SIU Pacific District Pension Plan Notes

The Plan provides two types of pension – Deferred Vested Pensions and Pensions Vesting at Retirement. The latter include employer subsidized early retirement benefits. If you qualify for more than one pension, you will receive only the one that is the largest. A few highlights from the SIU Pacific District Pension Plan rules are outlined below:

Deferred Vested Pension

The Plan provides a Deferred Vested Pension benefit payable at Normal Retirement Age (usually age 65.) The amount of the benefit depends on the pension credits accumulated.

One Year of Vesting Service

125 days of covered employment within a calendar year

Benefit Credits

125-199 days: pro rata benefit  200 days: full year vested benefit credit

Vesting Requirements

Before August 1, 1999, 10 years of vesting service for active employees
After 7/31/1999, 5 years of vesting service for active employees

If following a Plan participant’s most recent year of vesting service, a participant with less than 10 aggregate years of vesting service has one or more one-year service breaks before January 1, 1999, then the required number of aggregate years of vesting service shall continue to be ten until the participant completes one year of vesting service after December 31, 1998.

(Exceptions to the above vesting periods may apply in accordance with break in service rules.)

Breaks in Service

Until your benefit is “vested”, you may lose your accumulated pension credits if you have a Break in Service. Prior to January 1, 1985, you experience a Break in Service for purposes of the Deferred Vested pension if the number of consecutive calendar years in which you have 62 or fewer days of service equals or exceeds the number of accumulated prior calendar years in which you had 125 or more days of service provided, however, that from January 1, 1985 and after, you will not suffer a Break in Service until you have at least five consecutive calendar years with 62 or fewer days of service. Your accumulated years of vesting service cannot include years lost because of a previous break in service.
Pensions Vesting at Retirement

The following pensions may be payable before Normal Retirement Age based on the number of qualifying years earned within the applicable qualification period:

<table>
<thead>
<tr>
<th>Pension Type</th>
<th>Qualifying Years Requirement</th>
<th>Minimum Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long Term</td>
<td>25</td>
<td>55</td>
</tr>
<tr>
<td>Basic</td>
<td>20</td>
<td>55</td>
</tr>
<tr>
<td>Reduced</td>
<td>15-19</td>
<td>65</td>
</tr>
<tr>
<td>Disability</td>
<td>Minimum of 10 years</td>
<td>Any age</td>
</tr>
</tbody>
</table>

Year of Qualifying Time

200 days of covered employment within a calendar year equals a full year of qualifying time. Less than 200 days within a calendar year will earn a pro rata partial year of qualifying time. No credit will be earned for covered employment in excess of 200 days in any calendar year.

Loss of Qualifying Time

A Plan participant shall lose all qualifying time credit if he or she:

1. has failed to maintain seniority shipping rights under the provisions of the Collective Bargaining Agreement, or

2. has failed to work at least 1 day in covered employment or in a non-covered standby employment for a contributing employer in any 2 calendar year period after having attained seniority shipping rights, or

3. did not have seniority shipping rights on June 15, 1965 under the provisions of the Collective Bargaining Agreement, provided that a Plan participant shall be deemed to have seniority shipping rights on June 15, 1965 if he or she was working in covered employment on June 15, 1965, or was eligible for registration or employment on a seniority basis on that date at one of the hiring halls of the Pacific District Unions.

Any such Plan participant who reenters covered employment after having so forfeited his qualifying time shall accumulate qualifying time only after the date he or she last forfeited Qualifying time.
A Plan participant cannot lose previously acquired qualifying time if he or she has fulfilled all of the eligibility requirements for a Basic or Long Term Pension at any time since June 16, 1978.

Integration Agreements

The SIU Pacific District Pension Plan entered into INTEGRATION AGREEMENTS with the Chevron/SUP/Marine Pension Plan, ExxonMobil and the San Francisco Bar Pilots Marine Pension Plan.

Example Calculation for a Pro-rata Benefit(s):

Applicant is age 60
Applicant has accumulated 32 Qualifying Years.
Applicant is entitled to receive the current maximum amount of $2,520.00

<table>
<thead>
<tr>
<th>SIU-PD Pension Plan:</th>
<th>23.0 Qualifying Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Plan:</td>
<td>9.0 Qualifying Years</td>
</tr>
<tr>
<td>Total Qualifying Years:</td>
<td>32.0</td>
</tr>
</tbody>
</table>

$2,520.00 ÷ 32.0 Qualifying Years = $78.75 (Per Qualifying Year)

$ 78.75 x 23.0 = $1,811.25 SIU-PD Pension Plan
$ 78.75 x 9.0 = $ 708.75 Other Plan

$2,520.00

In no event does the SIU Pacific District Pension Plan integrate with any of the other plans for vesting or Deferred Vested Benefit purposes.

*        *        *

Space does not allow a full listing of the SIU-PD Pension Plan rules. Questions regarding Exceptions, Break-in-Service rules or Accumulated Vesting or Qualifying Time should be directed to the Plan Office.

SIU Pacific District Pension Plan:  415-764-4987