contributions, Voluntary Contributions, Pre-Tax Contributions and Roth Contributions, but not to Rollover Contributions. In 2012, the limitation is \$50,000. Participants who were age 50 or older by the end of the taxable year may make up to \$5,500 in additional contributions under the 401(k) Arrangement that do not count against the overall limit. If contributions for your benefit exceed the maximum permitted, the Plan Office will notify you, and your excess contributions will be returned to you.

INDIVIDUAL RETIREMENT ACCOUNT PLAN (IRAP)

This portion of this booklet discusses Employer Contributions and Voluntary Contributions. The discussion of the 401(k) Arrangement begins on page 11, and the discussion of Rollover Contributions is on page 27.

Who Is Eligible To Become A Participant In the MM&P IRAP?

You are eligible for participation in the IRAP if you are working for a Contributing Employer in Covered Employment. In most cases, your participation results from a collective bargaining agreement between your employer and I.O.M.M.&P.

When Do I Become Eligible To Participate in the Plan?

Your participation in the Plan begins on the commencement date of your sign-on or voyage, or the date when you begin working in Covered Employment for a Contributing Employer.

Employer Contributions

A Contributing Employer makes contributions to the IRAP in accordance with the terms of its collective bargaining agreement or participation agreement, or, if there is no applicable agreement, according to a rate or schedule set forth in its agreement with the Trustees.

Contributions made for your benefit by your employer are credited to your Employer Contribution Account. In addition to those contributions, your account may be increased by forfeitures incurred by participants who have Breaks-in-Service.

Voluntary Contributions

As a participant in the MM&P IRAP, you may contribute from 1% to 10% of your total Covered Employment wages to the Plan on an after-tax basis. Voluntary Contributions may also be made from your vacation benefits under the MM&P Vacation Plan.

Voluntary Contributions may also be used to repair a Break-in-Service or to earn Vesting Service. The applicable rules may be found on page 5.

You may withdraw Voluntary Contributions at any time. **If you make a withdrawal, however, you must wait at least six months before making any new Voluntary Contributions.**

How Do I Make Voluntary Contributions?

To begin making contributions, you need to complete a Voluntary Contribution Form, which you can request from the Plan Office or any Port Office. On the form, you must specify the percentage that you want to have deducted from regular pay or your MM&P Vacation Plan benefits. Instead of having contributions deducted, you may make them by a check payable to "MM&P Individual Retirement Plan Account". The completed form and your check (if you are making a direct contribution) should be giv-

en to a Union official or representative for transmittal to the Plan Office.

Can I Change or Stop My Voluntary Contributions?

Yes. Since voluntary contributions are made at your discretion, you may stop them or change your contribution percentage any time you wish. When you want to stop your contributions or change the amount of your contributions, you must contact the Plan Office or complete a new Voluntary Contribution Form.

When Am I Vested In My Account?

If you completed at least one Day of Service on or after January 1, 1993, you will become **100% vested** in your Employer Contribution Account when you complete two years of Vesting Service. **(See Appendix B if you have no post-1992 Days of Service.)**

Once you become vested in your Employer Contribution Account, you cannot forfeit your Account balance. If you are not vested and have a Break-in-Service that you do not repair by making Voluntary Contributions (see page 6), you will forfeit the balance in your Employer Contribution Account. The forfeited amount will then be allocated to the Accounts of the other Plan participants.

If you forfeit your Employer Contribution Account and later complete a year of Vesting Service before you have a Permanent Break-in-Service, the forfeited amount will be restored to your Account, without interest.

Only your Employer Contribution Account can be forfeited. Your Voluntary Contribution Account, Pre-Tax Contribution Account, Roth Account and Rollover Account are always fully vested.

How Is My Employment Credited Toward Vesting?

You earn one year of Vesting Service for each Plan Year during which you work at least 90 Days of Service in Covered Employment. All days for which you are entitled to payment by your employer, including vacation time, are credited as Days of Service.

In some situations, you can earn Vesting Credit without working in Covered Employment. They are as follows:

1) Employment Before You Became a Plan Participant. Employment before you became a Plan participant may count toward Vesting Service. In order to count as Vesting Service, this employment must be with the same employer and must immediately precede your Covered Employment.

2) Employment After Your Employer Stops Contributing to the IRAP. If your Employer ceases to have an obligation to contribute to this Plan but is required under the collective bargaining agreement with the I.O.M.M.&P. to contribute to another retirement plan, you will continue to earn Vesting Service Credit based on the days or hours of service for which your employer contributes to the other plan on your behalf.

3) Military Leave of Absence. You will be granted Vesting Service credit and Employer Contributions will be made for your benefit, to the extent required by law, for time that you are not working in Covered Employment because you are serving in the Armed Forces of the United States of America. These provisions apply, however, only if you return to your employer's service in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994. ("USERRA"). USERRA provides reemployment rights and benefits and protection from discrimination to individuals who, either by induction or as a volunteer, have entered military service in any branch of the armed forces of the United States. If you satisfy the conditions for protection under USERRA, your period of military service will be treated as hours of service under the Plan. The Plan Office will furnish additional information upon request.

Immediate Vesting Under Special Circumstances

You will immediately become 100% vested if one of the following events occurs:

1. You reach Normal Retirement Age.
2. You retire and receive a pension from the government, Social Security, the Northwest Pension Plan or the MM&P Pension Plan,

3. You become disabled, but only if you receive a Social Security disability award, or
4. You die.

What Happens If I Leave Covered Employment Before I Am Vested?

If you leave Covered Employment before becoming 100% vested and have a Break-in-Service, you will forfeit the balance in your Employer Contribution Account. If you are fully vested when you leave Covered Employment, nothing happens to your Account. You may receive benefits as discussed on pages 7-8.

Breaks-in-Service For Unvested Participants

You will incur a Break-in-Service during any Plan Year in which you do not perform at least 62 Days of Service.

Exceptions to Breaks-in-Service

There are some circumstances, described in this section, when you may have fewer than 62 Days of Service in a Plan Year but not incur a Break-in-Service.

1. Contributions Made To Other Plans. You will not have a Break-in-Service during any Plan Year that your Employer makes contributions to any MM&P Benefit Plan for your benefit, including but not limited to the –

1. MM&P Pension Plan,
2. MM&P Health and Benefit Plan,
3. MM&P MATES Program,
4. MM&P Joint Employment Committee, or
5. Maritime Institute for Research And Industrial Development (MIRAID).

2. Pregnancy/Parental Leave. You may be credited with up to 62 Days of Service if you are on unpaid leave due to pregnancy, the birth or adoption of your child, or the need to care for your newborn or newly adopted child. These Days of Service are credited in the calendar year your absence begins if needed to prevent you from having a Break-in-Service in that year. Otherwise, they are credited in the following year. They are used solely to avoid a Break-in-Service and do not count toward Vesting Service.

3. Family and Medical Leave. Days for which you fail to earn Vesting Service because you are on an

unpaid leave under the Family and Medical Leave Act of 1993 (FMLA) are credited as Days of Service if they will avoid a Break-in-Service. Under the FMLA, you may take up to 12 weeks of unpaid leave during any 12-month period to care for a newborn, newly adopted, or newly placed foster child; when your presence is required to care for a child, spouse or parent who has a serious medical condition; when you have a serious medical condition that keeps you from working at your job; or when a “qualifying exigency” arises in connection with the active military service of your child, spouse, or parent. “Qualifying exigencies” include a) up to 7 days for a short-notice deployment; b) military events and related activities, such as ceremonies or support meeting sponsored by the military; c) childcare and school activities, such as arranging for or providing childcare; d) financial and legal arrangements; e) counseling; f) up to 5 days of rest and recuperation; g) post-deployment activities; and h) additional activities agreed to by the employer and employee. FMLA leave also includes up to 26 weeks of unpaid leave during a single year to care for a child, spouse, parent or next of kin (i.e., nearest blood relative) who is a member of the Armed Forces and is either undergoing medical treatment or is on the temporary disability retired list as a result of a serious injury or illness sustained in the line of active military duty. Days of Service are granted for these leave periods only to prevent you from having a Break-in-Service. They do not count toward Vesting Service. Days are credited in the year your absence begins if needed to prevent you from having a Break-in-Service in that year. Otherwise, they are credited in the year in which the absence ends.

4. Employment as a Licensed Pilot in any American Port or the Panama Canal Zone. You will not incur a Break-in-Service if, while engaged in this type of employment, you remain available for employment as a member of the I.O.M.M.&P.

If you have any questions concerning these exceptions, please contact the Plan Office.

Notification

The Plan Office will notify you by mail when you have incurred a Break-in-Service in any Plan Year or if you have not worked sufficient Days of Service to receive one year of Vesting Service credit. Generally, these notifications are sent out in June. If for some reason you do not receive a notification, that

omission does not cancel your Break-in-Service or result in credit for a year of Vesting Service.

If you meet the conditions described on page 4, you can earn Vesting Service or avoid a Break-in-Service by making Voluntary Contributions to the Plan.

Permanent Break-in-Service

You will have a Permanent Break-in-Service if you have five or more consecutive Breaks-in-Service before you become vested. When you have a Permanent Break-in-Service, you forfeit your Employer Contribution Account. The forfeited amount is reallocated among the Employer Contribution Accounts of the other participants. You will *not* forfeit any of your other Accounts, such as your Voluntary Contribution Account or your Accounts under the 401(k) Arrangement. If you later resume participation in the Plan, your Vesting Service before your Permanent Break-in-Service will count only toward vesting in future employer contributions. **You cannot repair a Permanent Break-in-Service or restore your forfeited Account Balance.**

Example: Ted became a participant in the IRAP in 2006 and had 120 Days of Service in that year. In each of the five subsequent years, he performed only limited work and had fewer than 62 Days of Service each year. His employer did not contribute to the MM&P Pension Plan on his behalf, nor were there any other circumstances that would prevent a Break-in-Service. In 2007, Ted had a Break-in-Service that he did not repair by making Voluntary Contributions. Therefore, he forfeited his Employer Contribution Account balance at that point. At the end of 2011, he had five consecutive Breaks-in-Service, which resulted in a Permanent Break-in-Service. Should he ever return to Covered Employment, he will have a zero balance in his Employer Contribution Account and one year of Vesting Service.

Can I Repair A Break-in-Service?

Yes. A Break-in-Service may be repaired any time before it becomes permanent. The Plan provides you with the following options to repair a Break-in-Service:

1. You may repair a Break-in-Service by subsequently earning a year of Vesting Service before your Break becomes permanent.

2. You may also repair a Break-in-Service by making a Voluntary Contribution to the Plan. The amount of the Voluntary Contribution and the circumstances under which you are permitted to use contributions to repair a service break are discussed in detail below.

Repairing Breaks-in-Service and Earning Vesting Service with Voluntary Contributions

You may “purchase” Days of Service to repair Breaks-in-Service and earn Vesting Service credit by making Voluntary Contributions to the Plan. To be eligible for this provision, you must have earned wages in Covered Employment in at least the following amounts for the Plan Year to which the Days of Service will be credited:

- To repair a Break-in-Service – \$1,550
- To purchase Vesting Service – \$2,250

You may purchase credit only for days when you were available for work (as demonstrated by your maintenance of membership in the I.O.M.M.&P. or inclusion on an MM&P shipping list), unless you were unable to work because you were disabled, as determined by either the Trustees or the Social Security Administration.

You may not purchase Days of Service for a Plan Year if you had a Break-in-Service for the preceding Plan Year, unless you previously purchased Days of Service to repair that Break.

The Voluntary Contribution required to purchase one Day of Service is \$5.00.

Example: In 2011, Charlie performed 75 Days of Service. He did not have a Break-in-Service (because he had at least 62 Days of Service) but also did not earn a year of Vesting Service (because he had fewer than 90 Days of Service). In 2012, he performs only 50 Days of Service, although he is available for work throughout the year. He can avoid a Break-in-Service in 2012 by purchasing an additional 12 Days of Service. To do so, he must make a Voluntary Contribution of \$5.00 per day, or \$60.00 total. If he wished, he could purchase 40 Days of Service for a \$200.00 Voluntary Contribution. He would then both avoid a Break-in-Service and be credited with a year of Vesting Service.

Assume that Charlie purchases only enough Days of Service to avoid a Break-in-Service in 2012. In

2013, he performs no service in Covered Employment. He has a Break-in-Service in 2013 and *cannot* repair it by making Voluntary Contributions, because his wages in Covered Employment were less than \$1,550.

In 2014, Charlie performs 40 Days of Service. He cannot purchase additional Days of Service, because he had an unrepaired Break-in-Service in 2013.

Contribution Deadline

Your Voluntary Contributions to purchase Days of Service must be received by the Plan Office not later than six months after you are notified that you had a Break-in-Service or insufficient service to be credited with a year of Vesting Service. Voluntary Contributions must be accompanied by the proper form, which may be obtained from the Plan or Port Offices, or you may forward your personal check to your Union representative for transmittal to the Plan Office.

Loss of Days of Service If You Withdraw Voluntary Contributions Before Retirement

Ordinarily, you may withdraw Voluntary Contributions at any time. (See page 10) If, however, you withdraw Voluntary Contributions before you retire and those contributions were made to purchase Days of Service, you will retroactively lose credit for those Days. As a result, you may lose past Vesting Service, have a Break-in-Service or forfeit your Employer Contribution Account balance. Before withdrawing any Voluntary Contributions, you should check with the Plan Office to determine what impact the withdrawal will have on your Account.

How Are Employer Contributions and Voluntary Contributions Invested?

Your Employer Contribution Account may be invested in one or more mutual funds offered by the Vanguard Group. The Plan lets you choose how your Accounts are invested. If you make no choice, your Accounts will be invested in the IRAP Managed Portfolio. Your Voluntary Contribution Account must be invested with Vanguard.

If you wish to invest in Vanguard Funds, you must complete the form provided by the Plan Office. You may elect to have up to 100% of Employer Contribu-

tions that are made after you submit the form invested through Vanguard.

When you direct the investment of your Accounts through Vanguard, you must also specify what percentage of contributions is to be invested in each individual mutual fund. If you fail to do this, your Accounts will be invested in the Qualified Designated Investment Alternative (QDIA) selected by the Trustees.

A list of currently available Vanguard funds, with brief descriptions, is attached to this booklet. You may obtain further information about these funds and copies of their prospectuses at www.vanguard.com or by calling 1-800-523-1188.

IRAP Managed Portfolio

This Fund consists of assets managed by investment managers retained by the Trustees, or mutual funds or commingled funds selected by the Trustees.

Investment earnings, gains and losses of the IRAP Managed Portfolio are allocated as of December 31st of each year among the Accounts of participants who have balances on that date in proportion to their balances as of the close of the prior year.

Can I Change How My Accounts Are Invested?

Yes. You may change the allocation of contributions between the Vanguard Program and the IRAP Managed Portfolio or among the Individual funds available through Vanguard.

To change your future contribution allocation between Vanguard and the IRAP Managed Portfolio, you must complete a new Vanguard form, which is available at the Plan Office or the Ports. This change will affect only Employer Contributions and Voluntary Contributions made after you submit a new election form.

You may transfer contributions that were made in the past from the IRAP Managed Portfolio to a Vanguard fund, but only as follows:

1. You may transfer up to 100% of your IRAP Managed Portfolio balance, determined as of the last day of the previous Plan Year, provided the Trustees have approved this transfer to a Vanguard fund. This transfer may not, however, be

made until after the annual audit of the Portfolio has been completed.

2. If your IRAP Managed Portfolio balance is \$5,000 or less, you may transfer the entire balance to a Vanguard fund.

To change the contribution allocation among any of the individual funds within the Vanguard Program, you may use the Vanguard On-Line Institutional Communication Exchange (“VOICE”) Network. Your changes become effective on the same day if your request is received by Vanguard before 4:00 P.M. Eastern Standard Time. Requests received after that time will become effective on the next business day. You can also change the individual Vanguard funds in which you have prior contributions invested by calling Vanguard’s VOICE Network.

The Vanguard Group provides participants with a VOICE Network. This is a tele-account feature that enables you to:

1. Obtain current account balances,
2. Obtain the last transaction posted to your account,
3. Request a Vanguard Fund prospectus,
4. Obtain closing prices and yields for investments; and
5. Confirm contribution allocations.

You have the option of executing transactions, (exchanges, mix allocation changes, etc.) using your PIN (Personal Identification Number) and Social Security number.

Any questions you may have about the Vanguard Program or changing your contribution allocation can be answered by a Vanguard representative at their toll-free number 1-800-523-1188 or online at www.vanguard.com.

What Expenses Are Charged to My Accounts?

The Plan’s administrative expenses, such as audit fees, consultants’ fees, custodian fees and its share of Plan Office expenses, are allocated among, and deducted from, participants’ Accounts in proportion to the value of their Employer Contribution Accounts and Voluntary Contribution Accounts.

It is possible that, as a result of rounding errors or other issues that cannot be corrected without undue expense, the aggregate asset value of the Managed Portfolio will differ from the sum of the balances credited to the individual accounts. In these cases, any excess will be used to pay plan expenses, and any deficiency will be treated as an additional expense. (Fees attributable to the 401(k) Arrangement are separately allocated to those Accounts.)

The cost of reviewing a domestic relations order to determine whether it is qualified domestic relations order (“QDRO”) is charged directly to the Account of the participant who is a party to the order.

What Information Will I Receive About the Investment of My Accounts?

Each year, you will receive a statement from the Plan Office summarizing your Employer Contributions, your Voluntary Contributions and changes in your investment in the IRAP Managed Portfolio.

If you have chosen to invest in funds available through Vanguard, you will receive quarterly statements from Vanguard showing your Account’s activity in its funds. The statements you receive from Vanguard will include the following information:

1. Contributions received,
2. Asset transfers between funds,
3. Starting and ending share values for each fund for the quarter, and
4. Withdrawals during the quarter.

The statement from the Plan Office will also include information about your vested status under the Plan.

Purchase of Pension Credit with IRAP Funds

You may, under certain circumstances described in the MM& P Pension Plan Third Restated Regulations, purchase pension credits by authorizing a roll-over from your IRAP account to the MM&P Pension Plan. This option is available only if you work for an employer that participates in IRAP but not the Pension Plan. (See the Pension Plan Summary Plan Description for details, or contact the Plan Office.)

When Can I Receive My Employer Contribution Account?

You are eligible to receive a distribution of your Employer Contribution Account at the later of the following:

- when you begin receiving a pension from the M.M.& P. Pension Plan or a government pension plan (if you are eligible for either), or
- when you completely and permanently withdraw from the maritime industry, both ashore and afloat (and submit evidence satisfactory to the Trustees of your withdrawal), except that you may be employed ashore in the maritime industry, so long as the employment is not Covered Employment and you have been a participant in the Plan for at least 60 months.

You may receive IRAP benefits before your MM&P or government pension begins –

- if you become completely and permanently disabled, as determined by the Trustees or the Social Security Administration, or
- if you are an Offshore Division unlicensed Participant or an Offshore Division licensed engineer Participant who has been unable to work in Covered Employment because of the limited number of billets available for your rating *and* you have permanently terminated all employment about any vessel.

You may elect to begin the distribution of your Account at any time after you become eligible, but no later than April 1st of the calendar year following the later of (i) the year in which you reach age 70½ or (ii) the year in which you cease working in the maritime industry.

Note: If, at the time when you become eligible to receive your Employer Contribution Account, the total value of all of your Plan Accounts (excluding your Rollover Account, if any) is \$1,000 or less, all of your Account balances (including your Rollover Account) will be distributed to you automatically in a lump sum.

Distribution of Benefits

How Do I Apply for My IRAP Benefits?

In order to receive your IRAP benefits:

- You must complete the appropriate application and send it to the Plan Office. Your application should be submitted at least 30 days before the date on which you want your distribution to begin.
- You must provide all information required by the Trustees to complete the processing of your application. The Plan Office will provide you with the required forms.
- If you are married and do not want to receive the standard form of distribution (a 50% Husband and Wife Annuity), you may elect one of the alternative forms with your Spouse's consent.
- If you are unmarried and do not want to receive the standard form of distribution (a Lifetime Annuity), you may elect one of the alternative forms.

When Will I Receive My IRAP Benefits?

Generally, you will begin receiving benefits no later than the first business day of the month following the month in which the Trustees approve your application for benefits.

How Is The Amount Of My Benefit Determined?

The amount of your benefit is based on the particular payment method that you select and the value of your Employer Contribution Account.

If your Account is invested in the IRAP Managed Portfolio and the annual valuation has not been completed when your benefits begin, your benefit will initially be calculated based on the Account value as of the last available valuation date. If you choose to receive your benefit in a Lump Sum before the valuation has been completed, a portion of your Account balance will be held back to make adjustments to reflect investment losses or administrative expenses not reflected in the prior year's valuation. Any balance due to you will then be distributed as soon as practicable after the annual valuation is completed.

Standard Payment Methods for Your Employer Contribution Account

The 50% Husband and Wife Annuity and the Lifetime Annuity discussed in this section are the standard forms of benefit payment for the Employer Contribution Accounts of married and single participants, respectively. If you do not want to receive your benefits in the standard form, you may reject it for an alternative form offered by the Plan. If you are married, your Spouse must consent to the alternative form. The alternative forms are discussed below.

In addition, the chart on Page 26 entitled “Comparison of Benefit Payment Options” provides an overview of different benefit payment options available from the Plan.

Standard Form If You Are Married

50% Husband and Wife Annuity. The standard form of payment is the 50% Husband and Wife Annuity if you are married at the time you begin receiving your benefits. If you elect this form or make no election, the Plan will use the balance in your Employer Contribution Account to purchase an annuity contract from a life insurance company licensed to do business in the United States. This contract will pay you a monthly benefit for your life. After your death, payments will continue to your surviving Spouse at 50% of the monthly amount that you were receiving. The monthly payments will depend on the balance in your Account when the annuity is purchased and the price charged by the insurance company.

You may reject the 50% Husband and Wife Annuity and elect a different form of payment from among those offered by the Plan. **Your election must be signed by you and your Spouse in the presence of a notary public and filed with the Plan Office not earlier than 180 days before you want the distribution of your benefit to begin.**

The 50% Husband and Wife Annuity cannot be revoked once payments begin. Also, if you commence benefits and your Spouse dies before you, or if you divorce your Spouse, the amount of your monthly benefit will not be increased. If you are divorced and remarry, your new spouse will *not* receive any payments after your death.

Standard Form If You Are Unmarried

Lifetime Annuity The standard form of payment is the Lifetime Annuity if you are unmarried at the time you begin receiving your benefits. If you elect this form or make no election, the Plan will use the balance in your Employer Contribution Account to purchase an annuity contract from a life insurance company licensed to do business in the United States. This contract will pay you a monthly benefit for your life. Payments will stop when you die.

You may reject the Lifetime Annuity and elect to receive one of the alternative forms of benefit payment offered by the Plan. Your election must be signed by you and filed with the Plan Office not earlier than 180 days before you want the distribution of your benefit to begin.

The Lifetime Annuity cannot be changed or revoked once payments begin.

Alternative Payment Methods for Your Employer Contribution Account

The Plan offers an Installment Payout Option and a Lump Sum Option as alternatives to the standard forms of payment of your Employer Contribution Account. Married participants also have a Lifetime Annuity Option and a 75% Husband-and-Wife Annuity Option. You may, if you wish, elect to receive part of your Account balance by one method and the remainder by the other. If you are married, your Spouse must consent to your election, as stated above under “Standard Form If You Are Married”.

Note: With limited exceptions, the alternative forms of payment are not available if your Employer Contribution Account balance is not fully vested and you were credited with Vesting Service before 1993. See Appendix B, “Special Rules for Pre-1993 Partially Vested Participants” for further information.

(1) Installment Payout Option. The Installment Payout Option distributes your Account balance over a period selected by you. The period may be no longer than 120 months, and each monthly payment must be at least \$100. When you elect this option, the Plan Office will determine the payment to be made each month, based on a reasonable rate of earnings on your Account balance. The monthly payment will be recalculated each year to reflect dif-

ferences between the estimated and actual Account earnings. You may elect, at any time after you have received at least 24 monthly payments, to receive your remaining balance as a lump sum. In any event, payments will end when there are no funds left in your Account. If you die before your Account is exhausted, the remaining balance will be paid to your Beneficiary.

(2) Lump Sum Option. The Lump Sum Option is a one-time, single-sum distribution of the entire balance of your Employer Contribution Account.

You may roll a lump sum or installment distribution over to an individual retirement account or to another plan that is eligible to receive rollovers, unless you elect the Installment Payout Option for a period of 120 months.

(3) Lifetime Annuity Option. If you are married, you may, with your Spouse's consent, elect to have the Plan use your Account balance to purchase an annuity for your life only. This form of benefit is identical to the standard form for unmarried participants. Payments will stop when you die, and no benefits will be paid to your Spouse after your death.

(4) 75% Husband-and-Wife Annuity. If you are married, you may, with your Spouse's consent, elect to have your Account balance used to purchase an annuity that will pay you benefits for your life, and upon your death, your Spouse will receive 75% of the monthly benefit you received during your lifetime.

Payment Methods for Your Voluntary Contribution Account

You may elect to receive your Voluntary Contribution Account at any time. The payment may be made in any form in which your Employer Contribution Account may be distributed. If you elect a Lump Sum distribution of your Employer Contribution Account, you must also elect a Lump Sum distribution of your Voluntary Contribution Account.

If you withdraw Voluntary Contributions, you will be ineligible to make Voluntary Contributions for a period of one year after the date of the withdrawal.

If you purchased Days of Service by making Voluntary Contributions, withdrawing those contributions before you begin receiving a distribution of your Employer Contribution Account may result in the loss of Vesting Service credit.

What Benefits Can My Spouse Or Beneficiary Receive After My Death?

Upon your death, your Spouse or Beneficiary will receive your remaining Employer Contribution Account and Voluntary Contribution Account balances. If you die after you begin receiving the payment of your balance, payments to your Spouse or Beneficiary depend upon the payment method that you selected:

- If you are receiving a 50% or 75% Husband-and-Wife Annuity, payments will continue to your surviving Spouse at 50% or 75% of the monthly amount payable during your lifetime. If your Spouse does not survive you, no payments are made after your death.
- If you are receiving a Lifetime Annuity, payments stop when you die.
- If you are receiving installment payments, the balance in your Employer Contribution and Voluntary Accounts is paid to your Beneficiary in a lump sum or by continuing the installment payments, as your Beneficiary elects.
- If you elected the Lump Sum Option, any portion of your Account balance that has not been distributed as of your death will be paid to your Beneficiary.

If you die *before* you begin receiving payments, the balance in your Employer Contribution Account and Voluntary Contribution Account will be paid to your Beneficiary.

You may select anyone you wish as your Beneficiary, may name more than one Beneficiary, and may name contingent Beneficiaries who will take the shares of Beneficiaries who die before you. **However, if you are married when you die, your Spouse must receive as a minimum 50% of your Employer Contribution Account, unless you elect otherwise with your Spouse's consent. This election must be made in writing on the form provid-**

ed by the Plan Office. It must be signed by both you and your Spouse before a notary public.

If you do not elect a Beneficiary, or if all of your named Beneficiaries die before you, your Employer Contribution Account and Voluntary Contribution Account balances will be distributed to a Beneficiary determined under the terms of the Plan, in the following order of preference:

1. To your surviving Spouse or, if none,
2. To your surviving children in equal shares or, if none,
3. To your surviving parent or parents in equal shares or, if none,
4. To your estate.

Your Beneficiary may elect to receive payments as a Lump Sum or under the Installment Payout Option. Your surviving Spouse may also elect to have the Plan use the balance of the Account to purchase a Lifetime Annuity. If, however, the balance due to any Beneficiary is \$1,000 or less, it will be paid automatically as a Lump Sum.

IMPORTANT REMINDER

After benefit payments have commenced, a benefit payment option that has been selected ***cannot*** be revoked, nor are benefit payments increased as a result of divorce or your Spouse's death.

YOUR 401(k)

Who is Eligible to Make 401(k) Contributions?

If you are covered by a collective bargaining or other applicable agreement that provides for a 401(k) arrangement with the Plan, you are eligible to make 401(k) contributions, which may be either Pre-Tax Contributions or Roth Contributions. Contributions are made from your Shipboard Earnings if you are an Offshore Employee or from your regular pay if you are a PMR or Administrative employee.

If you are uncertain about your eligibility to make 401(k) contributions because of your job classification or the type of earnings you receive, you should contact the Plan Office.

How Do I Make 401(k) Contributions?

You must complete a 401(k) contribution enrollment form in order to start having contributions deducted from your Shipboard Earnings or pay as a PMR or Administrative employee. This enrollment form can be obtained from your Employer, the Plan Office or any Port Office or the Union website (www.bridgedeck.org) on the members only site.

Offshore Employees. You may be required to complete a new enrollment form for each voyage or sign-on during which you wish to have contributions deducted. If your voyage or sign-on is shorter than three weeks, the enrollment form will remain in effect for subsequent voyages with your employer up to a period of three months.

PMR Employees. You are required to complete an enrollment form at the beginning of any employment in the Pacific Maritime Region. Each enrollment form is effective for the calendar year in which you make the election.

Administrative Employees. You are required to complete an enrollment form before contributions can be withheld from your pay. Each enrollment form is effective for the calendar year in which you make the election.

How Much May I Contribute to the 401(k) Arrangement?

The Plan allows you to contribute from 2% to 100% of your earnings up to the maximum amount permitted by the Internal Revenue Code. The maximum contribution amount is adjusted periodically for inflation. For the year 2012, the maximum contribution you may make is \$17,000 if you were under age 50 by the end of the taxable year or \$22,500 if you were then age 50 or older.

If your 401(k) contributions exceed the maximum you are allowed for that year, the Plan Office will notify you and the excess contributions will be returned to the Company to be refunded to the participant.

When determining the amount of contributions you want to make, keep in mind that vacation pay is not included in Shipboard Earnings that qualify for 401(k) contributions.

Offshore Employees may make 401(k) contributions from Overtime Converted Wages.

Refund of Excess Contributions. At the end of each year, the Plan is required by law to conduct a test called the Average Deferral Percentage (ADP) test. The purpose of this test is to make certain that Highly Compensated Employees, as defined by law, do not gain more of an advantage from participating in the Plan than participants who are not considered Highly Compensated Employees. If the difference between the average percentages contributed by the two groups is more than the difference allowed by law, the Plan is required to return a portion of the contributions made by the Highly Compensated Employees. The amount of the excess contributions the Plan will return is the amount that will allow the Plan to pass the ADP test.

If you are a Highly Compensated Employee, the Plan will refund your excess contributions, if any, to you no later than March 15th following the end of the Plan Year in which they were made. The amount of excess Pre-Tax Contributions returned to you is taxable income for the year in which you receive the refund. (Roth Contributions were already included in your taxable income and are not taxed a second time.) Income attributable to the excess contributions is also distributed to you. This income is taxable in the year of receipt, regardless of whether the excess contributions were Pre-Tax Contributions or Roth Contributions.

What Types of Contributions Can I Make to the 401(k) Arrangement?

When you make 401(k) contributions you may designate them as Pre-Tax Contributions or as Roth Contributions. If you make no designation, they will be Pre-Tax Contributions. You may change between Pre-Tax and Roth Contributions at any time by filing a new election form with the Plan Office/Employer. The change will take effect for contributions made after the Plan Office processes the form and notifies your Employer. The type of contribution cannot be changed retroactively.

Pre-Tax Contributions are deducted from your taxable income (though they are still subject to Social Security and Medicare tax). They are added to your Pre-Tax Contribution Account and will be taxed when received by you or your Beneficiary.

Roth Contributions are included in your taxable income and are added to your Roth Account. Distributions from your Roth Account are wholly or partial-

ly tax-exempt under current tax law. See pages 15-16 for a discussion of the applicable tax rules.

Can I Change or Stop My Contributions? Yes.

Offshore Employees. You may change your contribution amount when you begin a new sign-on or voyage. Your contributions stop at the end of each sign-on or voyage (when you no longer have Shipboard Earnings). You may discontinue future contributions for as long as you wish. To resume making contributions, just complete a new enrollment form at the beginning of a sign-on or voyage stating that you want to have contributions deducted from your Shipboard Earnings again.

PMR and Administrative Employees. You can change your contribution amount by submitting a new enrollment form before the beginning of any calendar quarter. Your contributions stop at the end of each calendar year, unless you submit a new enrollment form for the new year. You may discontinue future contributions for as long as you wish. To resume making contributions, just complete a new enrollment form at the beginning of a calendar quarter stating that you again want to have contributions deducted from your pay.

When Am I Vested in My 401(k) Contributions?

You are always 100% vested on your 401(k) Accounts (your Pre-Tax Contribution Account and your Roth Account). This means you have a nonforfeitable right to these Accounts at all times, regardless of the length of your Vesting Service or any Breaks-in-Service.

How Are My 401(k) Accounts Invested?

Your 401(k) Accounts are invested in mutual funds available through Fidelity Investments. You may self-direct the investment of your 401(k) Accounts into any one or more of the funds available through Fidelity. You must designate the percentage of your 401(k) contributions that you want to go into each individual fund when you complete your 401(k) contribution enrollment form.

A booklet describing the currently available Fidelity funds is attached to this booklet. The booklet summarizes the funds' investment strategies, performance record and fees. You may obtain further information about these funds and copies of their pro-

spectuses at www.fidelity.com/atwork or by calling Fidelity at 1-866-848-6466.

If you do not designate how your contributions are to be invested, they will be invested in Fidelity Freedom Fund with the target retirement date closest to the year you might retire, based on your current age and assuming a retirement age of 65.

Can I Change My 401(k) Contribution Allocation?

Yes. You can change the contribution allocation to any of the available funds by calling Fidelity's Benefit Plan Services phone line at 1-866-848-6466. You may also use this number to change the fund allocation for your contributions already invested.

Your requests for allocation changes will become effective on the same day if your request is received by Fidelity before 4:00 P.M. Eastern Standard Time. Requests received after that time will become effective on the next business day. Fidelity's phone services are available from 8:30 A.M. to 8:00 P.M., Monday to Friday, Eastern Standard Time. You can also access your account online at www.fidelity.com/atwork.

What Information Will I Receive About the Investment of My 401(k) Accounts?

Fidelity will send you a quarterly benefit statement summarizing contributions and investment activity in your 401(k) Accounts. The statements you receive from Fidelity will include the following information:

1. Contributions received,
2. Asset transfers between funds,
3. Starting and ending share values for each fund for the quarter, and
4. Withdrawals during the quarter.

Administrative Fees

Fidelity charges an annual administrative fee and trustee fee to your Account. The Plan's administrative expenses, such as audit fees, consultants' fees, custodian fees and its share of Plan Office expenses, are allocated among, and deducted from, participants' 401(k) Accounts in proportion to the value of their Accounts. (Fees attributable to Employer Contribution Accounts, Voluntary Contribution Accounts and Rollover Accounts are separately allocated to those Accounts.)

When Am I Eligible To Receive My Benefits?

You are eligible to receive your 401(k) benefits at the earliest of the following dates:

- when you reach the Plan's Normal Retirement Age, or
- when you completely and permanently terminate Covered Employment in the maritime industry, or
- when you are permanently and totally disabled, as determined by the Trustees or the Social Security Administration, or
- when you start receiving benefits under the MM&P Pension Plan, or
- when you need funds to alleviate a financial hardship, as described below under "Hardship Withdrawals".

If you are under age 59½, you will not be considered to have completely and permanently terminated Covered Employment in the maritime industry until you have had a bona fide severance from all employment by Contributing Employers for at least 90 days.

You may elect to begin the distribution of your 401(k) Accounts at any time after you become eligible, but no later than April 1st of the calendar year following the later of (i) the year in which you reach age 70½ or (ii) the year in which you cease working in the maritime industry.

Note: If, at the time when you become eligible to receive your Employer Contribution Account, the total value of all of your Plan Accounts (excluding your Rollover Account, if any) is \$1,000 or less, all of your Account balances (including your Rollover Account) will be distributed to you automatically in a lump sum.

How Do I Apply For My Benefits?

You must complete a payout form and send it to the Plan Office in order to receive your 401(k) Account balance. Your application must be sent to the Plan Office at least 30 days before you wish you benefits to begin. The Plan Office will provide you with a retirement application upon request as well as answer

any questions you may have about your retirement benefits.

When Will I Receive My Benefits?

Generally, you will begin receiving your retirement benefits on the first day of the month following the receipt of your application by the Plan Office.

Hardship Withdrawals

Under special circumstances, you may be permitted to withdraw your 401(k) contributions (not including earnings) from your Account before retirement. A hardship withdrawal may be made for the following reasons:

1. To pay medical expenses for you, your Spouse or your dependents,
2. To pay educational expenses for you, your Spouse or your dependents,
3. To assist in the purchase of a principal residence for yourself,
4. To prevent your eviction from your principal residence or foreclosure on the mortgage on your principal residence, or
5. To pay funeral expenses for your Spouse or one of your dependents.

You may not request a hardship withdrawal until you have borrowed the maximum possible amount from your 401(k) Account. See “Can I Borrow from my 401(k) Accounts?”

To request a hardship withdrawal, you must submit information to the Trustees, on the form available from the Plan Office, substantiating the existence and amount of your financial need. The Trustees will then determine whether your request meets the conditions set forth in the Plan. The amount distributed to you may not exceed the **lesser** of –

- the amount needed to relieve the hardship and pay any tax liability attributable to the distribution, or
- the sum of all of your prior contributions under the 401(k) arrangement, reduced by any prior hardship withdrawals.

If you receive a withdrawal for hardship before age 59½, you may incur a 10% tax penalty in addition to regular income tax.

The Plan will withhold 10% of your distribution to pay federal income taxes, unless you elect to have no withholding by filing Form W-4P with the Plan Office. Hardship withdrawals may not be rolled over into an individual retirement account or another plan.

You will not be permitted to make 401(k) contributions or Voluntary Contributions for six months following a hardship withdrawal.

To request a hardship withdrawal, you should contact the Plan Office regarding your circumstances and eligibility.

How Are My Benefits Paid?

You may select from the following payment methods to have your benefits paid from your 401(k) Accounts:

- Lump Sum distribution of your full Account balance, or
- Monthly installments over a period of 36 months, 60 months or 120 months.

If you choose the installment option, the Plan will make monthly distributions to you that are as nearly equal as practical. The monthly amount may be revised each year. In any event, payments will continue until your Account is exhausted.

You may roll over distributions (except hardship withdrawals) to an individual retirement account or another plan that is eligible to accept rollover contributions, unless you select the 120 month installment option.

Can I Borrow from My 401(k) Accounts?

Yes. You may borrow from your 401(k) Accounts, as explained below. **If you are married, your Spouse must consent to the loan. The consent must be in writing and signed before a notary public.**

You may have up to two loans outstanding at any one time. The maximum amount that you may borrow at any time is the **lesser** of –

- one-half of the balance of your Pre-Tax Contribution Account and your Roth Account, minus any loan you have outstanding at the time of your new loan, or
- \$50,000, minus the highest outstanding loan balance that you had outstanding during the 12 months preceding the time of your new loan.

The interest rate on your loan will be the prime rate (which you can find reported in *The Wall Street Journal*) plus one percent. The term of the loan may not be longer than five years, unless you use the entire amount of the loan to purchase a principal place of residence for yourself, in which case the term may be as long as 10 years,

The amount that you borrow is deducted from your 401(k) Accounts and distributed to you. If you have both a Pre-Tax Contribution Account and a Roth Account, the loan is taken from the Accounts in proportion to the current Account balances. Loan repayments are added back to the Account balances.

Loans must be repaid through automatic monthly deductions from your bank account. If you fail to keep enough money in your account to make monthly payments, or if you fail to make a monthly payment for any other reason, you will be in default. You must cure any default by the end of the calendar quarter after it occurred. If you don't, you will be taxed on the amount in default and will still have an obligation to repay it to the Plan.

You may prepay your loan at any time without penalty. Any distribution that you elect to receive from the plan (except a hardship withdrawal) will be treated as a loan prepayment and deducted from your outstanding loan balance instead of being distributed to you.

Loan application forms are available from Fidelity.

What Benefits Can My Spouse Or Beneficiary Receive After My Death?

If you die before your entire 401(k) Account balance has been distributed, your Beneficiary will receive the remainder of the Account. If you are married, your Spouse is automatically your Beneficiary, unless you designate a different Beneficiary with your Spouse's consent. Spousal consent must be in writing and signed by you and your Spouse before a notary public.

You may elect more than one Beneficiary and may elect contingent Beneficiaries. If you do not elect a Beneficiary, or if all of your named Beneficiaries die before you, your 401(k) Account balances will be distributed to a Beneficiary determined under the terms of the Plan, in the following order of preference:

1. To your surviving Spouse or, if none,
2. To your surviving children in equal shares or, if none,
3. To your surviving parent or parents in equal shares or, if none,
4. To your estate.

Your Beneficiary may elect to receive payments as a Lump Sum or in installments over 36, 60 or 120 months. Distributions may be rolled over to an individual retirement account, unless your Beneficiary elects the 120 month installment option.

Note: If the amount payable to your Beneficiary is \$1,000 or less, it will be automatically distributed in a lump sum.

Please make sure to keep your beneficiary records updated under your IRAP and 401(k) accounts.

CONVERTING ACCOUNTS INTO ROTH CONTRIBUTIONS

What Are Roth Contributions?

Roth Contributions are taxed differently from other contributions to the Plan. When you make a Roth Contribution, or when you convert other types of contributions into Roth Contributions, you must include the amount contributed or converted in your taxable income. On the other hand, a qualified distribution from a Roth Account is tax-free under cur-

rent tax law. By contrast, distributions from your Employer Contribution Account, Pre-Tax Contribution Account and Rollover Account are fully taxable when you receive them, and distributions from your Voluntary Contribution Account are taxed to the extent that the distribution includes income earned while your Voluntary Contributions were part of the Plan.

A qualified distribution is any distribution you receive from your Roth Account in or after the fifth calendar year after the Account was established, provided that it is made –

- after you reach age 59½, *or*
- after you have become eligible for Social Security disability benefits, *or*
- to help you buy a home, provided that you and your Spouse have not owned a home during the preceding two years and meet other conditions, *or*
- to your Beneficiary after your death.

If you or your Beneficiary receives a distribution that does not meet these conditions, the portion in excess of the amount previously taxed is included in taxable income. This is the same tax treatment as distributions from Voluntary Contribution Accounts.

Any distribution from a Roth Account, whether qualified or nonqualified, may be rolled over into a Roth IRA. The 5-year period for determining whether a distribution is qualified will then run from when you established your Roth Account under the Plan.

The preceding summary does not cover all aspects of the tax treatment of Roth Contributions. **You should consult your tax and financial advisors to determine whether a Roth Account will be beneficial to you and what its tax consequences will be.**

How Can I Make Roth Contributions?

As discussed above (see page 15) you can make Roth Contributions directly under the Plan's 401(k) Arrangement. You can also convert all or part of your non-Roth Accounts into Roth Contributions, if you meet the conditions described below. Because of varying IRS requirements, the conditions are different for each type of Account:

- Your **Employer Contribution Account** is eligible for conversion at any time after you have been a participant in the Plan for at least five years.
- Your **Voluntary Contribution Account** is eligible for conversion at any time, except that Voluntary Contributions may not be converted in the same calendar year that you make them.
- Your **Rollover Contribution Account** is eligible for conversion at any time.
- Your **Pre-Tax Contribution Account** is eligible for conversion after you reach age 59½ or are eligible for a distribution from the Account.

In all cases, you may convert an Account into Roth Contributions if you are eligible to receive an immediate distribution from that Account.

Important: When you convert other types of contributions into Roth Contributions, you are taxed on the amount converted (except for conversions of Voluntary Contributions, where you are taxed only to the extent that the amount converted exceeds the amount of your Voluntary Contributions).

Converting all or part of an Account into Roth Contributions does not change the rules that apply to distributions or loans from that Account. The time when you are eligible to receive a distribution of the converted contributions, and the form in which the distribution will be made, remain the same as before.

The chart on page 27 summarizes the rules that apply to Roth conversions.

Forms for electing Roth conversions are available from the Plan Office.

OTHER ASPECTS OF YOUR PLAN

Taxation of Benefits

Benefits that you receive from the Plan are taxable income, with these exceptions:

- Qualified distributions of Roth Contributions are exempt from income tax under current tax law. See page 15 for more information about Roth Contributions).
- Nonqualified distributions of Roth Contributions and distributions from your Voluntary Contribution Account are taxed only to the extent that they are attributable to income earned by your Account. The Plan will advise you of the taxable portion when you receive a distribution.

Federal tax laws require the Plan to withhold income taxes from benefits before they are paid to you.

- The withholding tax rate is 20% on lump sum distributions (except for hardship withdrawals) and installment distributions payable over periods *shorter* than 10 years. You may avoid withholding tax by arranging for a direct rollover of your distribution to an individual retirement account or another plan, as discussed below.
- The withholding rate on hardship withdrawals is 10%. You may, however, elect out of withholding by filing Form W-4P with the Plan Office.
- The withholding rate on other forms of payment is the same as for wages. You may elect out of withholding by filing Form W-4P with the Plan Office or with the insurance company that issued your annuity contract.

If tax is not withheld on your benefits, you may have to file estimated tax returns with the IRS or the state in which you reside.

You are not allowed to elect out of withholding on lump sum and other payments that are subject to the 20% withholding rate.

Any distribution that you receive before age 59½ and do not roll over into an individual retirement account or another plan that is eligible to accept rollovers may be subject to an additional 10% tax. There are a number of exceptions to this tax. You should consult your tax advisor to find out whether it will apply to you.

You can avoid the automatic withholding tax and the early withdrawal penalty, if applicable, if you instruct

the Plan Office to roll over your account balance directly into an individual retirement account or another employer's eligible retirement plan. If you choose to take a lump sum distribution and roll over your account balance yourself, 20% will still be withheld by the Plan before the lump sum is paid to you. To avoid paying the 20% withholding and the 10% tax penalty if you are under age 59½, you would have to replace the 20% that was withheld when rolling over your account balance yourself.

The Plan has made arrangements with Vanguard and Fidelity to enable you to roll over your lump sum distributions into your own IRA with either or both institutions. In order to do this, you must establish your IRA account directly with either or both institutions.

The Plan Office will provide you with additional information concerning rollovers and the tax treatment of distributions when you become eligible to receive a distribution.

You will receive this information and an application to withhold taxes or roll over the distribution 30 to 90 days before you are eligible for a distribution. At the time, you must complete and return your application before the Plan can pay or roll over your distribution.

THE PLAN URGES YOU TO CONSULT YOUR OWN TAX ADVISOR BEFORE YOU MAKE ANY DISTRIBUTION ELECTION.

What If I Return To Work After I Retire?

If you return to work in the maritime industry or if you continue to work in the maritime industry after you begin receiving benefits, your right to future benefit distributions may be affected, as follows:

- If you are receiving installment distributions from your Employer Contribution Account or your Voluntary Contribution Account and have not yet reached Normal Retirement Age, the distributions will be suspended while you work in the Maritime Industry, unless you are working on Mercy ships or have received advance approval of the assignment from the I.O.M.M.&P. The suspension will last for the length of your employment, including earned vacation time, plus six months, or for twice the length of your em-

ployment, including earned vacation time, whichever is longer. After that, payments will resume over the remainder of your installment period.

- If you are receiving installment distributions from your Employer Contribution Account or your Voluntary Contribution Account and you have reached Normal Retirement Age, the distributions will be suspended for any month during which you work five or more days in the maritime industry, unless you are working on Mercy ships or have received advance approval of the assignment from the I.O.M.M.&P. Distributions will resume after you cease your disqualifying work.
- Contributions made to your Employer Contribution Account or your Voluntary Contribution Account during your period of reemployment are not eligible for distribution until the **later** of your Normal Retirement Age or the date when you again completely terminate employment in the maritime industry. This restriction does not apply if you are working on Mercy ships or have received advance approval of the assignment from the I.O.M.M.&P.

Exception: If you are an Offshore Division unlicensed participant or Offshore Division licensed engineer and you have been unable to work in Covered Employment because of the limited number of billets for your rating, you may work ashore before Normal Retirement Age without being subject to benefit suspension.

Other Important Information

Benefit Claims Procedures

In order to file a claim for Plan benefits, you must follow the application procedures described above. If your claim for benefits is denied in whole or in part, you will have the right to file a written appeal, as described below. Your claim may be filed by you or by your authorized representative.

The Plan Office will review your claim after it is received. If your claim for benefits is denied, the Plan Office will send you a notice of denial that includes:

the specific reasons why your claim was denied,

specific references to the Plan provision(s) on which the denial is based,

a description of any additional material or information necessary to perfect your claim, if applicable,

information regarding the Plan's appeal procedure (including applicable time limits), and

a statement of your right to bring a civil action under Section 502(a) of ERISA, following a denial on review.

Generally, the notice of denial will be provided to you no later than 90 days after the Plan Office receives your claim, unless special circumstances require an extension of time for processing your claim. If such special circumstances exist, written notice of the extension will be provided to you prior to the end of the 90 days, and the notice will explain the circumstances requiring an extension, as well as the date by which the Plan Office expects to render a decision on your claim.

If your claim is denied, and you wish to appeal the Plan Office's decision, your appeal must be made within 60 days from your receipt of the Plan's written denial notice. You or your authorized representative must file your appeal in writing, and submit it to the Board of Trustees at the following address:

MM&P IRA Plan
700 Maritime Boulevard Suite A
Linthicum Heights, Maryland 21090-1996

Your appeal must state your name, address, the fact that you are appealing the Plan Administrator's initial decision (giving the date of the decision you are appealing), and the basis of your appeal. If you file an appeal within the required time frame, you or your authorized representative will have the right to review pertinent documents at the Plan Office and to submit written comments, documents, records or other information related to your claim.

Normally, the Board of Trustees will review your appeal at its first regularly scheduled meeting after it receives your appeal. However, if the appeal is received fewer than 30 days before a meeting, it will be reviewed at the second regularly scheduled meeting of the Board after it receives your appeal. If special circumstances require an extension of time for processing your appeal, written notice of the extension will be provided to you prior to the commencement of the extension. Notification of the

Board of Trustees' decision on your appeal will be sent to you as soon as possible after a decision has been made, but not later than five days after the decision is made. In no case will the period for rendering a decision on your appeal be extended beyond the date of the third regularly scheduled meeting of the Board of Trustees following receipt of your written appeal.

The Trustees' decision will be sent to you in writing. If your appeal is denied, notice of the decision will include:

the specific reasons on which the Board of Trustees' denial was based,

specific references to the Plan provision(s) on which the denial was based,

a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to your claim, and

a statement of your right to bring a civil action under Section 502(a) of ERISA.

The decision of the Board of Trustees is final and binding on all concerned. You must fully exhaust the administrative remedies under the Plan's claim procedures outlined in this booklet prior to filing a suit.

Rollover Contributions

Rollover contributions enable you to transfer to the IRAP benefits that you earned previously from participation in another retirement plan. The IRAP will accept rollovers from retirement plans in which you were previously a participant or from your individual retirement account, subject to approval of the rollover by the Trustees.

You may roll over any distribution from a qualified retirement plan, a section 403(b) tax-sheltered annuity or custodial account, a section 457(b) governmental eligible deferred compensation plan, or an individual retirement account (except for after-tax contributions that you made to an individual retirement account).

If you roll over a distribution, you are not taxed at the time of the rollover. When you eventually receive a distribution from the Plan, it will be taxed in the

same manner as other Plan distributions. The effect of a rollover is to delay taxation and make it possible for the rolled over benefits to continue to generate earnings without current taxation.

The investment of Rollover Accounts is governed by the same rules as Employer Contribution Accounts (see page 2).

If you are entitled to a distribution from a previous plan and would like to roll it over directly into the IRAP, you should check with the Plan Administrator of your former plan to ascertain the proper rollover procedure, and you should also advise the Plan Office.

Social Security at Retirement

In addition to the Individual Retirement Account Plan, Social Security provides you with another source of retirement income. During your career, both your employer and you contribute to the cost of providing Social Security benefits to you when you reach retirement age. You are in most cases eligible to begin collecting Social Security benefits at age 62, but benefits are suspended if you earn more than a specified amount of monthly income. The earnings limitation ends when you reach "Social Security retirement age", which is between 65 and 67, depending upon when you were born.

Because Social Security benefits are another important financial resource during retirement, you should contact your local Social Security office at least three months before the date you plan to retire. Doing this will ensure that your Plan benefits and Social Security benefits begin at the same time.

Mandatory Payment of Benefits at Age 70½

The Plan will begin to pay IRAP benefits starting no later than April 1st after the year in which you reach age 70½ or cease employment in the maritime industry, if later, to the extent required by law. The Plan Office will provide you with additional information concerning mandatory benefit payments when a distribution is required, or upon request.

Plan Continuation

The Trustees expect to continue the Plan indefinitely, but reserve the right to change or end the Plan if necessary. If the Plan is terminated, you will automatically have a vested or nonforfeitable right to all of your Accounts.

Assignment or Alienation of Benefits

Your Plan benefits cannot be assigned, transferred or sold for any reason except as provided by law. Assignment or alienation is possible in the following circumstances:

- A court may issue a “qualified domestic relations order” (“QDRO”) requiring all or part of your Account balance to be paid to your Spouse, former Spouse, child or other dependent under State domestic relations law. The Plan Office will review any QDRO issued with respect to your Account to determine whether it meets the requirements of Federal law. A copy of the QDRO procedures can be obtained, free of charge, from the Plan Office.
- The Internal Revenue Service may levy against your Account to collect delinquent Federal tax liability that you owe.

Amendments to the Plan

The Trustees may amend the Plan from time to time, but no amendment may reduce your Account balance or take away other rights that are protected by law. Amendments to the Plan are published in *The Master, Mate & Pilot*, the I.O.M.M.&P.’s newspaper.

Forwarding Address

Plan participants, terminated employees who are vested, retirees and beneficiaries who receive benefits must keep the Plan Office informed of their current addresses to assure proper payment of benefits.

General Plan Information

The following information concerning your Plan is provided in accordance with governmental regulations. The MM&P Individual Retirement Account Plan is a profit sharing plan. A Board of Trustees, consisting of Union representatives and Employer representatives with equal voting strength, is the Sponsor and Administrator of the Plan. The Board of Trustees is the agent for service of legal process. Process may be served at the Plan Office.

Employer contributions to the Plan are made by the contributing employers in accordance with their collective bargaining agreements made with the I.O.M.M.&P. or other agreements approved by the Trustees. The agreements require contributions to

be made to the Plan at certain percentages of pay rates per hours/days worked.

Upon written request, the Plan Office will provide participants with information as to whether a particular employer is contributing to the Plan.

Benefits are provided from the Plan’s assets, which are accumulated under the provisions of the written agreements and the trust agreements and held in a trust fund for the purpose of providing benefits to covered participants and defraying reasonable administrative expenses.

The Plan assets are currently held in custody by BNY Mellon, The Vanguard Group Institutional Retirement Co., Fidelity Group Institutional Retirement Services Co. and Bank of America.

Funding Medium/Contributions to the Plan: The benefits described in this booklet are funded by Employer contributions as a result of collective bargaining agreements between the I.O.M.M.& P. and Employers or other written agreements and by voluntary employee contributions. Benefits are provided from the Plan’s assets, which are held in a trust fund for the purpose of providing benefits and defraying reasonable administrative expenses.

Complete List of Participating Employers: A complete list of the employers and employee organizations sponsoring the plan may be obtained upon written request to the plan administrator and is available for examination by participants and beneficiaries at the Plan Office. Participants and beneficiaries may receive from the plan administrator, upon written request, information as to whether a particular employer or employee organization is a Contributing Employer of the plan.

Collectively Bargained Plan: The plan is maintained pursuant to one or more collective bargaining agreements (“CBAs”), and copies of the CBAs may be obtained by participants and beneficiaries upon written request to the plan administrator and are available for examination by participants and beneficiaries at the Plan Office.

Type of Administration: The administrative operations of the Plan are handled by the employees of the Plan itself.

Plan Amendment, Plan Termination and Benefit Reductions: The Board of Trustees reserves the right to amend, modify or terminate this Plan at any time. In the event of termination, in whole or in part, or if there is a complete discontinuance of contributions, each employee is entitled only to those benefits accrued to the date of termination or discontinuance of contributions to the extent such benefits are funded.

Your Rights Under The Employee Retirement Income Security Act of 1974 (ERISA)

ERISA gives you some basic rights as a Plan participant. These rights apply to all plans, including this one. ERISA provides that all plan participants are entitled to:

Receive Information About the Plan and Benefits Under the Plan

- 1) **Examine** all documents governing the Plan, including the following without charge at the Plan Office and other locations required by law during regular business hours on Monday through Friday, except holidays:
 - a) Trust Agreement
 - b) Plan Restated Regulations
 - c) Annual Report Form 5500 filed by the Plan with the Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration
 - d) Summary Plan Description
 - e) Collective Bargaining Agreements
- 2) **Obtain copies** of all documents governing the Plan, including updated summary plan descriptions and other Plan information upon written request to the Plan Administrator. There is a charge to cover the cost of reproducing the documents (\$.25 per page).
- 3) **A Summary Annual Report** which gives details of the financial information about the Plan's operation is furnished annually to all Participants free of charge.

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

Prudent Actions by Plan Fiduciaries

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

Enforce Your Rights

If your claim for benefits under the Plan is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in federal court. In such a case, the court may require the Plan Administrator to provide materials and pay up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in state or federal court. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court. If it should happen that the Plan fiduciaries misuse the Plan's money, or if you are discriminated against asserting your rights, you may seek assistance from the U.S. Department of

Labor, or may file suit in federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the party you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees; for example, if it finds your claim frivolous.

Assistance with Your Questions

If you have any questions about the Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

You may be required to pay copying costs.

APPENDIX A

Matching Contributions

Shaver Transportation makes matching contributions to the 401(k) Arrangement. Participants who are employed by Shaver Transportation and who make Pre-Tax Contributions or Roth Contributions to the 401(k) Arrangement receive an additional employer contribution equal to a percentage of their 401(k) contributions. The percentage is prescribed in the applicable collective bargaining agreement. You will receive information about it from the company before the beginning of each Plan Year.

Matching contributions and earnings thereon are held in a separate Matching Contribution Account, which is fully vested at all times. This Account may be invested in any of the funds that are available for investment under the 401(k) Arrangement. (See page 11) Distributions are made in the same manner as other accounts under the 401(k) Arrangement, but hardship withdrawals may not be taken from the Matching Contribution Account. (See page 13)

Participants may not borrow from their Matching Contribution Accounts, and balances in those Accounts are not considered in determining the maximum loan that a participant may receive. (See page 14)

APPENDIX B

Special Rules for Pre-1993 Partially Vested Participants

This Appendix affects you only if employer contributions were made to the Plan for your benefit **before 1993** and **you are not fully vested** in your Employer Contribution Account. If you meet these conditions, you are referred to as an “Inactive Participant”, and your rights are governed by this Appendix wherever it conflicts with the general Plan provisions described in the Plan summary.

Note: You are fully vested, and thus not interested in this Appendix, if you were credited with enough Vesting Service before 1993 to be 100% vested under the applicable vesting schedule *or* if you worked in Covered Employment during 1993 or later and have a total of two years of Vesting Service.

If you last worked in Covered Employment before January 1, 1993, your vested interest in your Employer Contribution Account is governed by one of three possible vesting schedules, as shown below:

Years of Vesting Service	Vesting Schedule I Percent Vested	Vesting Schedule II Percent Vested	Vesting Schedule III Percent Vested
0 to 4	0%	0%	0%
5	25	25	100
6	30	30	
7	35	35	
8	40	40	
9	45	45	
10	50	100	
11	60		
12	70		
13	80		
14	90		
15	100		

Vesting Schedule I applies to you if your Plan participation was pursuant to a collective bargaining agreement and your last day in Covered Employment was before January 1, 1989.

Vesting Schedule II applies to you if your Plan participation was pursuant to a collective bargaining agreement and your last day in Covered Employment was during calendar year 1989.

Vesting Schedule III applies to you if your Plan participation was pursuant to a collective bargaining agreement and your last day in Covered Employment was after December 31, 1989, but before January 1, 1993.

Vesting Schedule III also applies to you if your last day of Covered Employment was before January 1, 1993, and your Plan participation was *not* pursuant to a collective bargaining agreement.

If you are not fully vested, you forfeit the nonvested portion of your Employer Contribution Account when you have a Break-in-Service. Once you have a Permanent Break-in-Service (five one-year Breaks-in-Service without an intervening year of credit for Vesting Service), the forfeiture is permanent and will not be restored even if you later become fully vested.

Pre-1987 Forfeitures. Before 1987, a forfeiture became permanent after a one-year Break-in-Service.

Special Rule for Certain PMR Participants. Certain employees of the Pacific Maritime Region who rolled over contributions made on their behalf before January 1, 1982, are fully vested in that portion of their Employer Contribution Accounts attributable to those amounts as well as in Employer contributions for subsequent employment. Please contact the Plan Office to determine whether you qualify under this provision.

Distribution Options for Inactive Participants

Time of Distribution

If you are an Inactive Participant, you may not begin receiving benefits from your Employer Contribution Account until you reach age 65 or completely and permanently cease employment, afloat and ashore, in the maritime industry, whichever is **later**.

Accelerated Distributions for Hardship or Illness

If you are an Inactive Participant *and* are eligible for an immediate or deferred pension under the MM&P Pension Plan, you may receive a distribution of all or part of your vested Employer Contribution Account balance in certain circumstances:

- You may request a lump sum distribution of all or part of your vested Account balance if you are permanently unable to work in the maritime industry on account of illness or injury. You must submit evidence satisfactory to the Trustees to establish your eligibility for a distribution.
- If you suffer a hardship, as defined on pages 14, you may request a distribution from your Employer Contribution Account of the amount needed to relieve the hardship and pay any resulting taxes, but not more than the vested balance in the Account.
- If you last performed a Day of Service before August 22, 1984, but on or after July 1, 1979, the preceding rule applies, but only if you had at least 10 years of Vesting Service when you terminated employment. This distribution will not be made until you would have reached Normal Retirement Age.

If you die after you begin receiving benefits, your surviving Spouse's benefits will be those provided by your benefit payment option. If you are receiving an installment distribution, payments will cease at your death, and the remaining balance of your Account will be forfeited.

Form of Benefit Payment

When your benefits commence, the vested balance in your Employer Contribution Account will be used to purchase an annuity contract from a licensed insurance company (except for a hardship withdrawal, which will be paid as a lump sum). If you are married, the annuity will be a 50% Husband and Wife Annuity, unless you elect a Lifetime Annuity or a 75% Husband and Wife Annuity instead, with the written, notarized consent of your Spouse. If you are unmarried, the annuity will be a Lifetime Annuity. The types of annuity are described on pages 8-11.

Exceptions: (1) If you are not eligible for a pension under the MM&P Pension Plan, you have the same benefit distribution options as participants who are not described in this Appendix. See page 24.

(2) If, at the time when you become eligible to receive your Employer Contribution Account, the total value of all of your Plan Accounts (excluding your Rollover Account, if any) is \$1,000 or less, all of your Account balances (including your Rollover Account) will be distributed to you automatically.

Benefits After Your Death

If you die before you become eligible to begin receiving benefits (other than hardship withdrawals), the balance of your Employer Contribution Account will be forfeited and reallocated to the Accounts of other participants, except as follows:

- If you had at least one Day of Service on or after August 22, 1984, and are survived by your Spouse, 50% of the balance of your Account will be paid to her. This payment may be made at any time after your death, but not later than when you would have reached Normal Retirement Age if you had lived.

401(k) Arrangement

If you are an Inactive Participant and have made 401(k) contributions, the same rules apply to those contributions as for Active Participants.

Comparison of Benefit Payment Options

Type of Account	Participation Status at Retirement	Standard Form of Benefit Payment	Alternative Forms of Benefit Payment	
Employer Contributions	Active Participant	50% Husband & Wife Annuity (if married)	> Installment Payout > Lump Sum Married participants may also elect – > 75% Husband & Wife Annuity > Lifetime Annuity Any combination of available options is allowed. Married participants must have spousal consent for any alternative form.	
		Life Annuity (if unmarried)		
	Inactive Participant	50% Husband & Wife Annuity (if married)		> Hardship withdrawal Married participants may elect a Lifetime Annuity or 75% Husband & Wife Annuity, with spousal consent.
		Life Annuity (if unmarried)		
	Inactive Participant Not Eligible for an MM&P Pension	Same as for Active Participants		Same as for Active Participants

Voluntary Contributions	Active Participant	No Standard Form	>Installment Payout Option >Lump Sum >Combination of Both
	Inactive Participant	N/A (all Voluntary Contributions have been distributed.)	

401(k) Contributions	Active & Inactive Participants	No Standard Form	>Installment Payout Option >Lump Sum >Combination of Both
-----------------------------	--------------------------------	------------------	---

Eligibility of Accounts for Roth Conversions

Type of Contribution	When Eligible for Conversion to Roth Account
Regular Employer Contributions	May be converted after 5 or more years of Plan participation or when eligible for distribution from the Plan, if earlier
Voluntary Contributions	May be converted at any time after the year in which they are made
Rollover Contributions	May be converted at any time
401(k) Elective Contributions (Not originally designated as Roth Contributions)	May be converted at age 59½ or later, upon disability (as determined by the Trustees or the Social Security Administration) or upon cessation of employment in the maritime industry
Employer Matching Contributions (Shaver Transportation Participants only)	May be converted at age 59½ or later, upon disability (as determined by the Trustees or the Social Security Administration) or upon cessation of employment in the maritime industry

Glossary of Some Important Plan Terms

This glossary has been provided because these terms have special meaning used in the context of the Plan. These terms are capitalized through this Summary Plan Description to indicate that they are being used in the same way as defined in this Glossary.

Account means an account established within the Plan's trust fund for your benefit, or it may refer to all of your Accounts taken together. You have a different Account for each type of contribution made on your behalf. Thus you may have an **Employer Contribution Account**, a **Voluntary Contribution Account**, a **Pre-Tax Contribution Account**, a **Roth Account**, and a **Rollover Account**. Each Account includes earnings resulting from the investment of the contributions held in the Account. In some cases, different rules apply to different types of Account, as explained elsewhere in this booklet. The Plan Office maintains records of all Account balances.

Accumulated Share is a term used in the IRAP Plan document to refer to the sum of your Employer Contribution Account and your Voluntary Contribution Account, except that Voluntary Contributions do not become part of the Accumulated Share until the first day of the year after the year in which they are contributed. The term is not used in this booklet but is included in the Glossary to assist your understanding if you consult the Plan document itself.

Active Participant means a participant who is fully vested in his Employer Contribution Account or is not fully vested but does not have a Break-in-Service during the current Plan Year.

Beneficiary means the person or persons who are entitled to receive your remaining Account balance after you die.

A **Break-in-Service** is any Plan Year in which you work fewer than 62 Days of Service. See page 4 for circumstances in which you will not be charged with a Break-in-Service despite working fewer than 62 days in a year. See page 5 for your right to avoid a Break-in-Service by making Voluntary Contributions.

Contributing Employer means an employer that has a collective bargaining agreement or a participation agreement with the I.O.M.M.&P. providing for contributions to the Plan or that has negotiated with the Trustees to make contributions to the Plan on behalf of its employees. The I.O.M.M.&P. is also a Contributing Employer to the Plan for its employees.

Covered Employment means employment for which an employer agrees to make contributions to the Plan.

Day of Service means any day for which you are paid by your employer for the performance of your job. (This includes vacation, disability and other non-working periods for which you are entitled to be paid.)

Highly Compensated Employee means a participant who, during the previous calendar year earned more than an amount specified under the Internal Revenue Code from a Contributing Employer. For 2013, participants who earned more than \$115,000 in 2012 are Highly Compensated Employees.

Inactive Participant means a participant who is not fully vested and who has a Break-in-Service in the current Plan Year, unless he makes Voluntary Contributions to avoid or repair the Break.

MM&P Pension Plan means any pension plan established by the I.O.M.M.&P. and contributing employers based on a collective bargaining agreement or established by

any other private or government agency through employment as an MM&P member.

Normal Retirement Age means the later of your 65th birthday or the fifth anniversary of the date on which you became a participant in the Plan.

Permanent Break-in-Service means five or more consecutive Breaks-in-Service incurred by a participant who is not fully vested in his Employer Contribution Account.

Pre-Tax Contribution means a contribution to the 401(k) Arrangement that is not included in your taxable income.

Plan or IRAP means the Masters, Mates and Pilots Individual Retirement Account Plan.

Plan Year means the calendar year, starting on January 1st and ending on December 31st.

Roth Contribution means a contribution to the 401(k) Arrangement that is included in your taxable income. Distributions from Roth Accounts are taxed under special rules described on pages 15-16. Other types of contributions may be converted into Roth Contributions in accordance with the rules described on page 16.

Shipboard Earnings include all of your earnings from an offshore voyage except vacation pay.

Spouse means a person of the opposite sex to whom you are legally married.

Trustees means the Board of Trustees of the Plan, who are empowered by the Plan's Trust Agreement to conduct the affairs of the Plan and to amend its terms.

Voluntary Contributions are after-tax contributions that you make to the Plan in

accordance with the rules described on page 2. They should not be confused with Roth Contributions, which are made to the 401(k) Arrangement in accordance with the rules described on pages 15-16.

Official Name of the Plan:	MM&P Individual Retirement Account	
Plan's Identification	E-Mail: planoffice@mmpplans.com	
Number Assigned by the Internal Revenue Service:	13-3021839	
Plan Number:	001	
Type of Plan:	Defined Contribution Pension Plan	
Plan Administrator:	Board of Trustees, MM&P IRA Plan 700 Maritime Blvd., Suite A Linthicum Heights, MD 21090	Telephone: (410) 850-8500 Fax: (410) 850-8655 and (410) 859-0399
Agent for Service of Legal Process:	Board of Trustees	

Board of Trustees

Organization Trustees:

Capt. Donald Marcus
International President
I.O.M.M.&P.
700 Maritime Blvd.
Linthicum Heights, MD 21090

Mr. Donald Werse
Secretary – Treasurer
I.O.M.M.& P.
700 Maritime Blvd.
Linthicum Heights, MD 21090

Capt. Donald Josberger
I.O.M.M.& P.
35 Journal Square, Suite 912
Jersey City, NJ 07306-4103

Capt. C. Michael Murray
I.O.M.M.&P.
144 Railroad Avenue, Suite 222
Edmonds, VA 98020

Capt. Dave Boatner
I.O.M.M.&P.
533 North Marine Avenue
Wilmington, CA 90744-5527

Mr. Wayne Farthing
I.O.M.M.&P.
13850 Gulf Freeway, Suite 250
Houston, TX 77034

Capt. J.L. Bergin
I.O.M.M.&P.
700 Maritime Blvd.
Linthicum Heights, MD 21090

Mr. Paul H. Nielsen
I.O.M.M.&P.
700 Maritime Blvd.
Linthicum Heights, MD 21090

Employer Trustees:

Mr. Edward Morgan
M.M.&P. Plan
700 Maritime Blvd., Ste. A
Linthicum Heights, MD 21090

Mr. Mark Blankenship
Horizon Lines, LLC
4064 Colony Road, Suite 200
Charlotte, NC 28211

Mr. Robert Stephens
American President Lines
1579 Middle Harbor Road
Oakland, CA 94607

Capt. John Sullivan
Matson Navigation Company
555 12th Street
Oakland, CA 94607

Mr. William M. Cameron
Waterman Steamship Corp.
Lash Marine Services
11 North Water Street, St. 18290
Mobile, AL 36602

Ms. Jean Harrington
Maersk Lines, Ltd.
One Commercial Place, 20th Fl.
Norfolk, VA 23510

Mr. Timothy Gill
Patriot Contract Services
1320 Willow Pass Road
Suite 485
Concord, CA 94520

International Headquarters	700 Maritime Boulevard Linthicum Heights, MD 21090 E-Mail: iompp@bridgedeck.org Website: www.bridgedeck.org	Telephone: (410) 850-8700 Fax: (410) 850-0973 Cables: Bridgedeck, Washington D.C
International President	Capt. Donald Marcus	
International Secretary-Treasurer	Mr. Steven Werse	

Directory of Port Offices

Boston, Massachusetts

Marine Industrial Park
12 Channel Street, Unit 606-A
Boston, Massachusetts 02210-2333
(617) 671-0769 Fax (617) 261-2334

Charleston, South Carolina

1529 Sam Rittenberg Boulevard, 1 B
Charleston, South Carolina 29407
(843) 766-3565 Fax (843) 766-6352

Honolulu, Hawaii

521 Ala Moana Blvd., Suite 254
Honolulu, Hawaii 96813
(808) 523-8183 Fax (808) 538-3672

Houston, Texas

13850 Gulf Freeway, Suite 250
Houston, Texas 77034
(281) 464-9650 Fax (281) 464-9652

Jacksonville, Florida

349 East 20th Street
Jacksonville, Florida 32206
(904) 356-0041 Fax (904) 353-7413

New Orleans, Louisiana

300 Mariner's Blvd., Suite 321B
Mandeville, Louisiana 70448
(985) 626-7133 Fax (985) 626-7199

New York/New Jersey

35 Journal Square, Suite 912
Jersey City, New Jersey 07306-4103
(201) 963-1900 Fax (201) 963-5403

Norfolk, Virginia

Interstate Corporate Center
6325 North Center Drive (Suite 100)
Norfolk, Virginia 23502
(757) 489-7406 Fax (757) 489-1715

Port Everglades, Florida

540 East McNab Road, Suite B
Pompano Beach, Florida 33060-9354
(954)946-7883 Fax (954) 946-8283

San Francisco, California

548 Thomas L. Berkley Way
Oakland, California 94612
(415) 777-5074 Fax (415) 777-0209

San Juan, Puerto Rico

1055 Kennedy Avenue
Suite 914, ILA Building
San Juan, Puerto Rico 00920
(787) 724-3600 Fax (787) 723-4494

Seattle, Washington

15208 52nd Avenue South, Suite #100
Seattle, Washington 98188
(206) 441-8700 Fax (206) 448-8829

Tampa, Florida

202 S. 22nd St. – Ste 205
Tampa, Florida 33605-6308
(813) 247-2164 Fax (813) 248-1592

Los Angeles/Long Beach, California

533 North Marine Avenue, Suite A
Wilmington, California 90744-5527
(310) 834-7201 Fax (310) 834-6667

United Inland Membership Group

Seattle, Washington

144 Railroad Ave., Suite 222
Edmonds, WA 98020
(425) 775-1403 Fax (425) 775-1418

Cleveland, Ohio

1250 Old River Rd. 3rd Floor
Cleveland, OH 44113
(216) 776-1667 Fax (216) 776-1668

Portland, Oregon

2225 N. Lombard St. - No. 206
Portland, OR 97217
(503) 283-0518 (phone and fax)

Wilmington, California

533 N. Marine Avenue
Wilmington, CA 90744-5527
(310) 549-8013 Fax (310) 834-6667

Jacksonville

349 E. 20th Street
Jacksonville, Florida 32206
(904) 356-0041 Fax (904) 353-7413

San Francisco

548 Thomas L. Berkley Way
Oakland, California 94612
(415) 777-5074 Fax (415) 777-0209

San Juan, Puerto Rico

1055 Kennedy Avenue
Suite 914, ILA Building
San Juan, Puerto Rico 00920
(787) 724-3600 Fax (787) 723-4494