

M.M.& P. VACATION PLAN REGULATIONS

The Regulations of the Masters, Mates & Pilots Vacation Plan
are hereby amended to read in the form annexed hereto.

Revised: February 13, 2018
(Through Amendment #19)

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M.M.& P. VACATION PLAN REGULATIONS

The following regulations governing the M.M.& P. Vacation Plan are hereby promulgated and established by the Trustees thereof, pursuant to the Agreement and Declaration of Trust establishing the M.M.& P. Vacation Plan.

ARTICLE I DEFINITIONS

Section 1.01 Agreement and Declaration of Trust

The term "Agreement and Declaration of Trust" or "Agreement" or "Trust," as used herein, shall mean the Agreement and Declaration of Trust establishing the M.M.& P. Vacation Plan, dated January 1, 1955, and any amendments, revisions and modifications thereof and the Trust created thereunder.

Section 1.02 Plan

The term "Plan" or "Vacation Plan," as used herein, shall mean the M.M.& P. Vacation Plan established by the Trustees, pursuant to said Agreement and Declaration of Trust, including any amendments or modifications thereof.

Section 1.03 Fund

The term "Fund," as used herein, shall mean the monies or other things of value which are under the control or in the custody of the Trustees for the administration and operation of the Plan.

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Section 1.04 Regulations

The term "Regulations" shall mean the Plan, benefit program, method and procedures governing the amount and payment of vacation and other benefits, the determination of eligibility and the general administration and operation of the Vacation Plan, as the Trustees may, from time to time, promulgate and establish, as embodied herein.

Section 1.05 Organization

The term "Organization," as used herein, shall mean the International Organization of Masters, Mates and Pilots, AFL/CIO.

Section 1.06 Employers

The term "Employers" shall mean various Employers of Employees working under the provisions of a Collective Bargaining Agreement with the Organization, and Employers who have executed a Participation Agreement with the Organization requiring that contributions be made on behalf of Employees.

The term "Employer" shall also be deemed to be an M.M.& P. Fund, Plan or Committee, or the Organization, and any other Employer from whom the Trustees mutually agree that contributions may be accepted, who are not covered by a Collective Bargaining Agreement or Participation Agreement.

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Section 1.07 Employees

The term "Employee" shall mean an individual who is employed in Covered Employment under the provisions of a Collective Bargaining Agreement or whose Employer has executed a Participation Agreement with the Organization.

The term "Employee" shall also be deemed to be an Employee of an M.M.& P. Fund, Plan or Committee, or the Organization, and any other Employee for whom the Trustees mutually agree that contributions may be accepted, who are not covered by a Collective Bargaining Agreement or Participation Agreement.

Section 1.08 Trustees

The term "Trustees" shall mean Employer and Organization Trustees collectively, who at the time are acting as Trustees under the terms of the Agreement and Declaration of Trust.

Section 1.09 Covered Employment

The term "Covered Employment" shall mean employment for which an Employer is obligated to contribute to the Plan.

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Section 1.10 Benefits

The term "Benefits" shall mean the vacation payments as provided for in the Collective Bargaining Agreement, to be provided pursuant to the Agreement and Declaration of Trust, including any amendments and modifications thereof, and in accordance herewith.

Section 1.11 Employee Security Act of 1974

The term "Employee Security Act of 1974" shall mean the Employee Retirement Income Security Act of 1974, as amended.

Section 1.12 Gender

Except as the context may specifically require otherwise, use of the masculine gender shall be understood to include both masculine and feminine gender.

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Section 2.01 Benefits Generally

Employees, including Licensed Officers and Unlicensed Employees, shall be eligible for vacation benefits as provided for in the respective Collective Bargaining Agreement between the Employer and the Organization. Unless otherwise provided for in the Collective Bargaining Agreement between the Employer and the Organization, effective for all work (except as a Port Relief Officer) on and after the dates hereinafter specified, Employees shall be eligible for vacation benefits as follows:

(a) DAY FOR DAY, LICENSED OFFICERS

All Licensed Officers on 2-crew vessels shall accrue 30 days of vacation for each 30 days of employment.

(b) DRY CARGO VESSELS - Conventional

(i) Effective for all Covered Employment on and after June 16, 1984, Masters shall receive 25 days of vacation benefit for each 30 days of employment, and all other Licensed Officers shall receive 22 days of vacation benefit for each 30 days of employment.

(ii) Effective for all Covered Employment on and after January 1, 1985, all Masters shall receive 28 days of vacation benefit for each 30 days of employment and all other Licensed Officers shall receive 22 days of vacation benefit for each 30 days of employment.

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Section 2.01 Benefits Generally (Continued)

(b) DRY CARGO VESSELS - Conventional (Continued)

- (iii)** In addition to the foregoing, in the event a Dry Cargo vessel does not spend 48 hours in American ports after a foreign voyage (to be measured from "Finished with Engines" to "Standby" where shore leave is available), a Licensed Officer who remains on the vessel for the subsequent voyage shall be entitled to vacation benefits available to vessels designated primarily as container carriers, automobile carriers, roll on-roll off, or OBO vessels for the period of the foreign voyage immediately preceding the vessel's arrival in an American port.
- (iv)** In addition to the foregoing, one additional day of vacation benefit shall be granted if the Licensed Officer is not granted or is unable to take a day off in port, as provided by the Collective Bargaining Agreement, except when additional vacation benefits are payable under subparagraph (iii) hereinabove.

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Section 2.01 Benefits Generally (Continued)

(c) DRY CARGO VESSELS - Other than Conventional

For employment on a vessel designated primarily as a container carrier, barge carrier, automobile carrier, roll on-roll off, or OBO vessel, Licensed Officers shall be eligible for the following vacation benefits for each 30 days of employment with one or more of the companies:

- (i)** Effective for all Covered Employment on and after July 1, 1984, Masters shall receive 28 days of vacation benefit for each 30 days of employment, and all other Licensed Officers shall receive 26 days of vacation benefit for each 30 days of employment.
- (ii)** Effective for all Covered Employment on and after July 1, 1990, all Masters and Chief Mates shall receive 28 days of vacation benefit for each 30 days of employment, and all other Licensed Officers shall receive 26 days of vacation benefit for each 30 days of employment.
- (iii)** Effective for all Covered Employment on and after April 1, 1991, all Masters shall receive 30 days of vacation benefit for each 30 days of employment.

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Section 2.01 Benefits Generally (Continued)

- (c) **DRY CARGO VESSELS – Other than Conventional** (Continued)
 - (iv) Effective for all Covered Employment on and after January 1, 1992, all Chief Mates who are receiving 28 days of vacation benefit for each 30 days of employment shall receive 30 days of vacation benefit for each 30 days of employment.
- (d) Subject to the provisions of the Collective Bargaining Agreement relating to guaranteed overtime, a Master shall have the option to take four-and-one-half additional days of vacation for each 30 days of employment as provided under Section 2.02.

Section 2.02 Overtime

- (a) Effective for all Covered Employment on and after July 1, 1990, Masters are guaranteed one hour of overtime for each day of employment.
- (b) At the beginning of a voyage or the beginning of a pay period, all Licensed Officers shall have an option to waive overtime payments and instead to earn additional vacation days.

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Section 2.02 Overtime (Continued)

- (c) Effective for all Covered Employment on and after July 1, 1990, Licensed Officers, including Masters, shall have an option to convert their overtime into additional days of vacation in increments of a week in addition to the voyage basis under procedures and in accordance with a formula established by the Trustees and parties.
- (d) Any additional days of vacation resulting from the conversion of overtime, as provided herein, shall not be used to determine an Employee's eligibility for benefits under the M.M.& P. Health and Benefit Plan.

Section 2.03 Benefit Eligibility

- (a) Effective for all Covered Employment on and after January 1, 1990, employees must have a minimum of two (2) days of Covered Employment in order to qualify for their vacation benefits except in the case of a retirement with an M.M.& P. Pension or death.
- (b) Night, holiday and weekend Port Relief Officers (except those employed on a monthly basis) are not entitled to vacation credit or benefits hereunder since their base pay is adjusted to give such credits or benefit.

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Section 2.04 Benefit Computation

Unless otherwise provided for in the Collective Bargaining Agreement between the Employer and the Organization, vacation benefits shall be paid on the basis of base wages and non-watchstanding allowance or watchstanding equivalent.

Effective for all Covered Employment on and after January 1, 1990, in computing benefits hereunder, a pro-rata benefit shall be given for periods of less than 30 days, provided there is a minimum of two (2) days of Covered Employment.

In computing benefits under Sections 2.06 and 2.07, the rate of pay to be used in calculating the amount of the benefits is that rate in effect at the time the days were banked.

Section 2.05 Lag Time

Effective for all Covered Employment on and after April 1, 1983, Employees shall take unpaid lag time which is equal to 25% of the vacation days being paid. Lag time will be applied first followed by the vacation days earned. Effective for all Covered Employment on and after January 1, 1990, and unless otherwise provided in the Collective Bargaining Agreement between the Employer and the Organization, lag time shall be terminated for Employees with Employers who have signed new Collective Bargaining Agreements, and effective September 1, 1990, for all other Employees with these Employers. Effective for all Covered Employment on and after January 1, 1991, lag time shall be terminated for all Employees.

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Section 2.05 Lag Time (Continued)

Effective for vacation benefit applications filed on and after December 1, 2011, by Masters and Chief Mates employed by Horizon Lines, LLC, such Employees shall take unpaid lag time which is equal to 25% of the vacation days paid. Such unpaid lag time may be banked in accordance with Section 2.06 hereinafter and, together with their earned vacation benefits, is subject to: (1) the 60 day maximum bank day rule set forth in the last paragraph of Section 2.06, and (2) the 150 day maximum accumulated vacation days rule set forth in Section 3.01(d).

Effective for all Covered Employment on and after June 1, 2012, lag time shall be terminated for Masters and Chief Mates employed by Horizon Lines, LLC.

Section 2.06 Bank Days

Effective for all Covered Employment on and after January 1, 1985, all Employees may elect to bank up to 45 days of their vacation benefits earned while taking a minimum of 30 days of vacation. All Masters and all Licensed Officers on 2-crew vessels may elect to take the number of days necessary to meet their back-to-work date. All other Employees must take a minimum of 30 days in increments of ten days thereafter.

Effective for all Covered Employment on and after July 1, 1990, Chief Mates whose vacation benefits are payable on a day for day basis are not restricted by the ten-day increment rule and may elect the number of days to meet their back-to-work date.

Effective for all Covered Employment on and after January 1, 1993, all Licensed

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Section 2.06 Bank Days (Continued)

Officers working only weekdays aboard special contracted Ready Reserve Fleet vessels may elect to fill their open time with banked vacation days provided that the open time and banked days are in the same calendar year.

Effective for all Covered Employment on and after January 1, 1994, all Employees may take any number of vacation days without the application of the ten-day increments provided, however, they do not elect to bank more than 45 days.

When applying for vacation benefits, all Employees must combine their current vacation days and those days that have previously been banked. An employee may apply for his banked vacation days provided that he has not returned to Covered Employment and he must file for and take all banked vacation days. Effective for all Covered Employment on and after September 1, 1996, an Employee may apply for any number of his banked vacation days provided that he has not returned to Covered Employment and provided further that such application is made only once and that he will not have more than 45 days banked after such application.

Effective for all Covered Employment on and after July 10, 1994, Employees on a 120-day assignment who request a Leave of Absence between the 30th and 90th employment days may take any number of vacation days required during the length of the Leave of Absence period. Such Employees will be permitted to exceed, if necessary, the 45 Vacation Days Bank Days Rule limitation; provided that they will not have banked

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Section 2.06 Bank Days (Continued)

more than 45 days at the end of the 120-day assignment.

All Masters and Chief Mates who receive 30 days of vacation benefit for each 30 days of employment and who are late in rejoining the vessel may elect to fill this open time with banked vacation days when they next apply for vacation benefits, provided that they have banked vacation days at the time they incurred the open time. Effective for all Covered Employment on and after October 1, 2015, all Masters and Chief Mates who receive less than 30 days of vacation benefit for each 30 days of employment and who are late in rejoining the vessel may elect to fill this open time with banked vacation days when they next apply for vacation benefits, provided that they have banked vacation days at the time they incurred the open time.

Notwithstanding anything herein to the contrary, effective for all Covered Employment on and after January 1, 2003, all Licensed Officers working aboard vessels operated or chartered by the United States Government during a time when, in the determination of the Trustees, there have been manning shortages may elect to bank more than 45 days of their vacation benefits earned.

Notwithstanding anything herein to the contrary, effective for all Covered Employment on and after September 23, 2010, all Employees may elect to bank up to 60 days of their vacation benefits earned including unpaid lag time to the extent applicable while taking a minimum of 30 days of vacation except as otherwise provided herein.

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Section 2.07 Banking of Overtime Converted Days

Effective for all Covered Employment on and after January 1, 1996, Employees may elect to bank up to 60 days of vacation days earned by conversion of their overtime pursuant to Section 2.02(b) ("Overtime Bank Days") in addition to the regular vacation days banked hereunder. The Employer will be billed for contributions at the time the converted days are banked. Employees may take any number of Overtime Bank Days and the 60 Vacation Days Bank Days Rule limitation provided hereinabove does not apply to Overtime Bank Days.

Effective for all Covered Employment on and after July 1, 1997, Employees may elect to bank up to 90 days of vacation days earned by conversion of their overtime pursuant to Section 2.02(b) in addition to the regular vacation days banked hereunder. The Employer will be billed for contributions at the time the converted days are banked. Employees may take any number of Overtime Bank Days and the 60 Vacation Days Bank Days Rule limitation provided hereinabove does not apply to Overtime Bank Days.

Employees may apply for any number of Overtime Bank Days at any time and Overtime Bank Days may be used to fill open time in the year the Overtime Bank Days are earned and/or in future years.

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Section 2.08 Delinquent Employers

- (a) Notwithstanding the foregoing provisions of this Article, no vacation credit shall be earned by an Employee for employment by an Employer, after he has been advised by the Plan, through the Organization that such Employer is delinquent in its contributions and obligations to the Plan and that such Employees should leave the vessel.
- (b) Effective for all Covered Employment on and after January 20, 1987, vacation benefits shall be payable under the Plan only after contributions have been made into the Plan by the Contributing Employer covering the period of employment for which vacation is claimed.

Notwithstanding the foregoing and for the specific purpose of implementing a Consent Award duly issued by the Honorable Arthur Stark, Arbitrator on the 26th day of May 2000 in the Matter of the Arbitration between the UNION TRUSTEES and the MANAGEMENT TRUSTEES of the Masters, Mates and Pilots (MMP) Vacation Plan Re: Payment of Vacation Benefits Where Employer is Delinquent in Contributions, effective for all Covered Employment on and after June 1, 2000, vacation benefits shall be payable under the Plan for a period of Covered Employment for which the

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Section 2.08 Delinquent Employers (Continued)

(b) (Continued)

Contributing Employer is delinquent in such contributions, provided that the Plan has unallocated net assets of \$2.2 million as reported by the Plan's Controller, and that such distributions shall be made from the unallocated net assets and shall be limited so that the distributions in the aggregate would leave at least \$1.5 million in unallocated net assets in the Plan as reported by the Plan's Controller. In the event that any Employer is delinquent in such contributions, the Employer shall be liable directly to the Employee for the payment of vacation benefits. The Employee's claim against the Employer shall be assigned to the Plan which shall assert such claim against the Employer and, in the event of recovery, shall pay such vacation benefits to the Employee. This provision shall not relieve the benefit basis obligation of any other Employers which are contributing to the Plan who have not executed a Memorandum with the Organization providing for the change in obligation herein set forth.

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APPLICATIONS, BENEFIT PAYMENTS AND PENALTIES

Section 3.01 Application for Benefits

- (a) Each Employee must take his vacation at the end of the voyage on which he has accumulated 120 days of employment credit unless otherwise provided for in the Collective Bargaining Agreement.
- (b) Employees applying for vacation benefits must apply for benefits on all employment up to the time of filing, except as provided in Article II, Section 2.06 and Section 2.07.
- (c) Subject to adjustments provided by the Collective Bargaining Agreements, each Employee who has earned at least 45 days of vacation benefit must apply for and take off all of the vacation benefit to which he is entitled, whenever he leaves the vessel for any reason, plus such additional time off as may be applicable under the said Collective Bargaining Agreements unless a leave of absence form is completed and the Employee is returning to the same vessel.
- (d) Each Employee who has accumulated 150 days of vacation benefit (including banked days, and unpaid lag time (to the extent applicable) as described in Article II, Section 2.06, but excluding Overtime Bank Days, as described in Section 2.07) must apply for all of the vacation benefit to which he is entitled, whenever he leaves the vessel for any reason. Such Employees may not bank any additional vacation days for this application. Effective for all benefit applications filed on and after January 1, 2013, any lag time in the form of unpaid time off will come out of the bank first before

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Section 3.01 Application for Benefits (Continued)

- (d) (Continued)
any vacation days are paid.
- (e) In the event the period for which an Employee is entitled to receive vacation benefits spans two calendar years, he shall be paid at the time of application only for the vacation benefit accruing in the first of such calendar years, and the balance shall be paid as of the first business day of the ensuing calendar year, provided, however, that such Employee may elect to receive the entire vacation benefit upon the filing of his application.
- (f) Except in time of a national emergency, no Employee shall be re-employed prior to the end of his vacation period, plus additional days off, as aforesaid, without the express written consent of the Organization. If the Organization consents to such re-employment during the Employee's vacation period, he shall take off at the beginning of his next vacation period without additional pay the number of days he returned to work early.

If the Employee is reemployed prior to the end of his vacation period at the request of the Employer due to operational necessity and with the express written consent of the Organization, the Employer shall pay twice the amount of contributions due to the Plan for such Employee and such Employee shall not be penalized.

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Section 3.01 Application for Benefits (Continued)

- (g) The requirements and prohibitions in this Section 3.01 shall not apply to Overtime Bank Days.
- (h) Each Employee who has at least 30 days of shipboard employment but elects not to apply for vacation benefits is permitted to work as a Port Relief Officer, provided, however, that when he applies for vacation benefits, his back-to-work date will be computed from his last day of PRO employment or, if later, his last day of shipboard employment.
- (i) Notwithstanding the above, LDO's assigned to ROS (Reduced Operating Status) vessels shall be permitted to file for vacation pay earned aboard activated (FOS) Ready Reserve vessels while they continue their employment in ROS. Additional pension credit, and other benefits normally earned with vacation compensation, shall not accrue in such circumstances.
- (j) Effective for all Covered Employment on and after January 1, 2003, all Licensed Officers working aboard vessels operated or chartered by the United States Government during a time when, in the determination of the Trustees, there have been manning shortages are exempt from the requirements of this Section.

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Section 3.01 Application for Benefits (Continued)

- (k) Effective for all Covered Employment on and after January 1, 2005 through December 31, 2005, all permanent Employees working aboard vessels operated or chartered by Maersk Line, Limited or U.S. Ship Management, Inc. are exempt from the requirements and prohibitions of this Section.

Section 3.02 Penalties

- (a) By reason of failure to comply with the foregoing provisions of Section 3.01, an Employee shall be denied all vacation benefits and credits for the period of violation and such benefits withheld shall be transferred to the M.M.& P. M.A.T.E.S. Program.
- (b) Effective for Covered Employment on and after August 1, 1991, an officer on vacation, who is required to serve as a PRO to meet the manning requirements, shall not receive any M.M.& P. Plans credit for such PRO employment and his back-to-work date shall not be extended.

Contributions for all Plans attributable to such employment shall be contributed to the Future Pensioners Health Benefit Fund.
- (c) All Masters and Chief Mates who receive 30 days of vacation benefit for each 30 days of employment and who return to the vessel before their back-to-work date must take off the number of days they returned early without pay the next time they leave the vessel and apply for vacation

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Section 3.02 Penalties (Continued)

benefits.

- (d) If an Employee obtains employment by means of misrepresentation or falsely stated information, the Employee shall forfeit all benefits that would arise from such employment.
- (e) If an Employee signs foreign articles when it is not reasonably anticipated that the vessel will actually proceed foreign until after the 120th day of his assignment, the Employee shall forfeit his vacation benefits for employment in excess of the 120 days.

Section 3.03 Payment of Benefits

Payment of benefits shall only be made when necessary and appropriate proof for such benefits is presented in writing to the Trustees or the representatives designated by them for such purpose. Unless waived temporarily by the Trustees, a claim for benefits must be presented within one year after an Employee was last employed by the Employer in whose service the benefits were earned.

Section 3.04 Non-Assignment of Benefits

Except as provided for in Article IV, Section 10(a) of the Agreement and Declaration of Trust or in the case of an Assignment to the Organization with respect to a valid obligation, and subject to the provisions of Section 3.05, no Employee shall have the right to assign any benefits to which he may be entitled hereunder, and any such

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Section 3.04 Non-Assignment of Benefits (Continued)

Assignment is void; nor shall any benefit be subject to attachment or other legal process for or against an Employee.

Section 3.05 Payment of Benefits for Deceased Employees

Any vacation benefits payable at the time of death of an Employee shall be paid in accordance with the Rules and Regulations then in effect for the M.M.& P. Health & Benefit Plan under similar circumstances.

Section 3.06 Recovery of Overpayments

The Plan has the right, exercisable by the Trustees alone and at their sole discretion, to recover any overpayment to any Employee in accordance with the procedures described herein. For the purposes of this Section 3.05, an "overpayment" is any payment to an Employee that exceeds the amount of the benefit to which he is entitled under the terms of the Plan at the time of the payment.

(a) Equitable Lien on Overpayments

The Plan has a constructive trust, lien, and/or equitable lien by agreement in favor of the Plan on any overpaid benefits received by an Employee or a representative of an Employee (including an attorney) that is due to the Plan under this Section, and any such amount is deemed to be held in trust by an Employee for the benefit of the Plan until paid to the Plan. By accepting benefits from the Plan, each Employee consents and agrees that a constructive trust, lien, and/or equitable lien

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Section 3.06 Recovery of Overpayments (Continued)

(a) **Equitable Lien on Overpayments** (Continued)

by agreement arises in favor of the Plan upon any overpayment of benefits and agrees to cooperate with the Plan in reimbursing it for all of its costs and expenses related to the recoupment of the overpayment.

Any refusal by an Employee to reimburse the Plan for an overpaid amount will be considered a breach of the agreement with the Plan that the Plan will provide the benefits available under the Plan and an Employee will comply with the rules of the Plan. Further, by accepting benefits from the Plan, an Employee affirmatively waives any defenses he may have in any action by the Plan to recover overpaid amount or amounts due under any other rule of the Plan, including but not limited to a statute of limitations defense or a preemption defense, to the extent permissible under applicable law.

(b) **Notice to Recipient of Overpayment and Voluntary Repayment**

As soon as practicable after their discovery of any overpayment, the Trustees will notify the recipient of the amount of the overpayment and request repayment to the Plan. An Employee who disputes the fact or the amount of the overpayment must contest the Trustees' determination in accordance with the appeals procedure set forth in Section 4.04. The Trustees may agree to repayment in installments, to a waiver or reduction of repayments on account of hardship, or to

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Section 3.06 Recovery of Overpayments (Continued)

(b) **Notice to Recipient of Overpayment and Voluntary Repayment** (Continued)

any other mutually agreeable resolution that is consistent with the best interests of the Plan. The Plan will not seek to recover interest on overpayments that are voluntarily repaid.

(c) **Method of Recoupment of Overpayment**

If an Employee fails to reimburse the Plan for any overpayment, the Plan has the right to recover the full amount owed by any and all methods which include, but are not necessarily limited to, offsetting the amounts paid against any future benefits payable to or on behalf of such Employee.

The Plan also may recover the overpayment by bringing an action in any court of competent jurisdiction against the party to whom the overpayment was made or who has in its possession any fund created by the overpayment. In this event, the defendant shall be liable for all costs and expenses, including attorneys' fees and costs, incurred by the Plan in connection with the enforcement of the Plan's rights under this Section 3.05 and the collection of any settlement or judgment. In the event of legal action, the defendant shall also be required to pay interest at the rate determined by the Trustees from time to time from the date the defendant became obligated to repay the Plan through the date that the Plan is paid the full amount owed.

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ARTICLE IV
MISCELLANEOUS

Section 4.01 Amendments

The Trustees shall have the right, in their discretion, to amend the provisions of these Regulations, except that no amendment by them shall alter the amount of the benefits set forth in Article II hereof, except to conform to the provisions of the applicable Collective Bargaining Agreements.

Section 4.02 Interpretation

The Trustees shall have the right, in their discretion, to interpret and construe the terms and provisions of these Regulations, and any such interpretation or construction shall be final and binding upon all persons concerned.

Section 4.03 Notice of Denial

An Employee whose application or claim for benefits under the Plan has been denied, in whole or in part, shall be provided with adequate notice in writing thereof by the Administrator. Such notice shall include the reasons for denial and references, when appropriate, to specific Plan provisions on which the denial is based; a description of any additional material or information necessary to perfect the claim, if applicable; and an explanation of why such material or information is necessary, appropriate information concerning the steps to be taken to submit the claim for review (including applicable time limits) pursuant to

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Section 4.03 Notice of Denial (Continued)

the review procedure set forth in this section, and a statement of a claimant's right to bring a civil action under Section 502(a) of ERISA following a denial on review. Such notice shall be provided to the Employee no later than ninety (90) days after the Administrator's receipt of his claim or application for benefits, unless special circumstances require an extension of time for processing the claim or application. If such special circumstances exist, written notice of the extension shall be furnished to the Employee prior to the termination of the initial ninety (90) day period, which notice shall indicate the circumstances requiring an extension as well as the date by which the Administrator expects to render a decision. In no case shall an extension of time exceed a period of ninety (90) days from the end of the initial period.

Section 4.04 Right of Appeal

- (a) An Employee (or a duly authorized representative thereof) may seek review of any such decision by the Administrator denying his application or claim for benefits, in whole or in part. In order to do so, the claimant (or his duly authorized representative) must file a written appeal requesting such a review to the Trustees or the Administrator within sixty (60) days after his receipt of the written

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Section 4.04 Right of Appeal (Continued)

(a) (Continued)

notice denying his application or claim for benefits in whole or in part. Such written appeal must be addressed to the Trustees and must state the claimant's name, address, the fact that he is appealing the initial decision (giving the date of the decision appealed from), and the basis of his appeal. If a claimant (or his duly authorized representative) files such an appeal, or if he makes such a request before the appeals period expires, the Trustees and Administrator shall provide him with an opportunity to review pertinent documents at the Plan Office. In addition, a claimant (or his duly authorized representative) may submit written comments, documents, records or other information relating to the claim. The Trustees or their designated Committee will conduct a review that takes into account all comments, documents, records and other information submitted by the claimant (or his duly authorized representative) without regard to whether such information was submitted by the claimant (or his duly authorized representative) in the initial benefit determination.

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Section 4.04 Right of Appeal (Continued)

(b) Unless special circumstances require an extension of time, the Trustees or their designated Committee shall render a final decision on any written appeal by the date of their next regularly scheduled meeting following receipt of the written appeal or, in cases where the written appeal is received within thirty (30) days of the date of such meeting, by the date of their second regularly scheduled meeting following receipt of the written appeal. If special circumstances require an extension of time, the Trustees or their designated Committee shall provide the claimant with written notice of the extension prior to the commencement of the extension. Such notice shall describe the special circumstances and the date as of which the benefit determination will be made.

Notification of the determination will be made to the claimant as soon as possible, but not later than five (5) days after the benefit determination is made. In no case will the period for rendering a decision be extended beyond the date of the third regularly

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Section 4.04 Right of Appeal (Continued)

- (b) (Continued)
scheduled meeting of the Trustees or their designated Committee following receipt of the written appeal.
- (c) The decision of the Trustees or their designated Committee on such written appeal shall be written in clear and understandable language and shall include specific reasons for the decision as well as specific references to the pertinent Plan provisions on which the decision is based; a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claims; a statement of a claimant's right to bring a civil action under Section 502(a) of ERISA and a description of any voluntary appeals procedures offered by the Plan. Such written decision shall be furnished to the claimant within the time frames for rendering a decision specified above.

Section 4.05 Civil Action

No person whose application for benefits under the Plan has been denied, in whole or in part, may bring any action in any court or file any charge, complaint or action with any state, federal or local government agency prior to exhausting

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Section 4.05 Civil Action (Continued)

his available appeals within the time limits as provided in this Article. A claimant whose claim for benefits and appeal has been denied who wishes to bring suit must do so within three (3) years from the date on which the Board makes its final decision on the claimant's appeal. For all other actions, the claimant must commence that litigation within three (3) years of the date on which the violation of Plan terms is alleged to have occurred. For any action to enforce the terms of the Plan, including but not limited to benefit claims denied on appeal, if a claimant wishes to file suit, the claimant must bring that litigation in the United States District Court for the District of Maryland. A claimant includes, but is not limited to, an Employee and his or her spouse, dependent, or beneficiary, and any provider suing with respect to payment alleged to be owed by the Plan for services rendered to an Employee, spouse, or other dependent. This Section applies to all litigation against the Plan, including litigation in which the Plan is named as a third party defendant.

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Section 5.01 Purpose

Reciprocal vacation benefits are to be provided for Plan Participants who, because of transfer of membership between the M.M.& P. Plan and another maritime multi-employer vacation plan with which the M.M.& P. Vacation Plan has a reciprocity arrangement pursuant to an agreement between the Organization and the union whose members participate in such other maritime multi-employer vacation plan (individually and collectively referred to hereinafter as "Plan" or "Plans"), may become ineligible for vacation benefits or qualify for a reduced benefit under either Plan.

Section 5.02 Signatory Funds

- (a) Under this reciprocity agreement, the "Host Fund" shall transfer contributions to the "Primary Fund," subject to the conditions set forth in Section 5.04. The terms "Host Fund" and "Primary Fund" shall have the respective meaning set forth in Section 5.03.
- (b) Each Plan will retain its own Plan Year.
- (c) Eligibility for benefits under each respective Plan shall be determined on the basis of the rules and regulations of each Plan.

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Section 5.03 Definitions

- (a) "Temporary Participant" means, with respect to each Plan, an employee who (i) was, or is, a Participant in a Plan maintained by a Fund, and either (ii) was a Participant in the Plan maintained by the other Fund prior to such participation in (i) above, or (iii) has requested, in the manner provided in subsection (d), that he be deemed a Participant in the Plan maintained by the other Fund and is licensed for employment in the job classifications covered by the collective bargaining agreements pursuant to which the other Fund was established and is maintained.
- (b) "Host Plan" means, with respect to each Temporary Participant, the Plan maintained by a Fund to which employer contributions are required on account of a Participant's employment subsequent to his commencement of participation in the Primary Plan.
- (c) "Primary Plan" means, with respect to each Temporary Participant, the Plan maintained by a Fund in which an employee participated prior to the first date on which he was employed under conditions requiring contributions to the Host Plan, or in which the employee has requested to be deemed a Participant, pursuant to subsection (a)(iii).

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Section 5.03 Definitions (Continued)

- (d) A request by an employee pursuant to subsection (a)(iii) shall be made in writing and filed with the Plan Administrator. Such request shall be filed prior to the date on which, in the absence of such request, the employee would become a Participant in the Plan other than the Plan in which he wishes to be deemed a Participant.

Notwithstanding the preceding sentence, a request pursuant to subsection (a)(iii) shall be deemed timely if made prior to May 1, 1987. Any request made pursuant to subsection (a)(iii) shall be subject to the approval of the Board of Trustees of the Plan of which the employee requests to be deemed a Participant.

Section 5.04 Transfer of Contributions Attributable to Temporary Participants

- (a) The Host Plan with respect to a Temporary Participant will transfer to the Primary Plan the "transferable contributions" received on account of the employment of a Temporary Participant.
- (b) The portion of the employer contributions received on account of the employment of a Temporary Participant that are transferable contributions hereunder shall be equal to the lesser of:

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Section 5.04 Transfer of Contributions Attributable to Temporary Participants
(Continued)

- (b)** (Continued)
 - (i)** 100% of such employer contributions or
 - (ii)** the amount of employer contributions that would have been payable on account of the employment of such Temporary Participant if such employment had been subject to the terms of the collective bargaining agreement pursuant to which contributions are made to the Primary Plan; provided, however, that if there is more than one collective bargaining agreement, the agreement requiring the smallest employer contributions shall be the collective bargaining agreement of reference.
- (c)** Amounts required to be transferred under the terms of this Section shall be transferred within 30 days after the receipt of the employer contributions attributable to the employment of a Temporary Participant.

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Section 5.04 Transfer of Contributions Attributable to Temporary Participants
(Continued)

- (d) In the event that an employer is delinquent in making contributions to the Host Plan, the Primary Plan shall suspend any credit to the Temporary Participants of such employer until such delinquencies are satisfied. If it is necessary for a Host Plan to undertake collection procedures against a Temporary Participant's employer, the Host Plan shall deduct from the amount determined under subsection (b) of this Section the amounts expended in collecting the delinquencies.

Section 5.05 Crediting of Employment of Temporary Participants

- (a) For each Temporary Participant, employment for which employer contributions to a Host Plan are made shall be treated for all purposes as if it were employment for which contributions are made to the Primary Plan.
- (b) In the event contributions are transferred by the Host Plan to the Primary Plan pursuant to Section 5.04, the Host Plan shall not credit any service by such Temporary Participant for purposes of determining eligibility for or the amount of benefits under the Host Plan.

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- (c) This provision is not intended to alter or modify in any way the existing eligibility rules of the Primary Plan or the Host Plan.

Section 5.06 Arbitration

This provision shall apply for purposes of this Article, notwithstanding any provision in either Plan to the contrary. Any dispute, controversy or claim arising out of or relating to the application of this Reciprocal Agreement, or any portion thereof, shall be settled by arbitration before an arbitrator designated by the American Arbitration Association in accordance with its then prevailing rules. The award of the arbitrator shall be final, binding and conclusive upon the parties to the dispute and may be enforced in any federal court of competent jurisdiction.