

July 1, 2008

ILWU/PMA PACIFIC COAST LONGSHORE AND CLERKS' AGREEMENT

MEMORANDUM OF UNDERSTANDING

between

PACIFIC MARITIME ASSOCIATION
(For the Employers)

and

**INTERNATIONAL LONGSHORE AND
WAREHOUSE UNION**
(For and on behalf of itself and each of its longshore locals and clerk locals
in California, Oregon and Washington)

This Memorandum of Understanding provides the terms and conditions for a new Collective Bargaining Agreement, herein "Agreement," between the Parties effective July 1, 2008. Except where an effective date is specifically stated, all terms and conditions will become effective immediately following ratification by both Parties. The Pacific Coast Longshore and Clerks' Agreement is hereby re-executed to continue in effect until the ratification process is completed and thereafter, if ratified by the Parties, except as amended by the terms and conditions contained herein.

I. Wages

	<i>From</i>	<i>Increase</i>	<i>To</i>
Effective 8:00 a.m., June 28, 2008	\$30.68	\$0.50	\$31.18
Effective 8:00 a.m., July 4, 2009	\$31.18	\$0.50	\$31.68
Effective 8:00 a.m., July 3, 2010	\$31.68	\$1.00	\$32.68
Effective 8:00 a.m., July 2, 2011	\$32.68	\$1.00	\$33.68
Effective 8:00 a.m., June 30, 2012	\$33.68	\$1.00	\$34.68
Effective 8:00 a.m., June 29, 2013	\$34.68	\$1.00	\$35.68

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Effective 8:00 a.m., June 28, 2008

	<i>From</i>	<i>Increase</i>	<i>To</i>
Basic Longshore	\$30.68	\$0.50	\$31.18
Skill I	\$33.08	\$0.50	\$33.58
Skill II	\$35.35	\$0.50	\$35.85
Skill III	\$36.48	\$0.50	\$36.98
Basic Clerk	\$30.68	\$0.50	\$31.18
Clerk Supervisor	\$33.08	\$0.50	\$33.58
Kitchen/Tower/Computer Clerk	\$35.35	\$0.50	\$35.85
Chief Supervisor & Supercargo	\$36.48	\$0.50	\$36.98

Effective 8:00 a.m., July 4, 2009

	<i>From</i>	<i>Increase</i>	<i>To</i>
Basic Longshore	\$31.18	\$0.50	\$31.68
Skill I	\$33.58	\$0.50	\$34.08
Skill II	\$35.85	\$0.50	\$36.35
Skill III	\$36.98	\$0.50	\$37.48
Basic Clerk	\$31.18	\$0.50	\$31.68
Clerk Supervisor	\$33.58	\$0.50	\$34.08
Kitchen/Tower/Computer Clerk	\$35.85	\$0.50	\$36.35
Chief Supervisor & Supercargo	\$36.98	\$0.50	\$37.48

Effective 8:00 a.m., July 3, 2010

	<i>From</i>	<i>Increase</i>	<i>To</i>
Basic Longshore	\$31.68	\$1.00	\$32.68
Skill I	\$34.08	\$1.00	\$35.08
Skill II	\$36.35	\$1.00	\$37.35
Skill III	\$37.48	\$1.00	\$38.48
Basic Clerk	\$31.68	\$1.00	\$32.68
Clerk Supervisor	\$34.08	\$1.00	\$35.08
Kitchen/Tower/Computer Clerk	\$36.35	\$1.00	\$37.35
Chief Supervisor & Supercargo	\$37.48	\$1.00	\$38.48

Effective 8:00 a.m., July 2, 2011

	<i>From</i>	<i>Increase</i>	<i>To</i>
Basic Longshore	\$32.68	\$1.00	\$33.68
Skill I	\$35.08	\$1.00	\$36.08
Skill II	\$37.35	\$1.00	\$38.35
Skill III	\$38.48	\$1.00	\$39.48
Basic Clerk	\$32.68	\$1.00	\$33.68
Clerk Supervisor	\$35.08	\$1.00	\$36.08
Kitchen/Tower/Computer Clerk	\$37.35	\$1.00	\$38.35
Chief Supervisor & Supercargo	\$38.48	\$1.00	\$39.48

Effective 8:00 a.m., June 30, 2012

	<i>From</i>	<i>Increase</i>	<i>To</i>
Basic Longshore	\$33.68	\$1.00	\$34.68
Skill I	\$36.08	\$1.00	\$37.08
Skill II	\$38.35	\$1.00	\$39.35
Skill III	\$39.48	\$1.00	\$40.48
Basic Clerk	\$33.68	\$1.00	\$34.68
Clerk Supervisor	\$36.08	\$1.00	\$37.08
Kitchen/Tower/Computer Clerk	\$38.35	\$1.00	\$39.35
Chief Supervisor & Supercargo	\$39.48	\$1.00	\$40.48

Effective 8:00 a.m., June 29, 2013

	<i>From</i>	<i>Increase</i>	<i>To</i>
Basic Longshore	\$34.68	\$1.00	\$35.68
Skill I	\$37.08	\$1.00	\$38.08
Skill II	\$39.35	\$1.00	\$40.35
Skill III	\$40.48	\$1.00	\$41.48
Basic Clerk	\$34.68	\$1.00	\$35.68
Clerk Supervisor	\$37.08	\$1.00	\$38.08
Kitchen/Tower/Computer Clerk	\$39.35	\$1.00	\$40.35
Chief Supervisor & Supercargo	\$40.48	\$1.00	\$41.48

<i>Work Experience Group</i>	<i>Straight-Time Hourly Rate Effective:</i>		
	6/28/2008	7/4/2009	7/3/2010
0 through 1,000 hours	\$22.47	\$22.83	\$23.55
1,001 through 2,000 hours	\$23.47	\$23.83	\$24.55
2,001 through 4,000 hours	\$25.47	\$25.83	\$26.55
4,001 or more hours	Basic S/T	Basic S/T	Basic S/T

<i>Work Experience Group</i>	<i>Straight-Time Hourly Rate Effective:</i>		
	7/2/2011	6/30/2012	6/29/2013
0 through 1,000 hours	\$24.27	\$24.99	\$25.71
1,001 through 2,000 hours	\$25.27	\$25.99	\$26.71
2,001 through 4,000 hours	\$27.27	\$27.99	\$28.71
4,001 or more hours	Basic S/T	Basic S/T	Basic S/T

II. Pension

Pension improvements and provisions in this Section II are subject to limitations imposed by Section 415 and any other applicable sections of the Internal Revenue Code.

A. Actives:

1. The pension rate for actives who retire on or after July 1, 2008 under the ILWU-PMA Pension Plan will be as follows:
 - a. Effective July 1, 2011, for those registered longshoremen and clerks retiring on or after July 1, 2008, the rate of pension credit accrual will increase from \$150 per month per year of qualifying service to \$160 per month per year of qualifying service, which will provide a maximum pension benefit of \$5,920 per month for a longshoremen or clerk with 37 or more years of qualifying service retiring at age 62 or later;
 - b. Effective July 1, 2012, for those registered longshoremen and clerks retiring on or after July 1, 2008, the rate of pension credit accrual will increase from \$160 per month per year of qualifying service to \$170 per month per year of qualifying service which will provide a maximum pension benefit of \$6,290 per month for a longshoremen or clerk with 37 or more years of qualifying service retiring at age 62 or later; and
 - c. Effective July 1, 2013, for those registered longshoremen and clerks retiring on or after July 1, 2008, the rate of pension credit accrual will increase from \$170 per month per year of qualifying service to \$180 per month per year of qualifying service which will provide a maximum pension benefit of \$6,660 per month for a longshoremen or clerk with 37 or more years of qualifying service retiring at age 62 or later.

- B. Retirees: Subject to any appropriate reduction to be made with respect to a retiree whose pension benefit is determined under 3.011 of the ILWU-PMA Pension Plan.

Effective July 1, 2008, for those longshore and clerk registrants who retired before July 1, 2008 under the ILWU-PMA Pension Plan, the retirement income under the ILWU-PMA Pension Plan shall increase as stated below.

1. For those longshore and clerk registrants who retired before July 1, 1993 under the ILWU-PMA Pension Plan, the pension rate shall be increased as follows:
 - a. Effective July 1, 2008, an additional \$3 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon his retirement;
 - b. Effective July 1, 2009, an additional \$3 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon his retirement; and
 - c. Effective July 1, 2010, an additional \$3 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon his retirement.
2. For those longshore and clerk registrants who retired after June 30, 1993, and prior to July 1, 1999 under the ILWU-PMA Pension Plan, the pension rate shall be increased as follows:
 - a. Effective July 1, 2008, an additional \$4 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon his retirement;
 - b. Effective July 1, 2009, an additional \$4 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon his retirement; and
 - c. Effective July 1, 2010, an additional \$4 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon his retirement.
3. For those longshore and clerk registrants who retired after June 30, 1999, and prior to July 1, 2002 under the ILWU-PMA Pension Plan, the pension rate shall be increased as follows:
 - a. Effective July 1, 2011, an additional \$2 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon his retirement;

- b. Effective July 1, 2012, an additional \$2 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon his retirement; and
 - c. Effective July 1, 2013, an additional \$2 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon his retirement.
4. For those longshore and clerk registrants who retired after June 30, 2002, and prior to July 1, 2008 under the ILWU-PMA Pension Plan, the pension rate shall be increased as follows:
- a. Effective July 1, 2011, an additional \$1 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon his retirement;
 - b. Effective July 1, 2012, an additional \$1 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon his retirement; and
 - c. Effective July 1, 2013, an additional \$1 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon his retirement.

Thus, pension rates will be effective as follows:

	As of 7/1/07	As of 7/1/08	As of 7/1/09	As of 7/1/10	As of 7/1/11	As of 7/1/12	As of 7/1/13
Retirees before 7/1/1993	\$80	\$83	\$86	\$89	\$89	\$89	\$89
Retirees from 93-99	\$80	\$84	\$88	\$92	\$92	\$92	\$92
Retirees from 99-02	\$100	\$100	\$100	\$100	\$102	\$104	\$106
Retirees from 02-08	\$150	\$150	\$150	\$150	\$151	\$152	\$153
Retirees from 7/1/08	\$150	\$150	\$150	\$150	\$160	\$170	\$180

C. Limited Early Retirement Incentive Window

1. Purpose — This limited early retirement incentive is designed to help registered longshoremen and marine clerks adjust to the technology improvements by enabling qualified Participants to retire early with unreduced benefits under the ILWU-PMA Pension Plan (the “Pension Plan”).

2. Eligibility — The program will be offered to any registered longshoreman and marine clerk Participant who:
 - a. Submits an application for retirement under the Pension Plan (with all required documentation completed) between August 1, 2009 and January 31, 2010 or between August 1, 2012 and January 31, 2013, and thereby agrees to accept permanent deregistration; and
 - b. As of the effective date of such application, is at least 59-1/2 years old; and
 - c. As of the date of such application, has accrued at least 13 qualifying years of service under the Pension Plan.

NOTE 1: The Bridge Benefit continues to require at least 25 pension-qualifying years and is subject to the usual adjustments for retirements starting before age 62.

NOTE 2: The Social Security Supplementation Benefit (PGP Social Security Offset) is payable to those eligible upon receiving Social Security. In case of death prior to receiving the Social Security Supplementation Benefit, the Benefit will be paid to the qualified Surviving Spouse or Surviving Dependent Children per Section III.8.

3. Benefits — An eligible Participant who applies for the program will receive (subject to any limitations imposed by the Internal Revenue Code) unreduced pension benefit, i.e., his or her pension benefits will be paid without the actuarial reduction that otherwise applies to early retirement pension benefits under the ILWU-PMA Pension Plan.
- D. Surviving Spouses (including surviving spouses under QDROs) or Dependent Child Survivors who receive or commence to receive a Survivor Pension or an Early Survivor Annuity under the ILWU-PMA Pension Plan or the SWB attributable to longshoremen and clerks who retire on or after July 1, 2008 shall receive an increased pension benefit from the combined plans equal to 75% of the amount per month per qualifying year of service that would have been received by the applicable longshoreman or clerk, were he still alive. Surviving Spouses (including surviving spouses under QDROs) or Dependent Child Survivors who receive or commence to receive a Survivor Pension or an Early Survivor Annuity under the ILWU-PMA Pension Plan or the SWB attributable to deceased longshoremen and clerks who retired before July 1, 2008 shall receive a minimum pension benefit from the combined plans equal to the greater of 65% of the pension amount otherwise payable to the deceased longshoreman or clerk or the following amounts:
1. For Surviving Spouses or Dependent Child Survivors of longshore and clerk registrants who retired before July 1, 1993 under the ILWU-PMA Pension Plan:
 - a. Effective July 1, 2008, \$56.95 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon the longshoreman or clerk's retirement;

- b. Effective July 1, 2009, \$58.90 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon the longshoreman or clerk's retirement; and
 - c. Effective July 1, 2010, \$60.85 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon the longshoreman or clerk's retirement.
- 2. For Surviving Spouses or Dependent Child Survivors of longshore and clerk registrants who retired on or after July 1, 1993 but before July 1, 1999 under the ILWU-PMA Pension Plan:
 - a. Effective July 1, 2008, \$57.60 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon the longshoreman or clerk's retirement;
 - b. Effective July 1, 2009, \$60.20 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon the longshoreman or clerk's retirement; and
 - c. Effective July 1, 2010, \$62.80 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon the longshoreman or clerk's retirement.
- 3. For Surviving Spouses or Dependent Child Survivors of longshore and clerk registrants who retired on or after July 1, 1999 but before July 1, 2008 under the ILWU-PMA Pension Plan:
 - a. Effective July 1, 2008, 65% of the pension amount otherwise payable to the deceased longshoreman or clerk.

Thus, survivor rates will be effective as follows:

Survivors of:	As of 7/1/07	As of 7/1/08	As of 7/1/09	As of 7/1/10	As of 7/1/11	As of 7/1/12	As of 7/1/13
Retirees before 7/1/1993	\$55.00	\$56.95	\$58.90	\$60.85	\$60.85	\$60.85	\$60.85
Retirees from 93-99	\$55.00	\$57.60	\$60.20	\$62.80	\$62.80	\$62.80	\$62.80
Retirees from 99-02	\$55.00	\$65.00	\$65.00	\$65.00	\$66.30	\$67.60	\$68.90
Retirees from 02-08	\$82.50	\$97.50	\$97.50	\$97.50	\$98.15	\$98.80	\$99.45
Retirees from 7/1/08	\$82.50	\$112.50	\$112.50	\$112.50	\$120.00	\$127.50	\$135.00

- E. For those registered longshoremen and clerks who retire on or after July 1, 2008 and are eligible for an early retirement Social Security Bridge Benefit due to retirement on or after age 62 with 25 or more years of service, the amount of the Bridge benefit shall be increased by 25% (from \$400 / month to \$500 / month). For such registered longshoremen and clerks with 25 years of service retiring between ages 55 and 62, the reduced amount of Social Security Bridge Benefit provided under the terms of the Pension Plan shall also be increased by 25%.
- F. The Bridge Benefit shall be extended to include payment to Survivors of Actives and Pensioners with 25 qualifying years who die on or after July 1, 2008 but prior to reaching their full Social Security retirement age.
- G. Amend 2.0623 of the Pension Plan to read as follows:

“The Joint Port Labor Relations Committee or the Trustees may grant for any Payroll Year following the 1972 Payroll Year up to 200 hours for absence due to proven industrial disability and up to 200 hours for absence due to proven non-industrial disability, if such Longshoreman's name is on a Registration List in such Payroll Year and he otherwise then satisfies the requirements of paragraph 2.01, such hours to be granted at the rate of 8 hours per day of disability, illness, or injury with a maximum of 40 hours per week of disability; provided, however, when a dispute arises between a Longshoreman and the Joint Port Labor Relations Committee as to such credits, the Trustees may, in their sole, absolute, and unreviewable discretion, resolve such dispute.”
- H. For retirements on or after July 1, 2008, maximum pension benefits shall be based on 37 rather than 35 years.
- I. For purposes of determining the amount of benefits paid on or after July 1, 2008 to all participants of the ILWU-PMA Pension Plan, and only with respect to years of service earned as casual, the break in service exception for the years 1976 to present shall be eliminated and all cancelled years shall be restored.

III. Welfare

The Parties agree to the value espoused by the Union and the Employers of Maintenance of Benefits. “Maintenance of Benefits” is defined by the Parties as the Employers agreeing to maintain all present benefits under the ILWU-PMA Welfare Plan for the term of the Agreement and to continue the funding of these benefits as in the past.

- 1. Welfare Plan coverage will be extended to cover annual physicals for children under age 19.
- 2. The well baby care benefit under the Welfare Plan shall be increased to \$500.
- 3. Give Non-Choice Port participants PPO Access (all non-choice plan provisions remain in place). (Guarantees regarding HMO Choice Port Criteria remain in place).

4. On or before July 1, 2008, the Joint Trustees shall instruct the Plan Consultant to issue a RFP for third party administrative management of the Coastwise Claims Office (“CCO”) to replace Cigna. The new management shall commence as soon as practicable, but not later than July 1, 2009.
5. On or before January 1, 2010, the Joint Trustees shall instruct the Plan Consultant to conduct and/or supervise a study of the feasibility of moving from third party to in-house administration of the CCO. The study shall be completed on or before July 1, 2010.
6. On or before January 1, 2010, the Joint Trustees shall instruct the Plan Consultant to conduct and/or supervise a study of the CCO operation and make recommendations on consolidating vendors, if practicable, in the CCO operation. The study shall be completed on or before July 1, 2010.
7. Optometrists shall be added as a covered provider of service.
8. In the event of death prior to receiving the Social Security Supplementation Benefit, the benefit shall be paid to the surviving spouse or surviving dependent children.
9. Durable medical equipment and apparatuses for Treatment of Temporal Mandibular Joint (TMJ) Dysfunction shall be added as a covered benefit.
10. Chiropractic Benefits:
 - a. On or before January 1, 2009, the parties shall select a California chiropractic PPO network through an RFP process.
 - b. Effective 45 days from the date of the implementation of a California chiropractic PPO network, chiropractic benefits for non-Medicare eligible Choice Port Indemnity Plan Members will be restricted to PPO network coverage at 100% of PPO charges.
11. Modify Dependent Verification Process (Recommended Dependent Enrollment Rules for the ILWU-PMA Welfare Plan – Attached).
12. The hearing aid benefit shall be increased to \$3,000 per ear.
13. The coverage for out-patient mental health care shall be improved so it equals the coverage for any other medical condition as follows:
 - a. Maintain the 50 visits per year cap; and
 - b. Major Medical benefits for the treatment of mental or emotional conditions as an outpatient are limited to \$50 per visit for visits 21 through 50 in a Plan Year (July 1 – June 30).

14. The Death and Accidental Death and Dismemberment benefits shall be increased as follows:
 - a. Actives to \$35,000 – Double Indemnity for Accidental Death or Accidental Dismemberment;
 - b. Pensioners to \$7,500 – Double Indemnity for Accidental Death or Accidental Dismemberment.
15. The lifetime maximum Major Medical benefit per covered person shall be increased from \$2,000,000 to \$4,000,000 and the accompanying annual restoration of the maximum shall be increased from \$20,000 to \$50,000 or the amount of Major Medical used – whichever is less.
16. Vision Benefits:
 - a. \$300 every two years for frames.
 - b. Photochromatic added as a covered benefit;
 - c. Progressive lenses added as a covered benefit;
 - d. Anti-reflective coating added as a covered benefit;
 - e. Coated and laminated lenses; clarified to polycarbonate added as a covered benefit; and
 - f. \$300 coverage per year for contact lenses including associated eye exam.

Adjust HMO vision coverage accordingly

17. HMO coverage of 24 months for new limited registrants in Choice Ports.

After July 1, 2008, new registrants and their dependents in ports with HMO coverage will, on the first of the month following registration (with no requirement for 400 hours of work for initial eligibility for coverage), be covered by the HMO programs for the first twenty four (24) months of registration. After 24 months of registration, the member will have a choice of HMO or Coastwise Indemnity Plan coverage and normal welfare plan eligibility requirements shall apply.

The Trustees of the Welfare Plan may provide on an “exception basis” that a person eligible for HMO coverage under this provision may be provided limited coverage under the Coastwise Indemnity Plan specific to any serious health condition for which they are receiving treatment when Welfare Plan coverage begins.

After July 1, 2008, new registrants and their dependents in ports without HMO coverage will, on the first of the month following registration (with no requirement for 400 hours of work for initial eligibility for coverage), be covered by the Coastwise Indemnity Plan for the first twenty four (24) months of registration and shall thereafter be subject to the Welfare Plan’s normal eligibility requirements for continuation of coverage under the Coastwise Indemnity Plan.
18. Controlled Substance Review Program: Pursuant to the 2008 PCL&CA contract negotiations, the parties agree to re-institute the Controlled Substance Review Program, under the same provisions as when the program was previously conducted.

19. Generic Drug Education Program: Pursuant to the 2008 PCL&CA contract negotiations, the parties agree to work with the Plan consultant to develop an education program for generic prescription drugs.

IV. ILWU-PMA 401k Plan

- A. Effective January 1, 2009, registered workers shall be permitted to choose whether to have any percentage of their vacation checks placed in their 401(k) plan.
- B. Effective July 1, 2008, there shall be a 3rd shift conversion for employer contributions into a registered worker's 401(k) account.

V. Section 5 – Holidays

- A. Amend Section 5.21 to read:

“Saturday” shall be added to Section 5.21 so that Section 5.21 reads as follows:

“When a holiday falls on Saturday or Sunday, the work schedule provided in Section 5.2 shall apply on Saturday or Sunday, respectively; however, the holiday shall be observed on Monday and payment as provided in Section 5.32, 5.321, and 5.322 shall apply to Monday.”

VI. Section 9 – PCL&CA Promotions and Training

- A. Diversity Training:

See Letter of Understanding – Diversity Training, dated July 1, 2008 – Attached.

- B. General Safety Training:

See Letter of Understanding – General Safety Training, dated July 1, 2008 – Attached.

VII. No Discrimination

- A. Section 13.2 Addendum shall be amended as follows:

“A panel of neutral professional labor arbitrators shall hear all Section 13.2 cases. Appeals shall continue to be filed with the Coast Appeals Officer. The use of professional arbitrators shall be subject to review and continuation upon JCLRC agreement annually.”

- B. See Letter of Understanding – Discrimination Grievances, dated July 1, 2008 – Attached.

VIII. Section 17 – Grievance Procedures

A. New Section 17.2611:

17.2611 Any formal decision of an Area Arbitrator over disputes regarding violations of Subsection 11.1 with which either party is dissatisfied shall immediately be referred, at the request of such party, to the Joint Coast Labor Relations Committee. Such dispute shall be processed by the Joint Coast Labor Relations Committee upon receipt (including electronic) by the Joint Coast Labor Relations Committee and moved from step to step within forty-eight (48) hours as follows:

- (a) Joint Coast Labor Relations Committee meeting within twenty-four (24) hours; and
- (b) Coast Arbitrator within twenty-four (24) hours.

Such hearing shall include all information regarding the dispute. At the request of either party, the Coast Arbitration shall be held at the site of the dispute. If such request is made, the timeline shall be extended by twenty-four (24) hours.

B. New Section 17.631:

17.631 Formal area arbitration hearings on disputes regarding violations of Subsection 11.1, conducted in accordance with Section 17.63, shall be heard within twenty-four (24) hours following the issuance of the interim ruling to both parties by the Area Arbitrator. The formal decision shall be rendered within twenty-four (24) hours after receipt of the transcript of the hearing.

C. Section 17 Letters of Understanding:

- 1. See Letter of Understanding – Strike, Lockout, and Work Stoppage Accelerated Grievance Procedure, dated July 1, 2008 – Attached.
- 2. See Letter of Understanding – Special Grievance Machinery – M&R Registered Mechanics, dated July 1, 2008 – Attached.
- 3. See Letter of Understanding – Coast Arbitration Procedures, dated July 1, 2008 – Attached.
- 4. See Letter of Understanding – Semi-Annual Arbitrators’ Conferences, dated July 1, 2008 – Attached.

- D. Amend Section 17.8 and 17.82 by adding the term “gross misconduct.”

Section 17.8 shall read:

“Penalties for work stoppages, assault, gross misconduct, pilferage, drunkenness, drug abuse and peddling, safety violations and other offenses.”

Section 17.82 shall read:

“The Joint Port Labor Relations Committee has the power and duty to impose penalties on longshoremen who are found guilty of stoppages of work, assault, gross misconduct, refusal to work cargo in accordance with the provisions of this Agreement, or who leave the job before relief is provided, or who are found guilty of pilfering or broaching cargo or of drunkenness or who in any other manner violate the provisions of this Agreement or any award or decision of an arbitrator. In determining penalties, neither the parties nor the arbitrators shall consider offenses that predate by 5 years or more the date of a current offense.”

IX. Maintenance and Repair

- A. Replace, “(See Section 1.8)” to state, “(See Section 1.81)” in Sections 1.7 and 1.71, renumber current Section 1.81 to 1.811, delete current Section 1.82 in its entirety, and renumber current Section 1.83 to 1.82.

- B. New Section 1.72:

1.72 It is recognized that the introduction of new technologies, including fully mechanized and robotic-operated marine terminals, necessarily displaces traditional longshore work and workers, including the operating, maintenance and repair, and associated cleaning of stevedore cargo handling equipment. The parties recognize robotics and other technologies will replace a certain number of equipment operators and other traditional longshore classifications. It is agreed that the jurisdiction of the ILWU shall apply to the maintenance and repair of all present and forthcoming stevedore cargo handling equipment in accordance with Sections 1.7 and 1.71 and shall constitute the functional equivalent of such traditional ILWU work. It is further recognized that since such robotics and other technologies replace a certain number of ILWU equipment operators and other traditional ILWU classifications, the pre-commission installation per each Employer's past practice (e.g., OCR, GPS, MODAT, and related equipment, etc., excluding operating system, servers, and terminal infrastructure, etc.), post-commission installation, reinstallation, removal, maintenance and repair, and associated cleaning of such new technologies perform and constitute the functional equivalent of such traditional ILWU jobs. (See Section 1.81 and Letter of Understanding - Clarification and Exceptions to ILWU Maintenance and Repair Jurisdiction.)

C. New Sections 1.73 and 1.731:

- 1.73 The scope of work shall include the pre-commission installation per each Employer's past practice (e.g., OCR, GPS, MODAT, and related equipment, etc., excluding operating system, servers, and terminal infrastructure, etc.), post-commission installation, reinstallation, removal, maintenance and repair, and associated cleaning of all present and forthcoming technological equipment related to the operation of stevedore cargo handling equipment (which term includes containers and chassis) and its electronics, that are controlled or interchanged by PMA companies, in all West Coast ports. (See Section 1.81 and Letter of Understanding - Clarification and Exceptions to ILWU Maintenance and Repair Jurisdiction.)
- 1.731. In accordance with Sections 1.7, 1.71, 1.72, and 1.73, the maintenance and repair work on all new marine terminal facilities that commence operations after July 1, 2008, shall be assigned to the ILWU. New marine terminals shall include new facilities, relocated facilities, and vacated facilities. (See Section 1.81 and Letter of Understanding - Clarification and Exceptions to ILWU Maintenance and Repair Jurisdiction.)

D. New Section 1.74:

- 1.74 PMA members and their affiliated companies shall not engage in subterfuge to avoid their maintenance and repair obligations under this Agreement to the ILWU. Containers and chassis, owned, leased, or interchanged by a carrier controlling, controlled by or under common control with an agency company that is a PMA member shall be deemed to be owned, leased or interchanged by that PMA member company when that equipment is on a dock.

E. New Section 1.75:

- 1.75 All on dock activities associated with the plugging and unplugging of vessels for cold ironing or its equivalent shall be performed by ILWU Longshore Division employees, except for US Flag vessels and crews as to their work on the vessel, as may be contractually assigned to them as of July 1, 2008. (See Section 1.81 and Letter of Understanding - Clarification and Exceptions to ILWU Maintenance and Repair Jurisdiction.)

F. New Section 1.76:

- 1.76 The Employers shall assign work in accordance with Section 1 provisions and as may be directed by the CLRC or an arbitration award, which the Employers shall defend in any legal proceeding. PMA shall participate along with the individual Employers assigning the work in any legal proceeding.

G. Amend Section 1.8 by removing reference to sections 1.7 and 1.71:

1.8 Any type of work assigned herein in Sections 1.43, 1.44, and 1.6 to longshoremen that was done by nonlongshore employees of an employer or by subcontractor pursuant to a past practice that was followed as of July 1, 1978, may continue to be done by nonlongshore employees of that employer or by subcontractor at the option of said employer.

H. New Section 1.81:

1.81 ILWU jurisdiction of maintenance and repair work shall not apply at those specific marine terminals that are listed as being "red-circled" in the July 1, 2008 Letter of Understanding on this subject. Red-circled facilities, as they are modified/upgraded (e.g., introduction of new technologies), or expanded, while maintaining the fundamental identity of the pre-existing facility, shall not result in the displacement of the recognized workforce and shall not be disturbed, unless as determined by the terminal owner or tenant.

1.811 Current Section 1.81 (language) is re-numbered as Section 1.811.

I. 1.82 Delete current Section 1.82 language in its entirety and place Section 1.83 language here.

J. M&R Letters of Understanding:

1. See Letter of Understanding – Clarification and Exceptions to ILWU Maintenance and Repair Jurisdiction, dated July 1, 2008 – Attached.
2. See Letter of Understanding – Warranty Definition, dated July 1, 2008 – Attached.
3. See Letter of Understanding – Mechanics' Boards, dated July 1, 2008 – Attached.
4. See Letter of Understanding – M&R Training, dated July 1, 2008 – Attached.
5. See Letter of Understanding – M&R Training Requirements for Steady Mechanics, dated July 1, 2008 – Attached.
6. See Letter of Understanding – Special Grievance Machinery – M&R Registered Mechanics, dated July 1, 2008 – Attached.
7. See Letter of Understanding – New Terminal Facilities, dated July 1, 2008 – Attached.
8. See Letter of Understanding – Intraport Transfer of Mechanics, dated July 1, 2008 – Attached.

9. See Letter of Understanding – M&R Work “Contract Stevedore” and Bulk Facilities, dated July 1, 2008 – Attached.

X. Section 20 – Pay Guarantee Plan, Rules, and Administration

- A. For each year of the Agreement, the Employers will have a contingent liability for the PGP Plan for the following amounts:

1st Year	(07/01/2008 – 06/30/2009)	\$24,960,000
2nd Year	(07/01/2009 – 06/30/2010)	\$20,020,000
3rd Year	(07/01/2010 – 06/30/2011)	\$20,020,000
4th Year	(07/01/2011 – 06/30/2012)	\$24,960,000
5th Year	(07/01/2012 – 06/30/2013)	\$20,020,000
6th Year	(07/01/2013 – 06/30/2014)	\$20,020,000

- B. PGP will reflect any increases in the basic longshore rates.

XI. CFS Supplement – Amend Section 2.42

- A. Section 2.42 of the CFS Supplement shall read:

“At the option of the Employer, 1 or more CFS longshore/clerk utilitymen may be ordered to report for work either one-half hour or 1 hour in advance of the start of a work shift for the purpose of performing preparatory work such as gassing equipment, opening doors, etc. Such additional work prior to the standard work shift shall be paid for at the overtime rate. (Such preparatory work may include physical cargo handling of any type, and cargo may be received and/or delivered.)”

XII. Supplement IV – Industry Travel System

- A. Amend Section 4.5 of the PCL&CA to provide that lodging shall be increased from \$80 to \$90 per night in the first year of the Contract; from \$90 to \$95 in the second year of the Contract, from \$95 to \$100 in the third year of the Contract; from \$100 to \$110 in the fourth year of the Contract; from \$110 to \$115 in the fifth year of the Contract; and from \$115 to \$120 in the sixth year of the Contract.
- B. Amend Section 4.51 of the PCL&CA to provide that meal subsistence shall be increased from \$20 per meal to \$25 in the second year of the Contract, and from \$25 to \$30 in the fifth year of the Contract.

- C. The Parties discussed the Union's issue that locals and/or individuals may refuse mandatory industrial travel on first shift of the stop work meeting date and the first shift of the following day without the loss of availability for holiday and PGP purposes, and agreed to refer the issue to the local area.
- D. All registrants dispatched from San Francisco to work in the East Bay shall receive the \$4.00 Bay Bridge toll. This toll allowance shall be increased with any increase in the Bay Bridge toll.

XIII. Miscellaneous

- A. Five (5) Berth Agents in Portland and Vancouver employed by MTC shall be transferred with their jobs into the PCL&CA bargaining unit and granted Limited (Class B) Clerk registration.

See Letter of Understanding (Local 40A Berth Agent Registration Agreement) attached.

XIV. Tax Approvals

Pension and Welfare Plan revisions are all subject to and conditioned upon receipt of satisfactory tax rulings, if such are necessary, from appropriate Federal and state agencies. If unsatisfactory rulings are received, the Parties will meet to make required changes in the Plan(s) to comply with the rulings.

XV. Term of Agreement

Amend Section 22.1 of the Agreement by changing the termination date therein to 5:00 P.M., July 1, 2014.

Dated: 07/28/08

Dated: 07/28/08

PACIFIC MARITIME ASSOCIATION
(on behalf of its members)

INTERNATIONAL LONGSHORE and
WAREHOUSE UNION
(for and on behalf of itself and all longshore and
clerk locals in California, Oregon and
Washington)

/s/ James C. McKenna

/s/ Robert McEllrath

/s/ Craig Epperson

/s/ Ray Ortiz, Jr.

/s/ Steve Hennessey

/s/ Thomas Edwards

Attachments

Letters of Understanding:

- Wage Schedule
- Contractual Obligations
- ILWU-PMA Pension Plan
- ILWU-PMA Pension Plan and Supplemental Welfare Benefit Plan
- Recommended Dependent Enrollment Rules for the ILWU-PMA Welfare Plan
- Long-Term Care
- Dental Implants
- National Health Care Policy
- Semi-Annual Arbitrator's Conference
- Discrimination Grievances
- Strike, Lockout, and Work Stoppage Accelerated Grievance Procedure
- Coast Arbitration Procedures
- Non-Container Work Development/Small Ports Work Development
- Subsistence and Mileage Reimbursement
- Diversity Training
- General Safety Training
- Drug and Alcohol Testing Policy and Procedures
- Clarifications and Exceptions to ILWU Maintenance and Repair Jurisdiction
- Maintenance and Repair – Warranty Definition
- Maintenance and Repair – Mechanics' Boards
- M&R Training
- M&R Training Requirements for Steady Mechanics
- Special Grievance Machinery – M&R Registered Mechanics
- New Terminal Facilities
- Intraport Transfer of Mechanics
- M&R Work "Contract Stevedore" and Bulk Facilities
- California Crane Operators
- Local 40A Berth Agent Registration Agreement
- Amnesty
- Marine Diesel-Cleaner Burning Fuels

WAGE SCHEDULE: LONGSHORE AND CLERK RATES

Work Experience Group: 4,001 or More Hours

(Effective 8:00 a.m., June 28, 2008 to 8:00 a.m. July 4, 2009)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$31.18	\$41.57	\$46.77	\$49.89	\$56.12
Skill I	\$33.58	\$44.77	\$50.37	\$53.73	\$60.44
Skill II	\$35.85	\$47.80	\$53.78	\$57.36	\$64.53
Skill III	\$36.98	\$49.31	\$55.47	\$59.17	\$66.56
Clerk Wage Rates:					
Basic Clerk	\$31.18	\$41.57	\$46.77	\$49.89	\$56.12
Clerk Supervisor	\$33.58	\$44.77	\$50.37	\$53.73	\$60.44
Kitchen/Tower/Computer Clerk	\$35.85	\$47.80	\$53.78	\$57.36	\$64.53
Chief Supervisor & Supercargo	\$36.98	\$49.31	\$55.47	\$59.17	\$66.56
CFS Wage Rates:					
Utilityman	\$31.18	\$41.57	\$46.77	\$49.89	\$56.12
Working Supervisory Clerk	\$33.58	\$44.77	\$50.37	\$53.73	\$60.44
Mechanics Wage Rates:					
Journeyman	\$37.42	\$49.89	\$56.13	\$59.87	\$67.36
Leadman	\$40.53	\$54.04	\$60.80	\$64.85	\$72.95
Trainee	\$37.42	\$49.89	\$56.13	\$59.87	\$67.36

(Effective 8:00 a.m., July 4, 2009 to 8:00 a.m. July 3, 2010)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$31.68	\$42.24	\$47.52	\$50.69	\$57.02
Skill I	\$34.08	\$45.44	\$51.12	\$54.53	\$61.34
Skill II	\$36.35	\$48.47	\$54.53	\$58.16	\$65.43
Skill III	\$37.48	\$49.97	\$56.22	\$59.97	\$67.46
Clerk Wage Rates:					
Basic Clerk	\$31.68	\$42.24	\$47.52	\$50.69	\$57.02
Clerk Supervisor	\$34.08	\$45.44	\$51.12	\$54.53	\$61.34
Kitchen/Tower/Computer Clerk	\$36.35	\$48.47	\$54.53	\$58.16	\$65.43
Chief Supervisor & Supercargo	\$37.48	\$49.97	\$56.22	\$59.97	\$67.46
CFS Wage Rates:					
Utilityman	\$31.68	\$42.24	\$47.52	\$50.69	\$57.02
Working Supervisory Clerk	\$34.08	\$45.44	\$51.12	\$54.53	\$61.34
Mechanics Wage Rates:					
Journeyman	\$38.02	\$50.69	\$57.03	\$60.83	\$68.44
Leadman	\$41.18	\$54.91	\$61.77	\$65.89	\$74.12
Trainee	\$38.02	\$50.69	\$57.03	\$60.83	\$68.44

(Effective 8:00 a.m., July 3, 2010 to 8:00 a.m. July 2, 2011)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$32.68	\$43.57	\$49.02	\$52.29	\$58.82
Skill I	\$35.08	\$46.77	\$52.62	\$56.13	\$63.14
Skill II	\$37.35	\$49.80	\$56.03	\$59.76	\$67.23
Skill III	\$38.48	\$51.31	\$57.72	\$61.57	\$69.26
Clerk Wage Rates:					
Basic Clerk	\$32.68	\$43.57	\$49.02	\$52.29	\$58.82
Clerk Supervisor	\$35.08	\$46.77	\$52.62	\$56.13	\$63.14
Kitchen/Tower/Computer Clerk	\$37.35	\$49.80	\$56.03	\$59.76	\$67.23
Chief Supervisor & Supercargo	\$38.48	\$51.31	\$57.72	\$61.57	\$69.26
CFS Wage Rates:					
Utilityman	\$32.68	\$43.57	\$49.02	\$52.29	\$58.82
Working Supervisory Clerk	\$35.08	\$46.77	\$52.62	\$56.13	\$63.14
Mechanics Wage Rates:					
Journeyman	\$39.22	\$52.29	\$58.83	\$62.75	\$70.60
Leadman	\$42.48	\$56.64	\$63.72	\$67.97	\$76.46
Trainee	\$39.22	\$52.29	\$58.83	\$62.75	\$70.60

WAGE SCHEDULE: LONGSHORE AND CLERK RATES

Work Experience Group: 4.001 or More Hours

(Effective 8:00 a.m., July 2, 2011 to 8:00 a.m. June 30, 2012)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$33.68	\$44.91	\$50.52	\$53.89	\$60.62
Skill I	\$36.08	\$48.11	\$54.12	\$57.73	\$64.94
Skill II	\$38.35	\$51.13	\$57.53	\$61.36	\$69.03
Skill III	\$39.48	\$52.64	\$59.22	\$63.17	\$71.06
Clerk Wage Rates:					
Basic Clerk	\$33.68	\$44.91	\$50.52	\$53.89	\$60.62
Clerk Supervisor	\$36.08	\$48.11	\$54.12	\$57.73	\$64.94
Kitchen/Tower/Computer Clerk	\$38.35	\$51.13	\$57.53	\$61.36	\$69.03
Chief Supervisor & Supercargo	\$39.48	\$52.64	\$59.22	\$63.17	\$71.06
CFS Wage Rates:					
Utilityman	\$33.68	\$44.91	\$50.52	\$53.89	\$60.62
Working Supervisory Clerk	\$36.08	\$48.11	\$54.12	\$57.73	\$64.94
Mechanics Wage Rates:					
Journeyman	\$40.42	\$53.89	\$60.63	\$64.67	\$72.76
Leadman	\$43.78	\$58.37	\$65.67	\$70.05	\$78.80
Trainee	\$40.42	\$53.89	\$60.63	\$64.67	\$72.76

(Effective 8:00 a.m., June 30, 2012 to 8:00 a.m. June 29, 2013)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$34.68	\$46.24	\$52.02	\$55.49	\$62.42
Skill I	\$37.08	\$49.44	\$55.62	\$59.33	\$66.74
Skill II	\$39.35	\$52.47	\$59.03	\$62.96	\$70.83
Skill III	\$40.48	\$53.97	\$60.72	\$64.77	\$72.86
Clerk Wage Rates:					
Basic Clerk	\$34.68	\$46.24	\$52.02	\$55.49	\$62.42
Clerk Supervisor	\$37.08	\$49.44	\$55.62	\$59.33	\$66.74
Kitchen/Tower/Computer Clerk	\$39.35	\$52.47	\$59.03	\$62.96	\$70.83
Chief Supervisor & Supercargo	\$40.48	\$53.97	\$60.72	\$64.77	\$72.86
CFS Wage Rates:					
Utilityman	\$34.68	\$46.24	\$52.02	\$55.49	\$62.42
Working Supervisory Clerk	\$37.08	\$49.44	\$55.62	\$59.33	\$66.74
Mechanics Wage Rates:					
Journeyman	\$41.62	\$55.49	\$62.43	\$66.59	\$74.92
Leadman	\$45.08	\$60.11	\$67.62	\$72.13	\$81.14
Trainee	\$41.62	\$55.49	\$62.43	\$66.59	\$74.92

(Effective 8:00 a.m., June 29, 2013)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$35.68	\$47.57	\$53.52	\$57.09	\$64.22
Skill I	\$38.08	\$50.77	\$57.12	\$60.93	\$68.54
Skill II	\$40.35	\$53.80	\$60.53	\$64.56	\$72.63
Skill III	\$41.48	\$55.31	\$62.22	\$66.37	\$74.66
Clerk Wage Rates:					
Basic Clerk	\$35.68	\$47.57	\$53.52	\$57.09	\$64.22
Clerk Supervisor	\$38.08	\$50.77	\$57.12	\$60.93	\$68.54
Kitchen/Tower/Computer Clerk	\$40.35	\$53.80	\$60.53	\$64.56	\$72.63
Chief Supervisor & Supercargo	\$41.48	\$55.31	\$62.22	\$66.37	\$74.66
CFS Wage Rates:					
Utilityman	\$35.68	\$47.57	\$53.52	\$57.09	\$64.22
Working Supervisory Clerk	\$38.08	\$50.77	\$57.12	\$60.93	\$68.54
Mechanics Wage Rates:					
Journeyman	\$42.82	\$57.09	\$64.23	\$68.51	\$77.08
Leadman	\$46.38	\$61.84	\$69.57	\$74.21	\$83.48
Trainee	\$42.82	\$57.09	\$64.23	\$68.51	\$77.08

WAGE SCHEDULE: LONGSHORE AND CLERK RATES

Work Experience Group: 0 - 1,000 Hours

(Effective 8:00 a.m., June 28, 2008 to 8:00 a.m. July 4, 2009)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$22.47	\$29.96	\$33.71	\$35.95	\$40.45
Skill I	\$24.87	\$33.16	\$37.31	\$39.79	\$44.77
Skill II	\$27.14	\$36.19	\$40.71	\$43.42	\$48.85
Skill III	\$28.27	\$37.69	\$42.41	\$45.23	\$50.89
Clerk Wage Rates:					
Basic Clerk	\$22.47	\$29.96	\$33.71	\$35.95	\$40.45
Clerk Supervisor	\$24.87	\$33.16	\$37.31	\$39.79	\$44.77
Kitchen/Tower/Computer Clerk	\$27.14	\$36.19	\$40.71	\$43.42	\$48.85
Chief Supervisor & Supercargo	\$28.27	\$37.69	\$42.41	\$45.23	\$50.89
CFS Wage Rates:					
Utilityman	\$22.47	\$29.96	\$33.71	\$35.95	\$40.45
Working Supervisory Clerk	\$24.87	\$33.16	\$37.31	\$39.79	\$44.77
Mechanics Wage Rates:					
Trainee	\$32.74	\$43.65	\$49.11	\$52.38	\$58.93

(Effective 8:00 a.m., July 4, 2009 to 8:00 a.m. July 3, 2010)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$22.83	\$30.44	\$34.25	\$36.53	\$41.09
Skill I	\$25.23	\$33.64	\$37.85	\$40.37	\$45.41
Skill II	\$27.50	\$36.67	\$41.25	\$44.00	\$49.50
Skill III	\$28.63	\$38.17	\$42.95	\$45.81	\$51.53
Clerk Wage Rates:					
Basic Clerk	\$22.83	\$30.44	\$34.25	\$36.53	\$41.09
Clerk Supervisor	\$25.23	\$33.64	\$37.85	\$40.37	\$45.41
Kitchen/Tower/Computer Clerk	\$27.50	\$36.67	\$41.25	\$44.00	\$49.50
Chief Supervisor & Supercargo	\$28.63	\$38.17	\$42.95	\$45.81	\$51.53
CFS Wage Rates:					
Utilityman	\$22.83	\$30.44	\$34.25	\$36.53	\$41.09
Working Supervisory Clerk	\$25.23	\$33.64	\$37.85	\$40.37	\$45.41
Mechanics Wage Rates:					
Trainee	\$33.26	\$44.35	\$49.89	\$53.22	\$59.87

(Effective 8:00 a.m., July 3, 2010 to 8:00 a.m. July 2, 2011)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$23.55	\$31.40	\$35.33	\$37.68	\$42.39
Skill I	\$25.95	\$34.60	\$38.93	\$41.52	\$46.71
Skill II	\$28.22	\$37.63	\$42.33	\$45.15	\$50.80
Skill III	\$29.35	\$39.13	\$44.03	\$46.96	\$52.83
Clerk Wage Rates:					
Basic Clerk	\$23.55	\$31.40	\$35.33	\$37.68	\$42.39
Clerk Supervisor	\$25.95	\$34.60	\$38.93	\$41.52	\$46.71
Kitchen/Tower/Computer Clerk	\$28.22	\$37.63	\$42.33	\$45.15	\$50.80
Chief Supervisor & Supercargo	\$29.35	\$39.13	\$44.03	\$46.96	\$52.83
CFS Wage Rates:					
Utilityman	\$23.55	\$31.40	\$35.33	\$37.68	\$42.39
Working Supervisory Clerk	\$25.95	\$34.60	\$38.93	\$41.52	\$46.71
Mechanics Wage Rates:					
Trainee	\$34.31	\$45.75	\$51.47	\$54.90	\$61.76

WAGE SCHEDULE: LONGSHORE AND CLERK RATES

Work Experience Group: 0 - 1,000 Hours

(Effective 8:00 a.m., July 2, 2011 to 8:00 a.m. June 30, 2012)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$24.27	\$32.36	\$36.41	\$38.83	\$43.69
Skill I	\$26.67	\$35.56	\$40.01	\$42.67	\$48.01
Skill II	\$28.94	\$38.59	\$43.41	\$46.30	\$52.09
Skill III	\$30.07	\$40.09	\$45.11	\$48.11	\$54.13
Clerk Wage Rates:					
Basic Clerk	\$24.27	\$32.36	\$36.41	\$38.83	\$43.69
Clerk Supervisor	\$26.67	\$35.56	\$40.01	\$42.67	\$48.01
Kitchen/Tower/Computer Clerk	\$28.94	\$38.59	\$43.41	\$46.30	\$52.09
Chief Supervisor & Supercargo	\$30.07	\$40.09	\$45.11	\$48.11	\$54.13
CFS Wage Rates:					
Utilityman	\$24.27	\$32.36	\$36.41	\$38.83	\$43.69
Working Supervisory Clerk	\$26.67	\$35.56	\$40.01	\$42.67	\$48.01
Mechanics Wage Rates:					
Trainee	\$35.36	\$47.15	\$53.04	\$56.58	\$63.65

(Effective 8:00 a.m., June 30, 2012 to 8:00 a.m. June 29, 2013)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$24.99	\$33.32	\$37.49	\$39.98	\$44.98
Skill I	\$27.39	\$36.52	\$41.09	\$43.82	\$49.30
Skill II	\$29.66	\$39.55	\$44.49	\$47.46	\$53.39
Skill III	\$30.79	\$41.05	\$46.19	\$49.26	\$55.42
Clerk Wage Rates:					
Basic Clerk	\$24.99	\$33.32	\$37.49	\$39.98	\$44.98
Clerk Supervisor	\$27.39	\$36.52	\$41.09	\$43.82	\$49.30
Kitchen/Tower/Computer Clerk	\$29.66	\$39.55	\$44.49	\$47.46	\$53.39
Chief Supervisor & Supercargo	\$30.79	\$41.05	\$46.19	\$49.26	\$55.42
CFS Wage Rates:					
Utilityman	\$24.99	\$33.32	\$37.49	\$39.98	\$44.98
Working Supervisory Clerk	\$27.39	\$36.52	\$41.09	\$43.82	\$49.30
Mechanics Wage Rates:					
Trainee	\$36.41	\$48.55	\$54.62	\$58.26	\$65.54

(Effective 8:00 a.m., June 29, 2013)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$25.71	\$34.28	\$38.57	\$41.14	\$46.28
Skill I	\$28.11	\$37.48	\$42.17	\$44.98	\$50.60
Skill II	\$30.38	\$40.51	\$45.57	\$48.61	\$54.68
Skill III	\$31.51	\$42.01	\$47.27	\$50.42	\$56.72
Clerk Wage Rates:					
Basic Clerk	\$25.71	\$34.28	\$38.57	\$41.14	\$46.28
Clerk Supervisor	\$28.11	\$37.48	\$42.17	\$44.98	\$50.60
Kitchen/Tower/Computer Clerk	\$30.38	\$40.51	\$45.57	\$48.61	\$54.68
Chief Supervisor & Supercargo	\$31.51	\$42.01	\$47.27	\$50.42	\$56.72
CFS Wage Rates:					
Utilityman	\$25.71	\$34.28	\$38.57	\$41.14	\$46.28
Working Supervisory Clerk	\$28.11	\$37.48	\$42.17	\$44.98	\$50.60
Mechanics Wage Rates:					
Trainee	\$37.46	\$49.95	\$56.19	\$59.94	\$67.43

WAGE SCHEDULE: LONGSHORE AND CLERK RATES

Work Experience Group: 1,001 - 2,000 Hours

(Effective 8:00 a.m., June 28, 2008 to 8:00 a.m. July 4, 2009)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$23.47	\$31.29	\$35.21	\$37.55	\$42.25
Skill I	\$25.87	\$34.49	\$38.81	\$41.39	\$46.57
Skill II	\$28.14	\$37.52	\$42.21	\$45.02	\$50.65
Skill III	\$29.27	\$39.03	\$43.91	\$46.83	\$52.69
Clerk Wage Rates:					
Basic Clerk	\$23.47	\$31.29	\$35.21	\$37.55	\$42.25
Clerk Supervisor	\$25.87	\$34.49	\$38.81	\$41.39	\$46.57
Kitchen/Tower/Computer Clerk	\$28.14	\$37.52	\$42.21	\$45.02	\$50.65
Chief Supervisor & Supercargo	\$29.27	\$39.03	\$43.91	\$46.83	\$52.69
CFS Wage Rates:					
Utilityman	\$23.47	\$31.29	\$35.21	\$37.55	\$42.25
Working Supervisory Clerk	\$25.87	\$34.49	\$38.81	\$41.39	\$46.57
Mechanics Wage Rates:					
Trainee	\$34.30	\$45.73	\$51.45	\$54.88	\$61.74

(Effective 8:00 a.m., July 4, 2009 to 8:00 a.m. July 3, 2010)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$23.83	\$31.77	\$35.75	\$38.13	\$42.89
Skill I	\$26.23	\$34.97	\$39.35	\$41.97	\$47.21
Skill II	\$28.50	\$38.00	\$42.75	\$45.60	\$51.30
Skill III	\$29.63	\$39.51	\$44.45	\$47.41	\$53.33
Clerk Wage Rates:					
Basic Clerk	\$23.83	\$31.77	\$35.75	\$38.13	\$42.89
Clerk Supervisor	\$26.23	\$34.97	\$39.35	\$41.97	\$47.21
Kitchen/Tower/Computer Clerk	\$28.50	\$38.00	\$42.75	\$45.60	\$51.30
Chief Supervisor & Supercargo	\$29.63	\$39.51	\$44.45	\$47.41	\$53.33
CFS Wage Rates:					
Utilityman	\$23.83	\$31.77	\$35.75	\$38.13	\$42.89
Working Supervisory Clerk	\$26.23	\$34.97	\$39.35	\$41.97	\$47.21
Mechanics Wage Rates:					
Trainee	\$34.85	\$46.47	\$52.28	\$55.76	\$62.73

(Effective 8:00 a.m., July 3, 2010 to 8:00 a.m. July 2, 2011)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$24.55	\$32.73	\$36.83	\$39.28	\$44.19
Skill I	\$26.95	\$35.93	\$40.43	\$43.12	\$48.51
Skill II	\$29.22	\$38.96	\$43.83	\$46.75	\$52.60
Skill III	\$30.35	\$40.47	\$45.53	\$48.56	\$54.63
Clerk Wage Rates:					
Basic Clerk	\$24.55	\$32.73	\$36.83	\$39.28	\$44.19
Clerk Supervisor	\$26.95	\$35.93	\$40.43	\$43.12	\$48.51
Kitchen/Tower/Computer Clerk	\$29.22	\$38.96	\$43.83	\$46.75	\$52.60
Chief Supervisor & Supercargo	\$30.35	\$40.47	\$45.53	\$48.56	\$54.63
CFS Wage Rates:					
Utilityman	\$24.55	\$32.73	\$36.83	\$39.28	\$44.19
Working Supervisory Clerk	\$26.95	\$35.93	\$40.43	\$43.12	\$48.51
Mechanics Wage Rates:					
Trainee	\$35.95	\$47.93	\$53.93	\$57.52	\$64.71

WAGE SCHEDULE: LONGSHORE AND CLERK RATES

Work Experience Group: 1,001 - 2,000 Hours

(Effective 8:00 a.m., July 2, 2011 to 8:00 a.m. June 30, 2012)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$25.27	\$33.69	\$37.91	\$40.43	\$45.49
Skill I	\$27.67	\$36.89	\$41.51	\$44.27	\$49.81
Skill II	\$29.94	\$39.92	\$44.91	\$47.90	\$53.89
Skill III	\$31.07	\$41.43	\$46.61	\$49.71	\$55.93
Clerk Wage Rates:					
Basic Clerk	\$25.27	\$33.69	\$37.91	\$40.43	\$45.49
Clerk Supervisor	\$27.67	\$36.89	\$41.51	\$44.27	\$49.81
Kitchen/Tower/Computer Clerk	\$29.94	\$39.92	\$44.91	\$47.90	\$53.89
Chief Supervisor & Supercargo	\$31.07	\$41.43	\$46.61	\$49.71	\$55.93
CFS Wage Rates:					
Utilityman	\$25.27	\$33.69	\$37.91	\$40.43	\$45.49
Working Supervisory Clerk	\$27.67	\$36.89	\$41.51	\$44.27	\$49.81
Mechanics Wage Rates:					
Trainee	\$37.05	\$49.40	\$55.58	\$59.28	\$66.69

(Effective 8:00 a.m., June 30, 2012 to 8:00 a.m. June 29, 2013)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$25.99	\$34.65	\$38.99	\$41.58	\$46.78
Skill I	\$28.39	\$37.85	\$42.59	\$45.42	\$51.10
Skill II	\$30.66	\$40.88	\$45.99	\$49.06	\$55.19
Skill III	\$31.79	\$42.39	\$47.69	\$50.86	\$57.22
Clerk Wage Rates:					
Basic Clerk	\$25.99	\$34.65	\$38.99	\$41.58	\$46.78
Clerk Supervisor	\$28.39	\$37.85	\$42.59	\$45.42	\$51.10
Kitchen/Tower/Computer Clerk	\$30.66	\$40.88	\$45.99	\$49.06	\$55.19
Chief Supervisor & Supercargo	\$31.79	\$42.39	\$47.69	\$50.86	\$57.22
CFS Wage Rates:					
Utilityman	\$25.99	\$34.65	\$38.99	\$41.58	\$46.78
Working Supervisory Clerk	\$28.39	\$37.85	\$42.59	\$45.42	\$51.10
Mechanics Wage Rates:					
Trainee	\$38.15	\$50.87	\$57.23	\$61.04	\$68.67

(Effective 8:00 a.m., June 29, 2013)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$26.71	\$35.61	\$40.07	\$42.74	\$48.08
Skill I	\$29.11	\$38.81	\$43.67	\$46.58	\$52.40
Skill II	\$31.38	\$41.84	\$47.07	\$50.21	\$56.48
Skill III	\$32.51	\$43.35	\$48.77	\$52.02	\$58.52
Clerk Wage Rates:					
Basic Clerk	\$26.71	\$35.61	\$40.07	\$42.74	\$48.08
Clerk Supervisor	\$29.11	\$38.81	\$43.67	\$46.58	\$52.40
Kitchen/Tower/Computer Clerk	\$31.38	\$41.84	\$47.07	\$50.21	\$56.48
Chief Supervisor & Supercargo	\$32.51	\$43.35	\$48.77	\$52.02	\$58.52
CFS Wage Rates:					
Utilityman	\$26.71	\$35.61	\$40.07	\$42.74	\$48.08
Working Supervisory Clerk	\$29.11	\$38.81	\$43.67	\$46.58	\$52.40
Mechanics Wage Rates:					
Trainee	\$39.25	\$52.33	\$58.88	\$62.80	\$70.65

WAGE SCHEDULE: LONGSHORE AND CLERK RATES

Work Experience Group: 2,001 - 4,000 Hours

(Effective 8:00 a.m., June 28, 2008 to 8:00 a.m. July 4, 2009)

	1st Shift	2nd Shift	1st & 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$25.47	\$33.96	\$38.21	\$40.75	\$45.85
Skill I	\$27.87	\$37.16	\$41.81	\$44.59	\$50.17
Skill II	\$30.14	\$40.19	\$45.21	\$48.22	\$54.25
Skill III	\$31.27	\$41.69	\$46.91	\$50.03	\$56.29
Clerk Wage Rates:					
Basic Clerk	\$25.47	\$33.96	\$38.21	\$40.75	\$45.85
Clerk Supervisor	\$27.87	\$37.16	\$41.81	\$44.59	\$50.17
Kitchen/Tower/Computer Clerk	\$30.14	\$40.19	\$45.21	\$48.22	\$54.25
Chief Supervisor & Supercargo	\$31.27	\$41.69	\$46.91	\$50.03	\$56.29
CFS Wage Rates:					
Utilityman	\$25.47	\$33.96	\$38.21	\$40.75	\$45.85
Working Supervisory Clerk	\$27.87	\$37.16	\$41.81	\$44.59	\$50.17
Mechanics Wage Rates:					
Trainee	\$35.86	\$47.81	\$53.79	\$57.38	\$64.55

(Effective 8:00 a.m., July 4, 2009 to 8:00 a.m. July 3, 2010)

	1st Shift	2nd Shift	1st & 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$25.83	\$34.44	\$38.75	\$41.33	\$46.49
Skill I	\$28.23	\$37.64	\$42.35	\$45.17	\$50.81
Skill II	\$30.50	\$40.67	\$45.75	\$48.80	\$54.90
Skill III	\$31.63	\$42.17	\$47.45	\$50.61	\$56.93
Clerk Wage Rates:					
Basic Clerk	\$25.83	\$34.44	\$38.75	\$41.33	\$46.49
Clerk Supervisor	\$28.23	\$37.64	\$42.35	\$45.17	\$50.81
Kitchen/Tower/Computer Clerk	\$30.50	\$40.67	\$45.75	\$48.80	\$54.90
Chief Supervisor & Supercargo	\$31.63	\$42.17	\$47.45	\$50.61	\$56.93
CFS Wage Rates:					
Utilityman	\$25.83	\$34.44	\$38.75	\$41.33	\$46.49
Working Supervisory Clerk	\$28.23	\$37.64	\$42.35	\$45.17	\$50.81
Mechanics Wage Rates:					
Trainee	\$36.43	\$48.57	\$54.65	\$58.29	\$65.57

(Effective 8:00 a.m., July 3, 2010 to 8:00 a.m. July 2, 2011)

	1st Shift	2nd Shift	1st & 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$26.55	\$35.40	\$39.83	\$42.48	\$47.79
Skill I	\$28.95	\$38.60	\$43.43	\$46.32	\$52.11
Skill II	\$31.22	\$41.63	\$46.83	\$49.95	\$56.20
Skill III	\$32.35	\$43.13	\$48.53	\$51.76	\$58.23
Clerk Wage Rates:					
Basic Clerk	\$26.55	\$35.40	\$39.83	\$42.48	\$47.79
Clerk Supervisor	\$28.95	\$38.60	\$43.43	\$46.32	\$52.11
Kitchen/Tower/Computer Clerk	\$31.22	\$41.63	\$46.83	\$49.95	\$56.20
Chief Supervisor & Supercargo	\$32.35	\$43.13	\$48.53	\$51.76	\$58.23
CFS Wage Rates:					
Utilityman	\$26.55	\$35.40	\$39.83	\$42.48	\$47.79
Working Supervisory Clerk	\$28.95	\$38.60	\$43.43	\$46.32	\$52.11
Mechanics Wage Rates:					
Trainee	\$37.58	\$50.11	\$56.37	\$60.13	\$67.64

WAGE SCHEDULE: LONGSHORE AND CLERK RATES

Work Experience Group: 2,001 - 4,000 Hours

(Effective 8:00 a.m., July 2, 2011 to 8:00 a.m. June 30, 2012)

	1st Shift	2nd Shift	1st & 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$27.27	\$36.36	\$40.91	\$43.63	\$49.09
Skill I	\$29.67	\$39.56	\$44.51	\$47.47	\$53.41
Skill II	\$31.94	\$42.59	\$47.91	\$51.10	\$57.49
Skill III	\$33.07	\$44.09	\$49.61	\$52.91	\$59.53
Clerk Wage Rates:					
Basic Clerk	\$27.27	\$36.36	\$40.91	\$43.63	\$49.09
Clerk Supervisor	\$29.67	\$39.56	\$44.51	\$47.47	\$53.41
Kitchen/Tower/Computer Clerk	\$31.94	\$42.59	\$47.91	\$51.10	\$57.49
Chief Supervisor & Supercargo	\$33.07	\$44.09	\$49.61	\$52.91	\$59.53
CFS Wage Rates:					
Utilityman	\$27.27	\$36.36	\$40.91	\$43.63	\$49.09
Working Supervisory Clerk	\$29.67	\$39.56	\$44.51	\$47.47	\$53.41
Mechanics Wage Rates:					
Trainee	\$38.73	\$51.64	\$58.10	\$61.97	\$69.71

(Effective 8:00 a.m., June 30, 2012 to 8:00 a.m. June 29, 2013)

	1st Shift	2nd Shift	1st & 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$27.99	\$37.32	\$41.99	\$44.78	\$50.38
Skill I	\$30.39	\$40.52	\$45.59	\$48.62	\$54.70
Skill II	\$32.66	\$43.55	\$48.99	\$52.26	\$58.79
Skill III	\$33.79	\$45.05	\$50.69	\$54.06	\$60.82
Clerk Wage Rates:					
Basic Clerk	\$27.99	\$37.32	\$41.99	\$44.78	\$50.38
Clerk Supervisor	\$30.39	\$40.52	\$45.59	\$48.62	\$54.70
Kitchen/Tower/Computer Clerk	\$32.66	\$43.55	\$48.99	\$52.26	\$58.79
Chief Supervisor & Supercargo	\$33.79	\$45.05	\$50.69	\$54.06	\$60.82
CFS Wage Rates:					
Utilityman	\$27.99	\$37.32	\$41.99	\$44.78	\$50.38
Working Supervisory Clerk	\$30.39	\$40.52	\$45.59	\$48.62	\$54.70
Mechanics Wage Rates:					
Trainee	\$39.88	\$53.17	\$59.82	\$63.81	\$71.78

(Effective 8:00 a.m., June 29, 2013)

	1st Shift	2nd Shift	1st & 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$28.71	\$38.28	\$43.07	\$45.94	\$51.68
Skill I	\$31.11	\$41.48	\$46.67	\$49.78	\$56.00
Skill II	\$33.38	\$44.51	\$50.07	\$53.41	\$60.08
Skill III	\$34.51	\$46.01	\$51.77	\$55.22	\$62.12
Clerk Wage Rates:					
Basic Clerk	\$28.71	\$38.28	\$43.07	\$45.94	\$51.68
Clerk Supervisor	\$31.11	\$41.48	\$46.67	\$49.78	\$56.00
Kitchen/Tower/Computer Clerk	\$33.38	\$44.51	\$50.07	\$53.41	\$60.08
Chief Supervisor & Supercargo	\$34.51	\$46.01	\$51.77	\$55.22	\$62.12
CFS Wage Rates:					
Utilityman	\$28.71	\$38.28	\$43.07	\$45.94	\$51.68
Working Supervisory Clerk	\$31.11	\$41.48	\$46.67	\$49.78	\$56.00
Mechanics Wage Rates:					
Trainee	\$41.03	\$54.71	\$61.55	\$65.65	\$73.85

**INTERNATIONAL
LONGSHORE &
WAREHOUSE UNION**
AFL-CIO



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President

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Vice President

WESLEY FURTADO
Vice President

WILLIAM E. ADAMS
Secretary-Treasurer

July 1, 2008

James C. McKenna
President & CEO
Pacific Maritime Association
555 Market Street, 3rd Floor
San Francisco, CA 94105

LETTER OF UNDERSTANDING
Contractual Obligations

Mr. McKenna:

During the course of the 2008 PCL&CA negotiations, the Parties discussed the contractual obligations of PMA member companies and steamship carrier lines, stevedores, marine terminal operators and maintenance companies that do business in West Coast ports. The Parties agree that PMA member companies shall not engage in subterfuge through their affiliated companies to avoid their contractual obligations under the PCL&CA or the ILWU-PMA Benefit Plans. The term "affiliated companies" means carriers, stevedores, marine terminal operators or maintenance companies that are part of a group of trades or businesses under common control with a PMA member company.

It was further agreed that the Union shall be promptly notified of all PMA membership changes within five (5) days of the date PMA is notified of such change(s), and that the Trustees of the ILWU-PMA Pension Plan shall develop and implement policies and procedures to monitor compliance with the Plan's withdrawal liability rules.

Sincerely,

Robert McEllrath
International President

Understanding confirmed:

James C. McKenna
President & CEO
Pacific Maritime Association

Dated: 7-28-08



Pacific Maritime Association
Headquarters

July 1, 2008

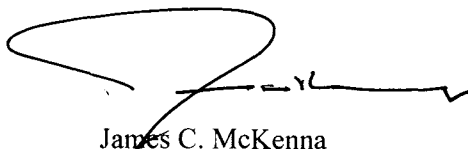
Mr. Robert McEllrath, President
Trustee, ILWU-PMA Pension Plan
International President
International Longshore and Warehouse Union
1188 Franklin Street, 4th Floor
San Francisco, CA 94109

Letter of Understanding
ILWU-PMA Pension Plan

Dear Mr. McEllrath:

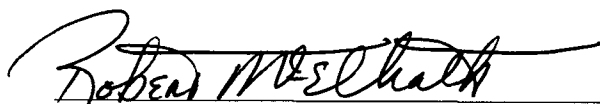
It is understood and agreed that the joint Trustees of the ILWU-PMA Pension Plan ("Plan") will instruct the Plan's actuary to determine, if the Plan's actuary determines to be appropriate, scheduled cost on a basis that adjusts the annual cost to reflect the current payment schedule for contributions, rather than assuming contributions will be made on or after the end of the Plan year.

Sincerely,



James C. McKenna
President and CEO

Understanding confirmed:



Robert McEllrath, Trustee, ILWU-PMA Pension Plan
International President, ILWU

Dated: July 28th 2008



Pacific Maritime Association
Headquarters

July 1, 2008

Mr. Robert McEllrath, President
Trustee, ILWU-PMA Pension Plan
International President
International Longshore and Warehouse Union
1188 Franklin Street, 4th Floor
San Francisco, CA 94109

Letter of Understanding
ILWU-PMA Pension Plan and Supplemental Welfare Benefit Plan

Dear Mr. McEllrath:

The Parties agree that the Pension Plan will be amended to provide the benefits currently payable under the Supplemental Welfare Benefit ("SWB") Plan and the SWB Plan will be terminated effective July 1, 2011.

Sincerely,

James C. McKenna
President and CEO

Understanding confirmed:

Robert McEllrath, Trustee, ILWU-PMA Pension Plan
International President, ILWU

Dated: July 28th 2008

**RECOMMENDED DEPENDENT ENROLLMENT RULES FOR
THE ILWU-PMA WELFARE PLAN**

DEPENDENT CATEGORY:	IS THE DEPENDENT ELIGIBLE?	DOCUMENTATION REQUIRED TO ESTABLISH ELIGIBILITY:	IF ELIGIBLE, IS THE PARTICIPANT REQUIRED TO PAY INCOME AND PAYROLL TAXES ON THE VALUE OF THE DEPENDENT COVERAGE?	DOCUMENTATION REQUIRED TO ESTABLISH TAX EXEMPTION:
SPOUSES	Yes.	(a) Plan Enrollment and Current Dependent Verification Forms; and (b) Marriage Certificate.	No.	None.

IMPORTANT NOTES:

1. Loss of Eligibility for Falsifying Information

All dependent enrollment forms and notarized statements will contain the following certification:

"I certify that all information on this form is true and correct, and agree to provide any additional information that the Trustees may require. I understand that if I misstate or misrepresent any information on this form, my dependents and I may each lose eligibility for benefits under the ILWU-PMA Welfare Plan."

**RECOMMENDED DEPENDENT ENROLLMENT RULES FOR
THE ILWU-PMA WELFARE PLAN**

DEPENDENT CATEGORY:	IS THE DEPENDENT ELIGIBLE?	DOCUMENTATION REQUIRED TO ESTABLISH ELIGIBILITY:	IF ELIGIBLE, IS THE PARTICIPANT REQUIRED TO PAY INCOME AND PAYROLL TAXES ON THE VALUE OF THE DEPENDENT COVERAGE?	DOCUMENTATION REQUIRED TO ESTABLISH TAX EXEMPTION:
SAME SEX DOMESTIC PARTNERS NOT ELIGIBLE TO MARRY IN STATE OF DOMICILE	<p>Yes, but only if the domestic partner:</p> <ul style="list-style-type: none"> (1) is at least 18 years of age; (2) shares a close personal relationship with you and you are both responsible for each other's common welfare; (3) you are each other's sole domestic partners; (4) You are not married and have not had another domestic partner enrolled in the Plan within the prior 12 months; (5) You jointly share the same residence and are members of the same household, with the intent to continue doing so indefinitely; and (6) You are not related by blood closer than would bar marriage. 	<ul style="list-style-type: none"> (a) Plan Enrollment and Current Dependent Verification Forms; (b) Notarized Statement that eligibility criteria (1)-(6) are met; and (c) At least two of the following as verification of common residency (dated to confirm eligibility at time of enrollment): (i) driver's license, (ii) proof of auto insurance, (iii) State Identification Card, (iv) utility bill, or (v) voter registration. 	<p>No, as long as the domestic partner:</p> <ul style="list-style-type: none"> (1) is a citizen, resident, or national of the United States; (2) receives the majority of his or her annual support (food, clothing, housing and medical care) from you; and (3) lives with you as a member of your household. 	<ul style="list-style-type: none"> (a) Certification affirming tax exemption criteria (1)-(3) are met; and (b) Worksheet 1, IRS Publication 501.

IMPORTANT NOTES:

1. Loss of Eligibility for Falsifying Information

All dependent enrollment forms and notarized statements will contain the following certification:

"I certify that all information on this form is true and correct, and agree to provide any additional information that the Trustees may require. ***I understand that if I misstate or misrepresent any information on this form, my dependents and I may each lose eligibility for benefits under the ILWU-PMA Welfare Plan.***"

2. Taxation

If your otherwise eligible dependent does not qualify as a dependent under Section 152 of the Internal Revenue Code, the fair market value of the dependent coverage will be reported as taxable income and income and (if you are an active employee) payroll taxes on the fair market value of the dependent coverage will be withheld from your weekly paycheck. (For example, if you live in California, where the total payroll tax rate is 16.1%, and if your income tax withholding rate is 15%, you will have a total of 31.1% of the fair market value of the dependent coverage withheld from your weekly paycheck.)

**RECOMMENDED DEPENDENT ENROLLMENT RULES FOR
THE ILWU-PMA WELFARE PLAN**

DEPENDENT CATEGORY:	IS THE DEPENDENT ELIGIBLE?	DOCUMENTATION REQUIRED TO ESTABLISH ELIGIBILITY:	IF ELIGIBLE, IS THE PARTICIPANT REQUIRED TO PAY INCOME AND PAYROLL TAXES ON THE VALUE OF THE DEPENDENT COVERAGE?	DOCUMENTATION REQUIRED TO ESTABLISH TAX EXEMPTION:
NATURAL CHILDREN; STEP CHILDREN; ADOPTED CHILDREN; FOSTER CHILDREN; AND CHILDREN UNDER LEGAL GUARDIANSHIPS.	Yes, if the child is under 19 years of age, a fulltime student under 23 years of age, or permanently and totally disabled.	<p>(a) Plan Enrollment and Current Dependent Verification Forms.</p> <p>(b) For natural children and stepchildren, a birth certificate.</p> <p>(c) For adopted children, foster children and children under legal guardianships, you must provide (a) a birth certificate or other proof of age, and (b) documentation establishing the child's placement for adoption, foster care or legal guardianship.</p> <p>(d) For fulltime students, (i) a birth certificate, and (ii) proof supplied each semester or quarter (as applicable) by school, showing that the student is enrolled in at least 12 credits of coursework or a fulltime student in a trade school.</p> <p>(e) For permanently and totally disabled children, (i) a birth certificate, and (ii) completion of the Medical Report for Incapacitated Dependent Benefits Form by you and the child's physician.</p>	No, as long as the child: <ol style="list-style-type: none"> (1) is a citizen, resident, or national of the United States; (2) resides with you for more than half the year (unless the parents are divorced and the non-custodial parent has a written agreement permitting him or her to claim the child as a dependent); (3) does not provide more than half of his or her own support; and (4) is not claimed as a dependent by another taxpayer. 	<p>(a) Certification affirming tax exemption criteria (1)-(4) are met; and</p> <p>(b) For foster children, children under legal guardianship, fulltime students at least 19 but under 23, and permanently and totally disabled children, Worksheet 1, IRS Publication 501.</p>

IMPORTANT NOTES:

1. Loss of Eligibility for Falsifying Information

All dependent enrollment forms and notarized statements will contain the following certification:

"I certify that all information on this form is true and correct, and agree to provide any additional information that the Trustees may require. *I understand that if I misstate or misrepresent any information on this form, my dependents and I may each lose eligibility for benefits under the ILWU-PMA Welfare Plan.*"

2. Taxation

If your otherwise eligible dependent does not qualify as a dependent under Section 152 of the Internal Revenue Code, the fair market value of the dependent coverage will be reported as taxable income and income and (if you are an active employee) payroll taxes on the fair market value of the dependent coverage will be withheld from your weekly paycheck. (For example, if you live in California, where the total payroll tax rate is 16.1%, and if your income tax withholding rate is 15%, you will have a total of 31.1% of the fair market value of the dependent coverage withheld from your weekly paycheck.)

**RECOMMENDED DEPENDENT ENROLLMENT RULES FOR
THE ILWU-PMA WELFARE PLAN**

DEPENDENT CATEGORY:	IS THE DEPENDENT ELIGIBLE?	DOCUMENTATION REQUIRED TO ESTABLISH ELIGIBILITY:	IF ELIGIBLE, IS THE PARTICIPANT REQUIRED TO PAY INCOME AND PAYROLL TAXES ON THE VALUE OF THE DEPENDENT COVERAGE?	DOCUMENTATION REQUIRED TO ESTABLISH TAX EXEMPTION:
CHILDREN OF DOMESTIC PARTNERS	<p>Yes, if the child is under 19 years of age, a fulltime student under 23 years of age, or permanently and totally disabled.</p> <p>Parent must also qualify as a domestic partner under the terms of the Plan.</p>	<p>(a) Plan Enrollment and Current Dependent Verification Forms;</p> <p>(b) Birth certificate;</p> <p>(c) For fulltime students, proof supplied each semester or quarter (as applicable) by school, showing that the student is enrolled in at least 12 credits of coursework or a fulltime student in a trade school; and</p> <p>(d) For permanently and totally disabled children, completion of the Medical Report for Incapacitated Dependent Benefits Form by you and the child's physician.</p>	<p>No, as long as the child:</p> <p>(1) is a citizen, resident, or national of the United States;</p> <p>(2) resides with you as a member of your household;</p> <p>(3) receives the majority of his or her annual support (food, clothing, housing and medical care) from you; and</p> <p>(4) is not claimed as a dependent by another taxpayer.</p>	<p>(a) Certification affirming tax exemption criteria (1)-(4) are met; and</p> <p>(b) Worksheet 1, IRS Publication 501.</p>

IMPORTANT NOTES:

1. Loss of Eligibility for Falsifying Information

All dependent enrollment forms and notarized statements will contain the following certification:

"I certify that all information on this form is true and correct, and agree to provide any additional information that the Trustees may require. *I understand that if I misstate or misrepresent any information on this form, my dependents and I may each lose eligibility for benefits under the ILWU-PMA Welfare Plan.*"

2. Taxation

If your otherwise eligible dependent does not qualify as a dependent under Section 152 of the Internal Revenue Code, the fair market value of the dependent coverage will be reported as taxable income and income and (if you are an active employee) payroll taxes on the fair market value of the dependent coverage will be withheld from your weekly paycheck. (For example, if you live in California, where the total payroll tax rate is 16.1%, and if your income tax withholding rate is 15%, you will have a total of 31.1% of the fair market value of the dependent coverage withheld from your weekly paycheck.)

**RECOMMENDED DEPENDENT ENROLLMENT RULES FOR
THE ILWU-PMA WELFARE PLAN**

DEPENDENT CATEGORY:	IS THE DEPENDENT ELIGIBLE?	DOCUMENTATION REQUIRED TO ESTABLISH ELIGIBILITY:	IF ELIGIBLE, IS THE PARTICIPANT REQUIRED TO PAY INCOME AND PAYROLL TAXES ON THE VALUE OF THE DEPENDENT COVERAGE?	DOCUMENTATION REQUIRED TO ESTABLISH TAX EXEMPTION:
OTHER DEPENDENT CHILDREN	Yes, but only if: (1) the child is under 19 years of age, a fulltime student under 23 years of age, or permanently and totally disabled; (2) the child lives with you; (3) you provide a majority of the child's support; and (4) you have a parent/child relationship with the child.	(a) Plan Enrollment and Current Dependent Verification Forms; (b) Birth certificate or other proof of age; (c) A notarized statement that the child lives with you, that you provide a majority of his or her support, and that you have a parent/child relationship with the child; (d) For fulltime students, proof supplied each semester or quarter (as applicable) by school, showing that the student is enrolled in at least 12 credits of coursework or a fulltime student in a trade school; and (e) For permanently and totally disabled children, completion of the Medical Report for Incapacitated Dependent Benefits Form by you and the child's physician.	No, as long as the child: (1) is a citizen, resident, or national of the United States; (2) resides with you as a member of your household; (3) receives the majority of his or her annual support (food, clothing, housing and medical care) from you; and (4) is not claimed as a dependent by another taxpayer.	(a) Certification affirming tax exemption criteria (1)-(4) are met; and (b) Worksheet 1, IRS Publication 501.

IMPORTANT NOTES:

1. Loss of Eligibility for Falsifying Information

All dependent enrollment forms and notarized statements will contain the following certification:

"I certify that all information on this form is true and correct, and agree to provide any additional information that the Trustees may require. ***I understand that if I misstate or misrepresent any information on this form, my dependents and I may each lose eligibility for benefits under the ILWU-PMA Welfare Plan.***"

2. Taxation

If your otherwise eligible dependent does not qualify as a dependent under Section 152 of the Internal Revenue Code, the fair market value of the dependent coverage will be reported as taxable income and income and (if you are an active employee) payroll taxes on the fair market value of the dependent coverage will be withheld from your weekly paycheck. (For example, if you live in California, where the total payroll tax rate is 16.1%, and if your income tax withholding rate is 15%, you will have a total of 31.1% of the fair market value of the dependent coverage withheld from your weekly paycheck.)

**INTERNATIONAL
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President

JOSEPH R. RADISICH
Vice President

WESLEY FURTADO
Vice President

WILLIAM E. ADAMS
Secretary-Treasurer

July 1, 2008

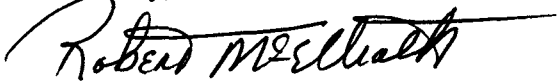
James C. McKenna
President & CEO
Pacific Maritime Association
555 Market Street, 3rd Floor
San Francisco, CA 94105

LETTER OF UNDERSTANDING
Long Term Care

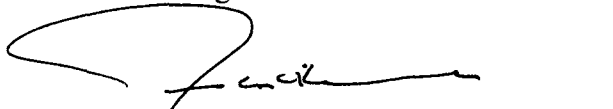
Mr. McKenna:

During the course of PCL&CA negotiations, the Parties agreed to conduct an in-depth study of the design and cost of adding a long-term care program to the ILWU-PMA Welfare Plan. This will confirm the Parties' agreement to refer this study to the Trustees for completion on or before December 31, 2010.

Sincerely,


Robert McEllrath
International President

Understanding confirmed:


James C. McKenna
President & CEO
Pacific Maritime Association

Dated: 7-28-08

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Secretary-Treasurer

July 1, 2008

James C. McKenna
President & CEO
Pacific Maritime Association
555 Market Street, 3rd Floor
San Francisco, CA 94105

LETTER OF UNDERSTANDING
Dental Implants

Mr. McKenna:

During the course of the 2008 PCL&CA negotiations, the Parties agreed that all requests for precertification of dental implants or claims for payment of dental implants will be referred to Medical Review Institute of America (MRIoA). If MRIoA determines that the procedure is medically necessary, it will be covered.

Sincerely,

A handwritten signature in black ink, appearing to read 'Robert McEllrath'. The signature is fluid and cursive, written over a horizontal line.

Robert McEllrath
International President

Understanding confirmed:

A handwritten signature in black ink, appearing to read 'James C. McKenna'. The signature is written in a cursive style, with a large, sweeping initial 'J'. It is written over a horizontal line.

James C. McKenna
President & CEO
Pacific Maritime Association

Dated: 7-28-08

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July 1, 2008

James C. McKenna
President & CEO
Pacific Maritime Association
555 Market Street, 3rd Floor
San Francisco, CA 94105

LETTER OF UNDERSTANDING
National Health Care Policy

Mr. McKenna:

During the course of PCL&CA negotiations, the Parties agreed to work together to advocate for an effective universal coverage, single payer national health care policy.

Sincerely,

Robert McEllrath
International President

Understanding confirmed:

James C. McKenna
President & CEO
Pacific Maritime Association

Dated: 7-28-08



Pacific Maritime Association
Headquarters

July 1, 2008

Mr. Robert McEllrath, President
International Longshore and Warehouse Union
1188 Franklin Street, 4th Floor
San Francisco, CA 94109

Letter of Understanding
Semi-Annual Arbitrators' Conference

Dear Mr. McEllrath:

In the course of PCL&CA negotiations, the Parties agreed to the following:

The Coast Arbitrator shall conduct semi-annual meetings with the Area and Relief Area Arbitrators. The meetings will be structured so that the Arbitrators meet privately in a morning session, to be joined in the afternoon session by members of the Coast Labor Relations Committee.

Topics for the meeting will be jointly determined by the Coast Arbitrator and the Coast Labor Relations Committee.

Sincerely,

James C. McKenna
President and CEO

Understanding confirmed:

Robert McEllrath, President
International Longshore and Warehouse Union

Date: July 28th 2008

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Secretary-Treasurer

July 1, 2008

James C. McKenna
President & CEO
Pacific Maritime Association
555 Market Street, 3rd Floor
San Francisco, CA 94105

LETTER OF UNDERSTANDING
Discrimination Grievances

Mr. McKenna:

During the course of the 2008 PCL&CA negotiations, the Parties agreed that CLRC letter dated November 6, 1985 regarding "Discrimination Grievances" is vacated.

Sincerely,

Robert McEllrath
International President

Understanding confirmed:

James C. McKenna
President & CEO
Pacific Maritime Association

Dated: 7-28-08

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Secretary-Treasurer

July 1, 2008


James C. McKenna
President & CEO
Pacific Maritime Association
555 Market Street, 3rd Floor
San Francisco, CA 94105

LETTER OF UNDERSTANDING
Strike, Lockout, and Work Stoppage Accelerated Grievance Procedure


Mr. McKenna:

During the course of the 2008 PCL&CA negotiations, the Parties discussed the intent of the new Sections 17.2611 and 17.631 and agreed that the provisions do not apply to picket lines, health and safety, and onerous work disputes.

Sincerely,


Robert McEllrath
International President

Understanding confirmed:


James C. McKenna
President & CEO
Pacific Maritime Association

Dated: 7-28-08



Pacific Maritime Association
Headquarters

July 1, 2008

Mr. Robert McEllrath, President
International Longshore and Warehouse Union
1188 Franklin Street, 4th Floor
San Francisco, CA 94109

Letter of Understanding
Coast Arbitration Procedures

Dear Mr. McEllrath:

During the course of the 2008 ILWU-PMA Contract negotiations, the Parties discussed issues related to the procedures concerning Coast Arbitrations. The Parties agreed to conduct a meeting with the Coast Arbitrator to detail the Parties' expectations and the goal of providing greater administrative efficiency. Items of discussion shall include the use of court reporters, more timely production of transcripts, the issuance of decisions, and the Coast Arbitrator's exclusive availability to the Parties. With respect to the Coast Arbitrator's availability, the Parties agreed to seek six (6) dedicated days a month, mid-week, assuming reasonable cost.

Sincerely,

James C. McKenna
President and CEO

Understanding confirmed:

Robert McEllrath, President
International Longshore and Warehouse Union

Date: July 28, 2008



Pacific Maritime Association
Headquarters

July 1, 2008

Mr. Robert McEllrath, President
International Longshore and Warehouse Union
1188 Franklin Street, 4th Floor
San Francisco, CA 94109

Letter of Understanding
Non-Container Work Development / Small Port Work Development

Dear Mr. McEllrath:

During the course of the 2008 negotiations, the Parties discussed the concept of having joint forums to discuss ways of attracting new work to the small ports. The focus will be on non-container operations. Recognizing that it is in their mutual interest to develop and provide work in ports that have little or limited work, the Parties agreed to meet at the local level within 180 days of the ratification of the agreement to conduct such forums and promote new work, with final approval of the CLRC.

The purpose of this special understanding is to attract and encourage cargo-handling businesses.

Sincerely,

James C. McKenna
President and CEO

Understanding confirmed:

Robert McEllrath, President
International Longshore and Warehouse Union

Dated: July 28th, 2008



Pacific Maritime Association
Headquarters

July 1, 2008

Mr. Robert McEllrath, President
International Longshore and Warehouse Union
1188 Franklin Street, 4th Floor
San Francisco, CA 94109

Letter of Understanding
Subsistence and Mileage Reimbursement

Dear Mr. McEllrath:

During the course of the 2008 negotiations, the Parties discussed the issue of subsistence and mileage reimbursement not being paid in the same week as the payroll. In the interest of efficiency, the PMA agreed that it would explore new methods of payroll in an effort to have the above-mentioned paid in the same pay period. This study shall be completed within 120 days of the ratification of the Contract, and the feasibility will be shared between the Parties at the CLRC.

Sincerely,

A handwritten signature in black ink, appearing to read 'James C. McKenna', is written over a horizontal line.

James C. McKenna
President and CEO

Understanding confirmed:

A handwritten signature in black ink, appearing to read 'Robert McEllrath', is written over a horizontal line.

Robert McEllrath, President
International Longshore and Warehouse Union

Dated:

July 28th, 2008



Pacific Maritime Association
Headquarters

July 1, 2008

Mr. Robert McEllrath, President
International Longshore and Warehouse Union
1188 Franklin Street, 4th Floor
San Francisco, CA 94109

Letter of Understanding
Diversity Training

Dear Mr. McEllrath:

During the course of 2008 PCL&CA negotiations, the Parties discussed the current diversity training program. The Parties agreed the Coast Labor Relations Committee shall meet to discuss the content and curriculum of the diversity training program, with the express intent of ensuring such training meets the needs of the industry.

Sincerely,

James C. McKenna
President and CEO

Understanding confirmed:

Robert McEllrath, President
International Longshore and Warehouse Union

Dated: July 28th 2008

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Secretary-Treasurer

July 1, 2008

James C. McKenna
President & CEO
Pacific Maritime Association
555 Market Street, 3rd Floor
San Francisco, CA 94105

LETTER OF UNDERSTANDING
General Safety Training

Mr. McKenna:

During the course of the 2008 PCL&CA negotiations, the Parties agreed that GST content and curriculum shall be approved by the CLRC. It was further agreed that the Union, at its expense, shall be entitled to participate in the classroom instruction.

Sincerely,

Robert McEllrath
International President

Understanding confirmed:

James C. McKenna
President & CEO
Pacific Maritime Association

Dated: 7-28-08



Pacific Maritime Association
Headquarters

July 1, 2008

Mr. Robert McEllrath, President
International Longshore and Warehouse Union
1188 Franklin Street, 4th Floor
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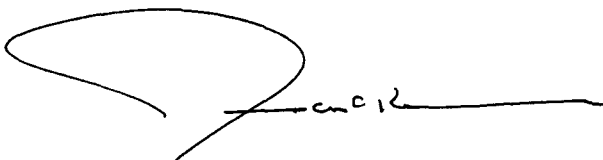
Letter of Understanding
Drug and Alcohol Testing Policy and Procedures

Dear Mr. McEllrath:

During the course of 2008 Contract negotiations, the Parties engaged in extensive discussions regarding the industry drug and alcohol testing procedures, with particular attention paid to the concept of testing following a serious workplace accident and the effectiveness of the current policy with respect to the procedures outlined in Section 17.829 of the PCL&CA.

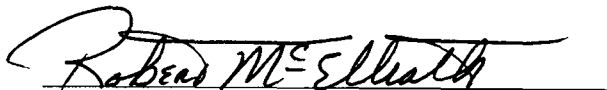
Consistent with the recognized need to maintain a drug and alcohol free workplace, the Parties agreed the Coast Labor Relations Committee shall discuss the current drug and alcohol testing policy and procedures.

Sincerely,



James C. McKenna
President and CEO

Understanding confirmed:



Robert McEllrath, President
International Longshore and Warehouse Union

Dated: July 28th, 2008

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Secretary-Treasurer

July 1, 2008

James C. McKenna
President & CEO
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555 Market Street, 3rd Floor
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LETTER OF UNDERSTANDING
Clarifications and Exceptions to ILWU Maintenance and Repair Jurisdiction

Mr. McKenna:

During the course of the 2008 PCL&CA negotiations, the Parties discussed the assignment of maintenance and repair work to the ILWU coastwise bargaining unit to offset the introduction of new technologies and robotics that will necessarily displace/erode traditional longshore work and workers. The scope of ILWU work shall include the pre-commission installation per each Employer's past practice (e.g., OCR, GPS, MODAT, and related equipment, etc., excluding operating system, servers, and terminal infrastructure, etc.), post-commission installation, reinstallation, removal, maintenance and repair, and associated cleaning of all present and forthcoming technological equipment related to the operation of stevedore cargo handling equipment and its electronics in all West Coast ports except for those, and only those, specific marine terminal facilities listed as "red-circled" below:

OAKLAND	
APL/EMS Berths 60-63	Red circle cranes, reefers, and container washing
APM OAK Berths 20-23	Red circle Berth 20 cranes, Horizon off dock trucking operation and associated equipment
OICT/SSAT Berths 57-59	Red circle
TBCT/ITS Berths 24-26	Red circle
Howard Terminal/SSAT Berths 67-68	Red circle
Ben Nutter/Evergreen Berths 35-38	Red circle
Hanjin/TTI Berths 55-56	Red circle with the exception of cranes, transtainers, dry containers, reefers, and chassis
SSAT/Richmond	Red circle

James C. McKenna

Re: Clarifications and Exceptions to ILWU Maintenance and Repair Jurisdiction

July 1, 2008

Page 2 of 3

LONG BEACH	
LB 243-247/ LB 266-270 SSA Pier J	Red circle
LB 88-94 SSAT Pier A	Red circle
LB 60-62 SSAT Pier C	Red circle
LB 227-236 ITS Pier J/G	Red circle
LB 132-140 Pier T Hanjin/TTI	Red circle with the exception of cranes, transtainers, reefers, dry containers, and chassis
LB 205-207 SSA Pier F	Red circle

LOS ANGELES	
LA APL/EMS Berths 302-305	Red circle reefer, minor chassis service repair and roadability in CY
LA Berths 226- 236 Evergreen	Red circle with the exception of cranes, transtainers, reefers, dry containers, and chassis
LA Berths 121-131 Yang Ming	Red circle with the exception of cranes
LA SSA Outer Harbor 54-55	Red circle
LA Berth 100 WBCT/China Shipping	Red circle with the exception of cranes

TACOMA	
Husky Terminal/ITS	Red circle
TOTE	Red circle with the exception of minor trailer repair, federal trailer licensing, and rolox box repair
APM Terminal	Red circle hammerhead cranes only
OCT/Yang Ming/Terminal 7 Berth D	Red circle with the exception of chassis, reefers, and dry containers
Horizon Facility	Red circle

SEATTLE	
SSA Terminal 18	Red circle
SSAT Terminal 25	Red circle
SSAT/China Shipping Terminal 30	Red circle
Terminal 46/Hanjin	Red circle with the exception of cranes, transtainers, chassis, dry containers, and reefers
Pier 66/CTA	Red circle
APL/EMS North Terminal 5	Red circle

James C. McKenna

Re: Clarifications and Exceptions to ILWU Maintenance and Repair Jurisdiction

July 1, 2008

Page 3 of 3

The "red-circled" list shall replace the 1978 past practice exception with respect to Sections 1.7, 1.71, 1.72, and 1.73 of the PCLCD.

The Parties further agree that all carriers and vessel operators may use any of the "red-circled" facilities, as they see fit, without affecting the status of these facilities as an exception to ILWU maintenance and repair jurisdiction. It shall be a subterfuge for a carrier to utilize a "red circled" terminal to perform maintenance and repair work on its equipment unless the work is associated with a vessel calling that facility. Modifications and reconstruction of any "red-circled" facility, including changes in the boundary lines that do not change the fundamental identity of the "red-circled" facility, shall not change its exception status.

The Parties agree that a terminal operator that is the owner or lessee of a "red-circled" facility and that has a direct collective bargaining relationship with another union as of July 1, 2008, may vacate a "red circled" facility and then relocate its operations to another facility within the same port (other than newly constructed terminals subject to ILWU jurisdiction under Section 1.731) and retain its incumbent non-ILWU mechanic workforce, provided the relocation maintains a continuity of operations, personnel, and equipment.

The Parties also agree that, notwithstanding the above paragraph, the anticipated relocation, due to eminent domain, of the Tacoma TOTE facility to another location within the Port of Tacoma area shall not displace or disturb the recognized workforce at the prior facility, unless otherwise determined by the Employer.

With respect to Section 1.75, the Parties agreed that the exception would only apply to "full red circled" facilities.

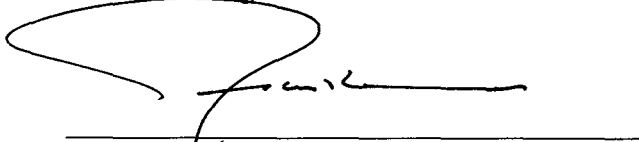
The Parties left for future resolution under Section 17 the question concerning how Section 1 provisions, as amended, apply in situations when stevedore cargo handling equipment (See Section 1.7 and sub-sections), at a marine terminal is moved off the marine terminal by the terminal operator or by a signatory carrier.

Sincerely,



Robert McEllrath
International President

Understanding confirmed:



James C. McKenna
President & CEO
Pacific Maritime Association

Dated: 7-28-08



Pacific Maritime Association

Headquarters

July 1, 2008

Mr. Robert McEllrath, President
International Longshore and Warehouse Union
1188 Franklin Street, 4th Floor
San Francisco, CA 94109

Letter of Understanding Maintenance and Repair – Warranty Definition

Dear Mr. McEllrath:

During the course of the 2008 ILWU-PMA Contract negotiations, the Parties discussed the M&R warranty provisions in the applicable port supplements and agreed to the following warranty language (See Section 1.81 and Letter of Understanding – Clarification and Exceptions to ILWU Maintenance and Repair Jurisdiction):

Work may be performed on dock by vendors under bona fide original written manufacturers' warranty on new purchased or leased equipment. Length of such warranties shall not exceed industry standards of the manufacturer or three (3) years, whichever is less. Past practice exceptions (e.g., manufacturer design problems, major structural repairs, major painting, and items recalled by the manufacturer) may continue. Additional service contracts not covered by the original warranty shall not be construed as being bona fide original manufacturers' warranties. Copies of said warranties shall be furnished to the Union upon request.

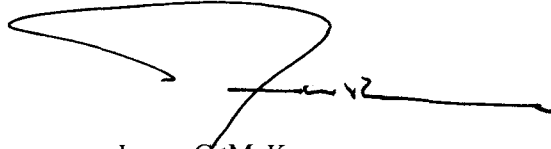
While under vendor warranty, no agency other than vendor and/or manufacturer or their designated agency shall be used to repair said piece of equipment.

There shall be no gimmicking by the parties related to manufacturers' warranties.

Employers shall familiarize member(s) of the ILWU mechanic work force on new equipment under warranty and system updates. Familiarization shall include the operation and repair of new equipment under warranty and system updates.

When an original equipment manufacturer is offering a program for an authorized service centers' certification, the Employers shall participate in these certification programs using ILWU represented mechanics. In the event an original equipment manufacturer does not provide authorized manufacturer certifications, when requested, the Employer shall provide the ILWU a letter stating the specific reasons why they were not accepted.

Sincerely,

A handwritten signature in black ink, appearing to read "James C. McKenna". The signature is fluid and cursive, with a large loop at the beginning and a horizontal line extending to the right.

James C. McKenna
President and CEO

Understanding confirmed:

A handwritten signature in black ink, appearing to read "Robert McEllrath". The signature is cursive and somewhat stylized, with a horizontal line underneath.

Robert McEllrath, President
International Longshore and Warehouse Union

Dated: July 28th, 2008



Pacific Maritime Association
Headquarters

July 1, 2008

Mr. Robert McEllrath, President
International Longshore and Warehouse Union
1188 Franklin Street, 4th Floor
San Francisco, CA 94109

Letter of Understanding
Maintenance and Repair – Mechanics' Boards

Dear Mr. McEllrath:

During the course of the 2008 ILWU-PMA Contract negotiations, the Parties discussed and agreed that a Mechanic Board shall be established in the major container ports of Seattle, Tacoma, Portland and Oakland. Orders for supplemental labor shall be placed, by the employer, at the ILWU-PMA Dispatching Halls. Supplemental labor shall be dispatched in accordance with local joint dispatch rules and practices.

Sincerely,

James C. McKenna
President and CEO

Understanding confirmed:

Robert McEllrath, President
International Longshore and Warehouse Union

Dated:

July 28th, 2008



Pacific Maritime Association
Headquarters

July 1, 2008

Mr. Robert McEllrath, President
International Longshore and Warehouse Union
1188 Franklin Street, 4th Floor
San Francisco, CA 94109

Letter of Understanding
M&R Training

Dear Mr. McEllrath:

During the course of 2008 Contract negotiations, the Parties recognized the need for M&R training. It was acknowledged that the M&R training provisions contained within the 2002 Memorandum of Understanding (MOU) dated November 23, 2002, were not fully implemented.

The Parties, therefore, agreed that the terms and conditions of the M&R 2002 MOU are reconfirmed and shall be accomplished during the term of the 2008 PCL&CA.

Sincerely,

James C. McKenna
President and CEO

Understanding confirmed:

Robert McEllrath, President
International Longshore and Warehouse Union

Dated: July 28th, 2008



Pacific Maritime Association
Headquarters

July 1, 2008

Mr. Robert McEllrath, President
International Longshore and Warehouse Union
1188 Franklin Street, 4th Floor
San Francisco, CA 94109

Letter of Understanding
M&R Training Requirements for Steady Mechanics

Dear Mr. McEllrath:

During the course of the 2008 ILWU-PMA Contract negotiations, the Parties discussed M&R training requirements for steady mechanics employed by PMA member companies.

The CLRC agrees to meet in order to develop a steady mechanic training criteria to meet the needs of West Coast employers. The Parties agree to accomplish this task no later than July 1, 2009, for the express purpose of providing continuing education for steadily employed mechanics on new and evolving technologies in accordance with Sections 1.72 and 1.73 of the PCLCD.

Sincerely,

A handwritten signature in black ink, appearing to read 'James C. McKenna', is written over a horizontal line.

James C. McKenna
President and CEO

Understanding confirmed:

A handwritten signature in black ink, appearing to read 'Robert McEllrath', is written over a horizontal line.

Robert McEllrath, President
International Longshore and Warehouse Union

Dated: July 28th, 2008

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ROBERT McELLRATH
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JOSEPH R. RADISICH
Vice President

WESLEY FURTADO
Vice President

WILLIAM E. ADAMS
Secretary-Treasurer

July 1, 2008

James C. McKenna
President & CEO
Pacific Maritime Association
555 Market Street, 3rd Floor
San Francisco, CA 94105

LETTER OF UNDERSTANDING
Special Grievance Machinery – M&R Registered Mechanics

Mr. McKenna:

During the course of the 2008 PCL&CA negotiations, the Parties agreed to modify the July 1, 1993 Arian/Coday Letter of Understanding as follows:

Minor Offenses -- Absence from job such as late starts, early quits, extended relief periods, extended meal hours, failure to show, failure to follow orders or to work as directed, minor insubordination, falsification of work orders or written documents, and any other infraction of a minor nature:

- | | |
|-------------------------|--|
| 1 st Offense | Letter of reprimand with copy to LRC and individual employee |
| 2 nd Offense | 1 or 2 days off w/o pay |
| 3 rd Offense | 1 to 3 days off w/o pay |
| 4 th Offense | 4 weeks off w/o pay |
| 5 th Offense | Deregistration |

In determining minor offense penalties, neither the Parties nor the arbitrators shall consider offenses that predate two years or more of the date of a current offense.

Sincerely,

Robert McEllrath
International President

Understanding confirmed:

James C. McKenna
President & CEO
Pacific Maritime Association

Dated: 7 - 28 - 08



Pacific Maritime Association
Headquarters

July 1, 2008

Mr. Robert McEllrath, President
International Longshore and Warehouse Union
1188 Franklin Street, 4th Floor
San Francisco, CA 94109

Letter of Understanding
New Terminal Facilities

Dear Mr. McEllrath:

During the course of the 2008 PCL&CA negotiations, the Parties had extensive discussion about future industry growth. The Employers sought assurance that the Parties will be able, in advance, to resolve disputes connected to the opening of new terminal facilities. The Union restated its support of the investment and construction of new terminal facilities and development of technologies.

This Letter of Understanding commits both parties to proactively discuss intended new terminal facilities, pursuant to the provisions of Section 15 of the PCLCD to avoid and/or resolve disputes.

The Parties further agree that steady and hall registered ILWU mechanics shall be entitled, at such mechanics' request, for interport transfer to new mechanic positions for the opening of new marine terminals. Notice of steady mechanic positions shall be posted in all longshore dispatch halls coastwise at least sixty (60) days in advance. Upon acceptance of the hiring employer, interport transfer shall be subject to approval of the involved JPLRC's in accordance with the established transfer provisions of Supplement I of the PCL&CA.

Sincerely,

James E. McKenna
President and CEO

Understanding confirmed:

Robert McEllrath, President
International Longshore and Warehouse Union

Dated:

July 28th, 2008

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President & CEO
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555 Market Street, 3rd Floor
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LETTER OF UNDERSTANDING
Intraport Transfer of Mechanics

Mr. McKenna:

During the course of the 2008 PCL&CA negotiations, the Parties agreed to modify the Herman/Flynn January 17, 1980 Letter of Understanding regarding Sections 1.7 and 1.71 – Registration to provide that registered mechanics, upon completion of seven (7) years steady employment with one employer, are entitled, at the mechanic's request and without the approval of his/her current employer, to seek and obtain steady mechanic employment with another PMA company at the same port area.

Intraport transfer shall be limited to 10% of an individual employer's mechanic workforce, and shall never exceed 10% of said employer's crane mechanic workforce, in one year unless otherwise agreed to by the employer. If an employer has a workforce of less than ten (10), such transfers shall be limited to one (1) unless otherwise agreed to by the employer.

The mechanic electing to transfer under this provision shall provide the Employer he/she is leaving with 30 days notice.

A mechanic shall only be eligible to transfer once within each 24-month period, after the seven (7) year requirement has been fulfilled.

Sincerely,

Robert McEllrath
International President

Understanding confirmed:

James C. McKenna
President & CEO
Pacific Maritime Association

Dated: 7-28-08

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LETTER OF UNDERSTANDING
M&R Work "Contract Stevedores" and Bulk Facilities

Mr. McKenna:

During the course of the 2008 PCL&CA negotiations, the Parties discussed and agreed that Section 1.7, 1.71, 1.72, 1.73, and 1.731 shall cover work performed by PMA member companies functioning as "contract stevedores" and PMA member companies operating bulk facilities. "Contract stevedore" is a company performing stevedore work with its own or leased equipment at non-CY terminals where it is not the owner or the lessee.

It was agreed that such companies are entitled to waiver of Section 1.7 and associated subsections in keeping with an Employer's past practice in a port where such work was performed by non-longshore employees of said employer or by said employer's subcontractor pursuant to a past practice that was followed as of July 1, 1978.

With respect to bulk facilities, the exception shall apply only to existing facilities.

Sincerely,

Robert McEllrath
International President

Understanding confirmed:

James C. McKenna
President & CEO
Pacific Maritime Association

Dated: 7-28-08



Pacific Maritime Association
Headquarters

July 1, 2008

Mr. Robert McEllrath, President
International Longshore and Warehouse Union
1188 Franklin Street, 4th Floor
San Francisco, CA 94109


Letter of Understanding
California Crane Operations

Dear Mr. McEllrath:

During the course of 2008 Contract negotiations, the Parties discussed the utilization of an additional swingman under each crane against container operations in the Ports of Los Angeles and Long Beach, as well as the utilization of a dock signal person in the Ports of Oakland/San Francisco against each crane on container operations. Furthermore, during the discussions, the Parties recognized the potential of new technologies and robotics that may necessarily displace the swingmen in LA/LB and the dock signal person in Oakland/San Francisco.

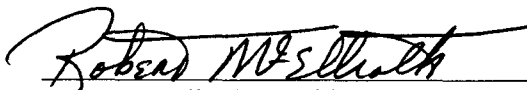
The Employers agreed to order an additional swingman (totaling four) against each crane on container vessel operations in LA/LB and a dock signal person against each crane on container vessel operations in Oakland/San Francisco.

Sincerely,



James C. McKenna
President and CEO

Understanding confirmed:



Robert McEllrath, President
International Longshore and Warehouse Union

Dated: July 28th, 2008



Pacific Maritime Association Headquarters

July 1, 2008

Mr. Robert McEllrath, President
International Longshore and Warehouse Union
1188 Franklin Street, 4th Floor
San Francisco, CA 94109

Letter of Understanding **Local 40A Berth Agent Registration Agreement**

Dear Mr. McEllrath:

During the course of the 2008 negotiations, the Parties discussed the Union's request to grant limited Class B registration to ILWU Local 40A individuals who perform berth agent duties. Notwithstanding prior CLRC agreements covering registration, and due to the unique aspects of the work, the Committee agreed the five (5) ILWU Local 40A Berth Agents employed by Ports America Group (PAG) in the Ports of Portland and Vancouver shall be granted limited Class B registration no later than November 1, 2008, subject to the following:

1. Successful completion of the industry physical examination shall be required.
2. A satisfactory history of employment as a limited Class B registrant for six (6) months shall be required prior to eligibility for advancement to Class A status.
3. The limited Class B registration shall be limited to the particular job for which the individual had been steadily employed prior to his or her registration status for a period of no less than seven (7) years.
4. The registered individual shall continue to be restricted to their particular job beyond the seven (7) year period should there be no qualified replacements for that position.
5. The registered individual shall have years of service for ILWU-PMA Pension Plan purposes limited to the period of time for which contributions at the established rate have been made in the regular manner into the ILWU-PMA Pension Plan for hours of work performed by the person in the particular job added or as a registered clerk.

Any contributions resulting from their pre-registration collective bargaining agreement that are collected and reserved for ILWU-PMA Pension Plan purposes, pending action of the parties, shall be considered in conformance with Section 5 above. Furthermore, such a person's eligibility for any other ILWU-PMA plan benefits shall be on the basis of hours worked in

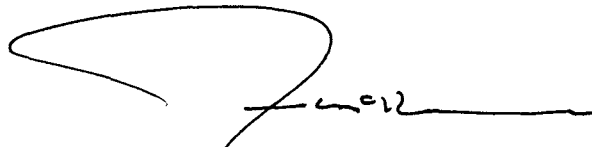
Mr. Robert McEllrath, President
Letter of Understanding – Local 40A Berth Agent Registration Agreement
July 1, 2008
Page 2 of 2

registered employment, unless the parties shall agree to an alternative in a particular case. The registered individuals shall, upon limited Class B registration, receive immediate HMO coverage in accordance with the terms of the ILWU-PMA Welfare Plan.

In the event the Employer's operational needs dictate a reduction in staff (i.e., due to lay-off), the released individual(s) shall be granted full dispatch hall rights as a marine clerk but shall be required to accept call backs as a berth agent for seven (7) years to meet the needs of the employer.


It is further agreed that this specific registration agreement shall be limited to those listed individuals and shall not be used as a precedent in future cases between the Parties. The specific tasks and functions performed by the listed individuals shall not set a precedent expanding Section 1 jurisdiction under the PCCCD except at Terminal 6, Port of Portland, and Port of Vancouver (excluding bulk facilities and auto facilities).

Sincerely,



James C. McKenna
President and CEO

Understanding confirmed:


Robert McEllrath, President
International Longshore and Warehouse Union

Dated: July 28th, 2008

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July 28, 2008

James C. McKenna
President & CEO
Pacific Maritime Association
555 Market Street, 3rd Floor
San Francisco, CA 94105

LETTER OF UNDERSTANDING
Amnesty

Mr. McKenna:

This confirms the Employers' agreement that there will be no discipline, grievances or legal claims (and any pending claims will be withdrawn) against the Union or any individual longshore worker for any acts of alleged misconduct related to the negotiations, the "May Day" dispute, the S.F. foremen upgrade dispute, and any other misconduct that may have occurred between July 1 and July 28, 2008.

Sincerely,

Robert McEllrath
International President
Understanding confirmed:

James C. McKenna
President & CEO
Pacific Maritime Association

Dated: July 28th, 2008



Pacific Maritime Association
Headquarters

July 1, 2008

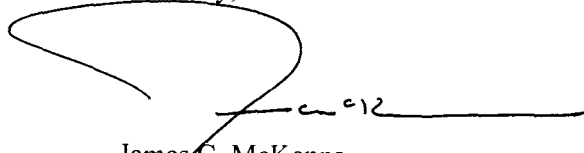
Mr. Robert McEllrath, President
International Longshore and Warehouse Union
1188 Franklin Street, 4th Floor
San Francisco, CA 94109

Letter of Understanding
Marine Diesel-Cleaner Burning Fuels

Dear Mr. McEllrath:


During the course of the 2008 Negotiations, the Parties agreed that the airborne emissions from vessels could be reduced significantly with cleaner burning fuels required through the implementation of an International Maritime Organization (IMO) Sulfur Emissions Control Area (SECA) on the West Coast of the United States. The Parties agreed to send a joint letter to the Environmental Protection Agency (EPA) and the Governors of the three West Coast States endorsing the rapid adoption of the SECA to protect waterfront workers and citizens of the surrounding areas from vessel emissions.

Sincerely,



James C. McKenna
President and CEO

Understanding confirmed:



Robert McEllrath, President
International Longshore and Warehouse Union

Dated: July 28th, 2008