

PENSION PLAN BENEFITS

The Trustees have always made a good faith effort to give you the benefits to which you are entitled under the various Collective Bargaining Agreements between the Hampton Roads Shipping Association and the International Longshoremen's Association and to comply in every way with all government regulations concerning your employee benefits. The Employee Retirement Income Security Act of 1974 (ERISA) requires information about your employee benefit plans to be described to you in plain language. This description of your Pension Plan summarizes the official Plan documents. We have tried to write this summary in clear, understandable and informal language. However, you should refer to the official Plan documents for more information about your benefits. In the event of conflict between the information in this summary and the official Plan document, the Plan documents will govern.

To review the Pension Summary Plan Description, you can scroll down the Summary Plan in its entirety or use the links on the following Table of Contents to navigate to sections of interest.

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HRSA-ILA PENSION PLAN

SUMMARY PLAN DESCRIPTION

There are few goals of greater long range importance to you and your family than providing for retirement security. Since 1950 the Hampton Roads Shipping Association-International Longshoremen's Association (HRSA-ILA) has maintained a pension plan to help its employees provide for that security.

This booklet gives a summary in informal language of the principal features of the Plan.

Highlights of the Plan are on the next page, and are followed by a description of the Plan in more detail. After the Plan description is a series of questions and answers that are aimed at answering questions that are asked most often by

Plan participants. At the end of the booklet are sections on Social Security and Plan administration. Please read this booklet carefully and discuss its contents with your spouse. If any details are not clear or if you have any questions, please feel free to contact the Administrative Office of the Pension Plan.

This description of your Pension Plan summarizes the official Plan documents. We have tried to write this summary in clear, understandable and informal language. However, you should refer to the official Plan documents for more information about your benefits.

In the event of conflict between the information in this summary and the official Plan documents, the Plan documents will govern.

HIGHLIGHTS

Your HRSA-ILA Pension Plan provides you with:

- A monthly income for life when you retire;
- Normal retirement at age 62 or, if later, 5 years after the beginning of the contract year in which your first year of benefit service was earned;
- Early retirement prior to age 62 as soon as your age plus your years of benefit service add up to 80 or more;
- Disability retirement after reaching age 40 with at least 15 years of benefit service;
- The right to future pension benefits after five years of vesting service;
- Benefits in the event of your death payable to your surviving spouse under certain conditions;
- Benefits based on benefit service up to 45 years.

These important features are explained in more detail on the following pages.

Pension Protection Act Changes

On December 29, 2010, the Plan actuary certified that the Plan was in critical status under the Pension Protection Act. The following changes were made to comply with the law and ensure the long-term health of the Plan:

- The employer contribution rate will increase to \$8.06, effective October 1, 2012
- The accrual rate for benefit credits is reduced from \$100 to \$70, effective October 1, 2011
- The 25% lump sum option was removed from the Plan
- The early retirement subsidy was removed. Effective October 1, 2011, any retirement benefits (other than disability benefits) payable before Normal Retirement Age will be reduced to the actuarial equivalent of the retirement benefit payable at Normal Retirement Age, which is a single life annuity.
- The Qualified Joint and Survivor subsidy is removed. Effective October 1, 2011, benefits paid in this form will be reduced to the actuarial equivalent of benefits paid as a single life annuity.

The Trustees will review the Plan annually and make future changes necessary to protect the health of the Plan and maintain compliance with the Pension Protection Act.

Future Plan Adjustments

Any future Plan adjustments required to comply with the law made shall supersede this Summary Plan Description. Please review your Summaries of Material Modifications and other notices from the Fund Office for future changes.

ELIGIBILITY AND ACTIVE PARTICIPATION IN THE PLAN

You will become a Plan member as of the beginning of the contract year in which you complete at least 500 hours of service. A contract year is October 1 of a year through September 30 of the next year. For example, if you complete 500 hours of service during the contract year October 1, 2011-September 30, 2012, your membership in the Plan will begin effective October 1, 2011. Generally, you get credit for each hour of service while you are employed in the longshore industry in the Port of Hampton Roads. (See page 94 for a discussion of what is meant by “employment in the industry.”) If you receive at least 500 hours credits during a contract year you will earn one-half year of Benefit Service. If you receive at least 1000 hours credits you will receive one full year of Benefit Service. If you earn sufficient years of Benefit Service you will become “vested” and become entitled to receive a retirement benefit. (Note: If you do not earn sufficient years of Benefit Service, or if your years of Benefit Service are forfeited under break-in-service rules described on page 83, then you will not be entitled to receive a retirement benefit for those years).

VESTING SERVICE

This is the service used to determine whether or not you are entitled to a Pension Benefit after you leave employment in the industry. You become vested in the Plan when you have 5 years of benefit service. You may also become “vested” if you reach your normal retirement date under the Plan, even if you do not have 5 years of Benefit Service (unless your years of service are forfeited under the break-in-service rules).

You are considered a vested terminated participant if, after becoming vested, you complete less than 500 hours of service in each of two consecutive contract years. If you are a vested terminated participant, you are not entitled to disability retirement benefits unless you stopped working as a result of an illness which began before you turned 40 and while you were still employed in the industry. However, your spouse may be eligible to receive a benefit in the event of your death before retirement. Your status as a vested terminated participant will end if you return to work in the industry for at least 500 hours of service in a contract year, and your status as an active participant will be restored as of the beginning of that contract year.

CREDITS TOWARD BENEFIT SERVICE

In addition to receiving credits toward benefit service for your work hours, under certain circumstances you may receive credits during times that you are unable to work, as follows:

- *Work Related Injuries*

Employees who receive temporary total or temporary partial workers' compensation benefits shall receive prorata credit for the purposes of determining eligibility at the rate necessary to continue the employee's benefits at the same level as in the year prior to the accident. You will only receive credits for the weeks you actually receive workers' compensation benefits. In some cases credit hours are reduced when the payments you receive are reduced in order to increase the duration of time you receive workers' compensation.

No credit hours are granted for permanent total or permanent partial workers' compensation disability benefits or for lump sum workers' compensation settlements.

The Board of Trustees has the right under the Collective Bargaining Agreement¹ to deny or reduce credit hours if you reach a worker's compensation settlement that artificially attempts to increase the amount of credit hours received.

- *Military Service*

If you are an eligible employee who qualifies under the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA"), and you serve in the uniformed services of the United States, you may receive credit under USERRA for the time spent in the uniformed services provided you apply for covered employment in the longshore industry in Hampton Roads in a timely manner (as defined by USERRA) after your separation from military service.

BREAKS IN BENEFIT SERVICE

Any Plan year during which you earn less than five hundred hours of benefit service is considered a break in service.

In determining the amount of your pension benefit and whether you are "vested", Federal law provides that the Plan may consider certain gaps or periods during your work history when, for whatever reason, you did not work a sufficient number of hours (or receive eligibility credits) to get a full or one-half year of Benefit Service. A gap in your continuous service is called a "break in service". You

will have a one year break in service if you complete less than 500 hours of service during the contract year. If you have breaks in service before becoming vested, the service you have earned before the breaks will be forfeited if the number of consecutive breaks in service equals or exceeds five years.

¹Section 41 of the Collective Bargaining Agreement between the Hampton Roads Shipping Association and the International Longshoremen's Association, AFL-CIO, and its affiliated Locals in the Port of Hampton Roads, Virginia, effective October 1, 2004 through September 30, 2010, as extended through September 30, 2012.

If you are rehired after a break in service, your prior Benefit Service may be restored if:

- you complete 500 hours of service or more in a contract year following your rehire; and
- you are rehired before you have five consecutive years of breaks in service.

If you terminate employment after becoming vested but before you become eligible for retirement, you are entitled to a deferred monthly pension. This benefit is based on the benefit formula in effect for the last contract year in which you were credited with a year of eligibility service, unless you have more than two breaks in service in the seven Plan years including or immediately preceding your retirement date. When this occurs your pension benefit will be based on the benefit rate in effect for the last Plan year you earned at least 500 hours of service prior to your breaks in service.

Note:

Benefit service lost due to prior breaks in service will not be restored, nor will you receive credits for such periods when you retire.

If you left employment in the industry before October 1, 1976, or before October 1, 1983, the rules pertaining to breaks in service and restoring prior service that were in effect at the time you left will be used. If your pre-1976 or pre-1983 service was forfeited at

that time due to the break in service rules then in effect, the service will not be counted under the current Plan for any purpose.

Beginning October 1, 1986, a break in service will not occur for one year if you are not at work because:

- you are pregnant;
- you or your spouse gives birth;
- you adopt a child; or
- you need to care for your child for a period of time following birth or adoption.

If you are absent for one of these reasons, you will be credited with eight hours for every day you are absent until you have a total of 500 hours of service for that contract year, including time actually worked. If you already had 500 hours when your absence began, or if crediting eight hours for each day of absence would not have prevented a break, then this rule will be used if necessary to prevent a break from occurring in the following year. You will not receive credit for any purpose other than preventing a break under this rule, and you will only receive the credits required to bring your service to 500 hours and receive credit for one-half year of Benefit Service. You must notify HRSA-ILA Participant Services if you are away from work due to maternity/paternity leave in order to receive proper credit for this time.

YOUR BENEFIT FORMULA

Your monthly benefit is determined at the time you retire and your application is accepted by the Board of Trustees. For participants retiring on or after 10/1/00 and before September 30, 2008 the retirement benefit will equal \$114.00 for each full year of benefit service earned, plus \$57.00 for each one-half year of benefit service. Benefit service earned beginning October 1, 2008 will equal \$100 for each full year earned and \$50 for each one-half year earned. Years of benefit service disregarded under the Break-In-Service rules will not count towards your Pension Benefit. The maximum benefit is based upon 45 years of service.

Example: Your Benefit Formula

Let's assume you retire after December 1, 2010 at age 62 with 30 1/2 years of benefit service. Your benefit is figured as follows:

**28 full years
earned before 10/1/08 X \$114.00 = 3,192.00**

Plus

**2 full years and one half year
earned after 9/30/08 X \$100.00 = 250.00**

Total monthly benefit \$ 3,442.00

Your lifetime benefit is \$3,442.00 a month. If you predecease your spouse and you have been married for a year or more, your surviving spouse will receive a 50% spouse's benefit (\$1,721.00, using the above example).

Unless you have breaks in service before your retirement, you will receive \$114 per month for each year of service earned through September 30, 2008. Service earned after September 30, 2008 will be paid at \$100 per year of service.

NOTE:
Your monthly retirement benefit may be reduced to your "maximum benefit" authorized under the Internal Revenue Code.

DEDUCTIONS FROM YOUR PENSION BENEFIT

Certain deductions are made from the total amount of your pension benefit. Federal and state taxes are withheld based on the tax elections you make at the time you apply for retirement. You may change these exemptions to more accurately reflect your tax status at any time. You may wish to change your exemptions if you find you owe a considerable amount of taxes or are getting a large refund check.

Also, there may be times when it is necessary for you to return overpayments of benefits you received from other HRSA-ILA Funds. If you voluntarily authorize us to do so, the Plan will make deductions from your Pension benefit to repay such overpayments. These voluntary deductions cannot exceed 10% of your gross Pension benefit. This is called a “voluntary and revocable assignment.”

The Plan must also make deductions from your retirement benefits where required by law, for example in the case of child support or spousal support orders. However, these will only be honored if they meet the definition of a “Qualified Domestic Relations Order (QDRO)”. If the Pension Plan is served such a document, the Plan will perform a review to determine if the order qualifies for a Qualified Domestic Relations Order status. Either way you will receive letters notifying you the Plan has received these type of documents and whether or not the document qualifies for QDRO status. If you and your spouse are undergoing a divorce, you may wish to request a copy of the Plan’s QDRO Procedures.

If you owe federal or state taxes, the federal or state taxing authorities may “levy” your pension benefit in order to collect the taxes. If this happens the Plan must honor such levies. In order to keep Plan expenses to a minimum, a service charge is deducted from your benefit when levies must be implemented.

ELECTRONIC DIRECT DEPOSIT OF YOUR PENSION BENEFIT

Beginning on January 1, 2011, direct deposit of your pension benefit is required. This means that the pension benefit is electronically deposited to your bank account. Electronic direct deposit is a safe and efficient means of transferring your pension money from the Plan to your bank account. Electronic deposit insures that your monthly pension benefit will be available to you on the opening of business on the first day of each month, plus there is no chance of your check becoming lost in the mail.

You may print a Direct Deposit form from www.hrsa-ila.com or you may request one by calling the Interactive Voice Response at (757) 423-3090.

BENEFITS

NORMAL RETIREMENT

Your Normal Retirement Date is the later of:

- the first day of the month immediately following your 62nd birthday; or
- five years after the beginning of the contract year in which you were first credited with a full or one-half year of Benefit Service.

You may apply for normal retirement benefits to begin at any time on or after your Normal Retirement Date.

EARLY RETIREMENT

You may apply for early retirement benefits when your age plus your years of benefit service add up to 80 or more.

If you have reached age	and have at least this many years of Benefit Service	you may retire, because these figures add up to
50	30	80
51	29	80
52	28	80
53	27	80
54	26	80
55	25	80
56	24	80
57	23	80
58	22	80
59	21	80
60	20	80
61	19	80

DISABILITY RETIREMENT

You are entitled to apply for a disability benefit from the Plan if all of the following requirements are met:

- You are totally and permanently disabled;
- Your disability occurs after you have reached age 40 and have completed 15 full or one-half years of Benefit Service;
- You are not a “vested terminated participant”;
- The Trustees receive satisfactory proof of your disability.

You are considered to be totally and permanently disabled if you can no longer work in any job for wage or profit. However, you may work in a job that the Trustees find to be for the primary purpose of rehabilitation and still be considered totally and permanently disabled.

Disability Retirement Benefits are approved by the Board of Trustees after you and your doctor submit written documentation establishing your disability. In most cases the Board will require that your disability be confirmed by a specialist. If you are covered by Social Security Disability, a medical confirmation is not required. If approved by the Board, your disability benefit will begin effective the first day of the month following the date you submitted a completed application with all necessary supporting documents. Your benefit will continue for as long as you remain disabled and you are not working in the industry. To confirm that you are still disabled, the Board of Trustees requires that you receive an annual physical examination from a specialist until you reach age 62. You will not be charged for this physical. Disability Retirement Benefits become classified as Normal Retirement Benefits when you turn age 62 and will continue even if you later recover from your disability. This will have no effect on the amount of your monthly benefit. Disability Retirement Benefits are paid in lieu of any normal or early retirement benefits.

If you receive Workers' Compensation benefits for temporary total or temporary partial disability after you retire on disability, you will not receive eligibility credits for Plan benefits.

HOW PLAN BENEFITS ARE PAID

The effective date of your pension is the first of the month following the day your pension application with all supporting documentation is received. The approval process for Disability Retirement may take a little longer, however, after the Board of Trustees approves your application, your pension payment will be retroactive to the month following when your completed application and all necessary supporting documentation was received. You may apply for retirement up to 90 days before the actual retirement effective date.

If you are not married when your pension benefits commence, you will receive a monthly retirement benefit for your lifetime only. This is called the lifetime benefit.

If you have been married a year or more when your pension benefits commence, or if you marry after your benefits commence, once you have been married for a full year, your eligible surviving spouse will receive a 50% spouse's benefit, as described below.

SURVIVING SPOUSE BENEFITS

If you are vested and die before retiring, your surviving spouse will be entitled to an automatic surviving spouse benefit beginning on the first day of the month following your death provided both of the following requirements are met:

- you were married a year or longer at the time of your death; and
- you had completed at least 5 years of vesting service.

SURVIVING SPOUSE NORMAL OR EARLY RETIREMENT BENEFITS

If you are eligible for normal or early retirement at the time of death and have not incurred a break in service during the Plan year preceding death, your spouse will receive a 50% spouse's benefit at the then current rate. If you are classified as a Vested Terminée, or if you incurred a "break in service" in more than two of the seven Plan years including or immediately preceding your death, your spouse will receive the 50% spouse's benefit at the rate in effect in the Plan year in which you were last credited with benefit service before the breaks.

PRE-RETIREMENT SPOUSAL BENEFITS

If you are vested but not eligible for retirement at the time of your death, your spouse is still eligible for a pension and may choose either of these two options:

- (1) *Payments deferred until your earliest eligible retirement date had you survived.*

For purposes of determining your earliest retirement date in this option, Benefit Service is fixed at the number of years you had on the date of death. For example, under the rule of 80, if you die at age 53 with 22 years of Benefit Service, your earliest eligible retirement date would have been 58 (calculated: 22 years of Benefit Service plus 58 years of age.) If, however, your normal retirement age of 62 is earlier, that will be the starting date.

The benefits payable to your spouse will be figured as if you had retired at that date with a 50% spouse's benefit in effect, but they will be based on your benefit service and the formula in effect when you earned your last full or one-half year of Benefit Service.

(2) Payments beginning immediately.

The monthly benefit payable to your spouse will begin in the month following your death, but will be reduced actuarially because of the earlier date at which payments start. The actual benefit amount will be computed by the Plan's actuaries.

Your spouse has ninety days from the date of your death to select one of these options. If your spouse has not chosen an option within ninety days of your death, the benefit payment will begin on the deferred date. The Administrative Office of the Plan will explain to your spouse all the options available at the time surviving spouse benefits become payable. There are no benefits payable beyond the death of the member and their eligible, surviving spouse, if any.

APPLYING FOR BENEFITS

When you wish to apply for Pension Plan benefits request an application from HRSA-ILA Participant Services at 1355 International Terminal Boulevard, Norfolk, Virginia 23505-1458, Telephone (757) 457-7090, or by calling the IVR at (757) 423-3090.

Before you are entitled to a benefit, you must fill out an application and submit it to the Administrative Office. You will have to give a certified copy of your birth certificate and, if married, your marriage certificate and certified copy of your spouse's birth certificate. If you are disabled, you must have a letter from your doctor providing satisfactory proof of your disability.

APPEAL OF A DENIED CLAIM

See the Administration Section, page 9, for the procedures for appealing a denied claim.

REEMPLOYMENT

AFTER NORMAL RETIREMENT

If you retire on or after your Normal Retirement Date and are later reemployed in the industry, your pension benefits may be suspended. You are not entitled to a pension check for any month in which you have received credit for 40 or more hours of service for working in the industry.

Once you again stop working in the industry, you will receive the same benefit you were getting just before your reemployment. Also, if you earn any Benefit Service (at least 500 hours of service) while reemployed, you will receive increased benefits which takes the additional service into account.

AFTER EARLY RETIREMENT

If you take an early retirement but return to employment in the industry prior to your normal retirement date, your pension will stop as of the first day of the month of your reemployment, regardless of the number of hours you worked. No further benefit payments will be made until you again retire and apply for benefits. If you earn any Benefit Service (at least 500 hours of service) while reemployed, you will get an additional benefit which takes that extra service into account.

AFTER DISABILITY RETIREMENT

If you retire because of a disability and are later reemployed in the industry before your Normal Retirement Date, your disability pension will cease as of the first day of such month of reemployment. If you complete at least five full or one-half years of Benefit Service after reemployment, your future pension benefits will be based on the formula in effect when you later terminate employment, taking into account all Benefit Service earned both before and after reemployment.

However, if you complete less than five years of Benefit Service after reemployment, your benefit will be determined in the same manner as if you were rehired after age 62.

LUMP SUM REPAYMENT

If you return to work in the industry and had elected the Lump Sum form of benefit when you retired, you are required to repay the Lump Sum in full, plus interest of 7.5%. The Lump sum option was discontinued on February 1, 2011.

NOTE: It is your responsibility to notify HRSA-ILA Participant Services if you are reemployed in the industry. You may also be required to pay back any pension payments made to you for any month in which you were employed. Amounts you do not pay back will be deducted from future pension payments.

REQUIRED DISTRIBUTION DATE

You must begin to receive pension payments no later than your “Required Beginning Date.” Your Required Beginning Date is April 1 of the calendar year after you turn age 70 1/2, unless you are still working on that date. If you are still working, then your Required Beginning Date is April 1 of the calendar year after you stop working.

However, you should know that you have the option to start receiving your pension at age 70 1/2, even if you are still working at that age.

BENEFIT LIMITATIONS

MAXIMUM BENEFIT RULE

The Internal Revenue Code establishes the maximum benefits a Plan such as the HRSA-ILA Pension Plan can pay an individual per year. For example, one limit provides that you may not receive an annual retirement benefit that exceeds your average compensation for the three years during which your compensation was the highest. If you are effected, you will be notified and Plan personnel will provide you with any options available to prevent a change to your monthly benefit.

LOSS OF BENEFITS

The following circumstances may result in the loss or reduction of your benefits under the Plan:

- Your termination of employment in the industry prior to your becoming “vested” (see page 82);
- Break in Service.

DISABILITY

Disability benefits will stop if before reaching age 62 if:

- you recover from your disability. An annual medical examination by a specialist approved by the Board of Trustees is required to satisfy the requirement that you are disabled and are unable to work in regular employment in the industry; or
- you return to work in the industry; or
- you refuse to take a medical examination as requested by the Board of Trustees; or
- you begin working in a job for wage or profit (except a job for rehabilitation purposes that has been approved by the Board).

QUESTIONS OFTEN ASKED ABOUT THE HRSA-ILA PENSION PLAN

When do I become a Plan Participant?

You automatically become a Participant in the Plan on the first day of a Plan Year in which you complete 500 hours of employment in the industry. A Plan Year begins on October 1st and ends the next following September 30th.

What is employment in the industry?

Employment in the industry refers to employment for which contributions are required to be made to the HRSA-ILA Pension Plan on your behalf while you are working for:

- a member of the Hampton Roads Shipping Association in the Hampton Roads area where you are covered by a Collective Bargaining Agreement between the HRSA and the ILA; or
- the ILA as a Union representative or as an employee of HRSA-ILA for whom contributions are made;
- the HRSA-ILA Administrative Office.

What if I work for different employers?

As long as you are working in the industry for an employer who has signed one of the Collective Bargaining Agreements currently in effect between the HRSA and the ILA, you will remain covered by the Plan. However, if you go to work for an employer who is not signatory to the contract then hours worked for that employer will not be covered by the Plan.

A list of employers who are signatory to the Collective Bargaining Agreements is available for inspection at the HRSA-ILA Administrative Office during normal working hours from 8:30 a.m. to 5:00 p.m. You may request in writing a copy of this list and it will be sent to you with a charge to cover the copying costs.

How are my employment records kept?

All of the employers who “are signatory to the Collective Bargaining Agreements” report the hours worked by their employees to the Administrative Office. These hours are recorded and kept on file in the HRSA-ILA computer system.

Are Plan benefits paid automatically after I retire?

No. You must fill out an application form and file it with the Administrative Office of the Plan. Benefits cannot begin until an application is received and the Board of Trustees approves your application. The Plan is required by law, however, to begin your benefits on April 1 in the calendar year following when you reach age 70 1/2 even if you have not applied.

What day of the month will I receive my monthly pension benefit?

Your monthly retirement benefit is paid on the first *business* day of each month. Your pension payment is electronically transmitted and is in your account on the first *business* day of the month. If the first day of the month is a weekend or holiday, you may have to wait until the first *business day* of the month before your bank gives you access to the funds.

If I take early retirement, then return to employment, how will my pension be calculated when I retire the second time?

If you return to work, your second retirement benefit will be exactly the same benefit you received when you retired the first time, plus you will receive credit for any additional service you have earned. You will receive credit for only the additional years worked at the benefit rate in effect at the time of your second retirement. For example, if you retire with a monthly benefit of \$700.00, return to work for two full years, then retire for

the second time in 2010, you will receive your original benefit of \$700.00 plus credit for two more years.

$$\begin{aligned} \text{Your new benefit will equal: } & \$700.00 + \$200 \\ & (2 \times \$100.00) = \$900.00 \end{aligned}$$

What happens if I become disabled after I stop working in the industry?

To be eligible for disability retirement you must become disabled while you are actively employed in the longshore industry and meet all of the other requirements listed on page 89.

Can a survivor benefit be paid from the Plan to someone other than a spouse?

No. The Plan provides for survivor benefits to your spouse if you have been married for 12 full months before your death. There are no pension benefits payable beyond the death of the member and their eligible surviving spouse, if any.

Important Note:
If you return to work, you must immediately repay any lump sum retirement benefits received from the Plan, plus interest.

SOCIAL SECURITY BENEFITS

During your work career, both you and your employer pay an equal amount of tax on your behalf to the Social Security program. This is to help fund the benefits you receive from Social Security in addition to the benefits you will get from your Pension Plan.

The Plan Administrator does not have any control over Social Security benefits. These are provided and administered by the Federal Government. This section of your pension booklet is meant only to give you a brief introduction to Social Security and should not be relied upon. Your actual Social Security benefits are based on the amount of your earnings that are subject to Social Security taxes. Each year the Social Security Administration sends a statement of your lifetime earnings and estimated social security benefits. If you did not receive one, or if you would like an additional copy, you may go to your local Social Security office or call the number on the following page and request one. You can also request from them a booklet which explains in detail how to figure your Social Security benefits. Social Security benefits do not start automatically; you must apply for them. It usually takes two to three months to process your application.

SOCIAL SECURITY RETIREMENT BENEFITS

You can apply for social security at any time between age 62 and full retirement age. However, if you start benefits early, your benefits are reduced a fraction of a percentage for each month before your full retirement age. From the birth years of 1938 through 1959 there is a gradual increase in the full retirement

age. If you were born in 1960 or later, your retirement age for full Social Security benefits is 67. You can get more information and view a chart of benefits and reductions for each birth year by accessing the Social Security website at www.ssa.gov. When your spouse reaches full retirement age he or she will be entitled to a benefit equal to one half of your full retirement amount or, if greater, a benefit based on his or her own work record. Retirement before you reach full retirement age results in a permanently reduced monthly benefit amount.

Age To Receive Full Social Security Benefits	
Year of Birth	Full Retirement Age
1937 or earlier	65
1938	65 and 2 months
1939	65 and 4 months
1940	65 and 6 months
1941	65 and 8 months
1942	65 and 10 months
1943--1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67

SOCIAL SECURITY DISABILITY BENEFITS

If you become totally disabled, you and your family may be entitled to Social Security disability benefits. They become payable after you have been totally disabled for five full calendar months.

Your family may be entitled to an additional benefit from Social Security if you have a dependent child under age 18 (under age 19 if a full-time student). If you have no dependent children, your spouse may be entitled to this benefit if he or she is at least age 62.

SOCIAL SECURITY DEATH BENEFITS

Your family may also be entitled to Social Security benefits after your death. Your surviving spouse may be entitled to benefits from Social Security if he or she is at least age 60. Your spouse may be entitled to additional benefits before reaching age 60 if caring for a child under 16 who is eligible for children's Social Security benefits. Additional children's Social Security benefits may be payable if you die and have dependent children under age 18 (under age 19 if they are full-time students).

For important information regarding your benefits from Social Security contact the Social Security Administration office by calling toll free

1-800-772-1213.

The Social Security Administration web site is

www.ssa.gov.

PLAN ADMINISTRATION

ESTABLISHMENT OF THE PLAN

Your Pension Plan is a defined benefit Plan. The Plan is adopted pursuant to the several Collective Bargaining Agreements between the members of the Hampton Roads Shipping Association (“HRSA”) and the International Longshoremen’s Association (“ILA”), copies of which are available for examination in the Plan’s Administrative Office. Copies may also be obtained by the participants of the Plan by written request to the Plan Administrator.

BOARD OF TRUSTEES

The Plan is administered by a Board of Trustees. The Board is made up of seven members appointed by the HRSA and seven members appointed by the ILA. The Board makes the decisions regarding any question, interpretation and application of the Plan provisions and is responsible for seeing that the Plan provisions are applied in a uniform

manner. The Board has the power to amend the Plan.

CONTRIBUTIONS TO THE PENSION PLAN

Your pension benefits are paid to you out of the Pension Plan. Contributions to the Pension Plan are made by the employers based on the Collective Bargaining Agreements with the ILA.

ASSIGNMENT OF BENEFITS

For the protection of your interests and those of your dependents, your benefits under the Plan cannot be assigned, and are not subject to garnishment or attachment, except to the extent permitted by law. For example, some or all of your benefits may be assigned under a Qualified Domestic Relations Order to a former spouse, and you may assign a portion of your benefits to repay overpayments from other HRSA-ILA Funds.

PLAN NAME	TRUSTEES	PLAN YEAR	PLAN NUMBER	PLAN ADMINISTRATOR AND ADDRESS
HRSA-ILA Pension Plan	As listed in the Administration Section Page 7	October 1 through September 30	001	Board of Trustees HRSA-ILA Pension Plan 1355 Terminal Blvd Norfolk VA 23505-1458 Phone: (757) 457-7090

Employer Identification Number 54-0506055

PLAN INVESTMENTS

Most of the assets of the Plan are held in trust with the Plan’s custodian, which is a bank. The assets are invested by professional investment managers recommended to the Board of Trustees by a qualified investment consultant. Assets are generally invested in common stocks and bonds. From time to time some of the assets of the Plan may be invested in savings and loan associations, insurance contracts, government securities, money market accounts, etc.

FUTURE OF THE PLAN

HRSA-ILA intends to continue the Pension Plan indefinitely, but the Board of Trustees reserves the right to amend or terminate the Plan, or to change the method of providing benefits, if that should ever be necessary or if conditions should change. The Plan is also subject to the continuing approval of the Internal Revenue Service, and may be modified as needed to make or keep the Plan qualified under the Internal Revenue Code.

PENSION BENEFIT GUARANTY CORPORATION

Benefits under the Pension Plan are insured by the Pension Benefit Guaranty Corporation (PBGC), up to certain limitations, if the Plan terminates. The PBGC generally insures normal retirement benefits for each year of benefit service. Certain Disability Retirement Benefits, vested benefits and survivor’s pensions are also insured. However, any increases in Plan benefits

which have been in effect for less than five years are not insured. The assets of the trust fund can never be used for any purposes other than for providing benefits and paying reasonable administrative expenses. If, upon Plan termination, there are not enough assets in the trust fund to pay all the benefits to each person entitled to them and if certain benefits are not covered by the PBGC, some employees may receive a smaller benefit than if the Plan had continued.

If the Plan terminates, you will automatically become 100% vested in the benefit you earned as of the Plan’s termination date. This is true regardless of how much benefit service you have in the Plan at that time. The law establishes priorities as to how the pension fund’s assets will be used to provide Plan benefits after termination. Assets are used to pay for benefits in the following order, until the assets are used up:

- Benefits will be paid first to those retirees, beneficiaries, or active employees who have actually received (or who could have received) Plan benefits at least three years before the termination date. Benefits in these instances will be based on any Plan provision in effect during the five years prior to termination which would produce the lowest amount. In addition, the maximum for those who have received benefits for at least three years will be based on the lowest benefit payment received during that three-year period;

- Next, all other benefits which are insured by the Pension Benefit Guaranty Corporation will be paid;
- Next to be paid are vested benefits which are not insured by the PBGC and which were vested for reasons other than Plan termination;
- Finally, any other benefits due under the Plan will be paid, provided, of course, that funds are available. These include those benefits which became vested only because of Plan termination.

For more information on the PBGC insurance protection and its limitations, you may contact the PBGC. Inquiries to the PBGC should be addressed to the Office of Communications, PBGC, 2020 K Street, N.W., Washington, D.C. 20006. The PBGC Office of Communications may also be reached by calling (202) 326-4000 or 1-800-400-7242.

You can also access their website at www.pbgc.gov.

ACCRUED AND VESTED PENSION BENEFITS

You may request in writing a statement of your current status in the Plan. If you make this request, you will be told how much you have earned in the Plan to date (your accrued benefit) and whether or not you have a right to receive this benefit upon reaching your normal retirement age (i.e., whether or not you are vested). If you are not vested, you will be told when you will become vested assuming you continue any necessary employment in the industry. If you request this statement, it will be given to you free of charge, but not more than once a year.

IMPORTANT NAMES AND ADDRESSES

ADMINISTRATIVE OFFICE OF THE PENSION PLAN

- HRSA-ILA Pension Plan
1355 International Terminal Boulevard
Norfolk, Virginia 23505-1458
Phone Number - (757) 457-7090

PLAN SPONSORS

- Hampton Roads Shipping Association
236 E. Plume Street
Norfolk, Virginia 23510
Phone Number - (757) 622-2639
- International Longshoremen's Association
1355 International Terminal Boulevard
Suite 201
Norfolk, Virginia 23505-1458
Phone Number - (757) 440-9420

A complete list of employers and employee organizations sponsoring the Plan may be obtained by the participants and beneficiaries upon written request to the Plan Administrator. This list is also available for examination during regular office hours at 1355 International Terminal Blvd., Norfolk, Virginia 23505-1458.

AGENT FOR SERVICE OF LEGAL PROCESS

- Board of Trustees
HRSA-ILA Pension Plan
1355 International Terminal Boulevard
Norfolk, Virginia 23505-1458
Phone Number - (757) 457-7090

Service of legal process may also be made on any member of the Board of Trustees.

**THE HRSA-ILA BOARD OF TRUSTEES MAY
TERMINATE, SUSPEND, AMEND OR MODIFY
THE PENSION PLAN IN WHOLE OR IN PART AT
ANY TIME.**

Pension Plan

