

July 30, 2008

**ILWU/PMA  
PACIFIC COAST WALKING BOSSES AND FOREMEN'S AGREEMENT  
MEMORANDUM OF UNDERSTANDING**

between

**PACIFIC MARITIME ASSOCIATION  
(For the Employers)**

and

**Locals 91, 92, 94, and 98  
of the  
INTERNATIONAL LONGSHORE AND  
WAREHOUSE UNION**

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 Walking Bosses and Foremen's 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**

A. Wage Rates

Walking Bosses/Foremen and CFS Walking Bosses/Foremen straight time wage rates to be increased to the following (the last year of the Agreement, the straight time rate for Walking Bosses/Foremen and CFS Walking Bosses/Foremen shall be 133.93% of longshore skill rate I [winch driver]):

	Straight-Time Hourly Rate					
Effective 8:00 A.M.:	06/28/2008	07/04/2009	07/03/2010	07/02/2011	06/30/2012	06/29/2013
Walking Bosses/ Foremen	\$ 43.80	\$ 44.60	\$ 46.20	\$ 47.80	\$ 49.40	\$ 51.00

**II. Pensions**

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 walking bosses/foremen 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 walking boss/foreman with 37 or more years of qualifying service retiring at age 62 or later;
  - b. Effective July 1, 2012, for those registered walking bosses/foremen 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 walking boss/foreman with 37 or more years of qualifying service retiring at age 62 or later; and
  - c. Effective July 1, 2013, for those registered walking bosses/foremen 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 walking boss/foreman 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 Section 3.011 of the ILWU-PMA Pension Plan.

Effective July 1, 2008, for those walking bosses/foremen 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 walking bosses/foremen 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 walking bosses/foremen 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 walking bosses/foremen 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 walking bosses/foremen 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 walking bosses/foremen 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 walking boss/foreman 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 walking bosses/foremen 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 walking boss/foreman, 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 walking bosses/foremen 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 walking boss/foreman or the following amounts:
1. For Surviving Spouses or Dependent Child Survivors of walking bosses/foremen 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 walking boss/foreman'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 walking boss/foreman'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 walking boss/foreman's retirement.
  2. For Surviving Spouses or Dependent Child Survivors of walking bosses/foremen 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 walking boss/foreman'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 walking boss/foreman'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 walking boss/foreman's retirement.
3. For Surviving Spouses or Dependent Child Survivors of walking bosses/foremen 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 walking boss/foreman.

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 walking bosses/foremen 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 walking bosses/foremen 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 walking bosses' 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 Walking Boss/Foreman 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. 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.
18. 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 1 – Jurisdiction and Responsibilities**

- A. Amend Section 1.1 to read:
  - 1.1 The Employers recognize the Walking Bosses and Foremen as direct supervisory representatives of the Employers in the performance of all cargo handling stevedoring activities covered under the Pacific Coast Longshore Contract Document. They shall have the responsibility and authority to supervise, place or discharge individuals and to direct the work and activities of longshore workers on the job in a safe, efficient and proper manner. They shall perform their customary duties in accordance with this Agreement and the directions of their Employers with due respect to the interests and requirements of the job and their Employers. Walking Bosses/Foremen must set an exemplary standard for the longshore workers they supervise. Walking Bosses/Foremen are to ensure a hostile-free and discrimination-free workplace. The customary duties assigned herein to Walking Bosses/Foremen shall not be assigned to others. It is the intent of this Agreement to preserve the existing work of employees covered herein.

**VI. Section 2 – Hours and Shifts**

- A. Amend Section 2.5 to read:

“Extended shift violations. When longshore workers are paid hour-for-hour for extended shift violations, equivalent time shall be paid to the Walking Bosses/Foremen directly supervising the longshore workers who worked extended.”
- B. Delete Section 2.51.

**VII. Section 3 – Guarantees**

A. Amend Section 3.11 to read:

3.11 Walking Bosses/Foremen shall be paid 2 hours extended time when they are turned to at the beginning of any standard longshore work shift; when turned to on straight time days, their guarantee shall be 8 hours straight time and 2 hours overtime. (This section does not supersede Sections 3.12 and 3.13 below.)

B. Amend Section 3.2 to read:

3.2 Monthly guarantee for steady employees. No provision of this agreement shall preclude employment of workers under this agreement on a steady, monthly guarantee basis by any one of the employers. Workers so employed shall be available to their employer as determined by their employer. The monthly guarantee for such steady employees shall be the monetary equivalent of 200 hours per month at the applicable straight time rate.

**VIII. Section 4 – Wage Rates**

A. Amend Section 4.11.

1. Delete the “30%” that appears before “Walking Bosses/Foremen”
2. Delete 20% Walking Bosses/Foremen.

B. Amend Section 4.4 – Subsistence and Lodging for Walking Bosses/Foremen shall be increased as indicated below:

	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Lodging:	\$10.00	\$5.00	\$5.00	\$10.00	\$5.00	\$5.00
Subsistence:	\$0.00	\$5.00	\$0.00	\$0.00	\$5.00	\$0.00

**IX. 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.”

**X. Section 6 – Pay Guarantee Plan, Rules, and Administration**

A. The Parties agreed to continue the contingent liabilities of Sections 6.11 and 6.12 as before with no changes.

6.11 For each year of the Agreement the Employers will have a contingent liability for the Pay Guarantee Plan of the following maximum amounts:

First year	(7/1/08 to 6/30/09)	\$747,365
Second year	(7/1/09 to 6/30/10)	\$490,800
Third year	(7/1/10 to 6/30/11)	\$490,800
Fourth year	(7/1/11 to 6/30/12)	\$747,365
Fifth year	(7/1/12 to 6/30/13)	\$490,800
Sixth year	(7/1/13 to 6/30/14)	\$490,800

6.12 The contingent liability set forth above will be made available to meet the Plan's payout requirements at the end of a payroll week as follows:

Contract Year	Contract Year Week No.	Weekly Contingent Liability Amount
1.....	1.....	\$118,790
1.....	2 - 52.....	\$12,325
2.....	1 - 52.....	9,440
3.....	1 - 52.....	9,440
4.....	1.....	\$118,790
4.....	2 - 52.....	12,325
5.....	1 - 52.....	9,440
6.....	1 - 52.....	9,440

B. Delete Section 6.211:

C. Amend Section 6.23 to read:

6.23 Payment of PGP shall be suspended when a worker's (individual's) PMA quarterly payroll earnings of total compensation received, excluding vacation pay, exceeds in any payroll quarter the following amounts:

1st Year	(7/1/2008 - 6/30/2009)	\$21,880 each payroll quarter
2nd Year	(7/1/2009 - 6/30/2010)	\$22,310 each payroll quarter
3rd Year	(7/1/2010 - 6/30/2011)	\$23,170 each payroll quarter
4th Year	(7/1/2011 - 6/30/2012)	\$23,600 each payroll quarter
5th Year	(7/1/2012 - 6/30/2013)	\$24,030 each payroll quarter
6th Year	(7/1/2013 - 6/30/2014)	\$24,890 each payroll quarter

D. Amend Section 6.881 to read:

6.881 The number of workers to be included on the list of registered Walking Bosses in Eureka shall be 2, during the term of the Agreement. There shall be no additions to this number during the term of the Agreement, unless mutually approved by the Parties at the Coast negotiating level.

**XI. Section 8 – Dispatching and Registration**

A. Amend Section 8.12 to modify the section by the Letter of Understanding dated July 30, 2008, entitled “Dispatch of Walking Bosses/Foremen (Locals 91, 92, and 98)” – Attached.

**XII. Section 9 - Training**

A. Amend Section 9.3 as follows:

9.3 All registered Walking Bosses/Foremen shall maintain current valid American Red Cross (ARC) Standard First Aid (SFA), Cardiopulmonary Resuscitation (CPR), and Automated External Defibrillator (AED) certification. Walking Bosses/Foremen who do not attend PMA sponsored first aid, CPR, AED, etc., classes may obtain their certification at other authorized sources at their own expense but must submit copies of such certification to the Walking Bosses’ and Foremen’s Labor Relation Committee for recording purposes.

**XIII. Section 13 – No Discrimination**

A. See Letter of Understanding – Update Section 13.2 Grievance Process Under the PCWB&FA Dated July 30, 2008 – Attached.

**XIV. Section 17 – Joint Labor Relations Committees, Administration of Agreement, and Grievance Procedures**

A. See Letter of Understanding – Scheduling Coast WB&FA LRC Meetings Prior to Coast Arbitration Dated July 30, 2008 – Attached.

B. Amend Section 17.251 to read:

The Coast Arbitrator appointed by the Parties to the ILWU-PMA Pacific Coast Longshore and Clerks’ Agreement shall serve as the Coast Arbitrator for the purposes of this Agreement.

**XV. Section 19 – Welfare**

A. Amend Section 19.1 to read:

Welfare benefits shall be the same as those negotiated by the Parties to the ILWU-PMA Pacific Coast Longshore and Clerks' Agreement. Such benefits and provisions therefore are separately covered by the ILWU-PMA Welfare Agreement, as amended, and the ILWU-PMA Welfare Fund Declaration of Trust, as amended.

**XVI. 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.

**XVII. Term of Agreement**

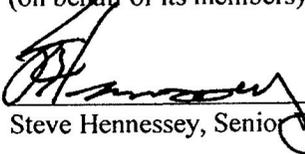
Amend Section 22.1 of the Agreement by changing the termination date therein to 5:00 P.M., July 1, 2014.

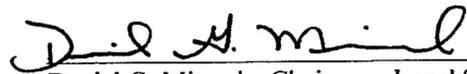
Dated: 7/31/08

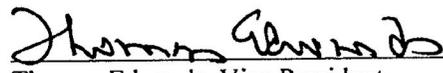
Dated: 7/31/08

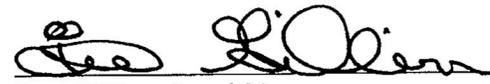
PACIFIC MARITIME ASSOCIATION  
(on behalf of its members)

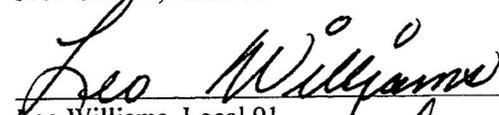
INTERNATIONAL LONGSHORE and  
WAREHOUSE UNION

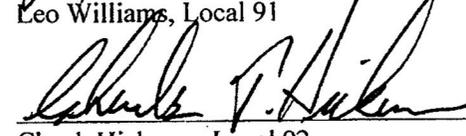
  
Steve Hennessey, Senior Vice President

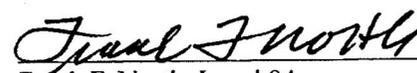
  
Daniel G. Miranda, Chairman, Local 94

  
Thomas Edwards, Vice President

  
Fred Gilliam, Local 91

  
Leo Williams, Local 91

  
Chuck Hickman, Local 92

  
Frank F. North, Local 94

  
George W. Hilbert, Local 94

  
Rudy D. Alba, Sr., Local 94

  
Paul Weiser, Local 98

**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
- Update Section 13.2 Grievance Process Under the PCWB&FA
- Scheduling Coast WB&F LRC Meetings Prior to Coast Arbitration
- Reaffirming Historical Letters of Understanding
- Dispatch of Walking Bosses/Foremen (Locals 91, 92, and 98)
- Utilization of Foremen on Flex Lashing Jobs – LA/LB
- Steady Walking Bosses/Foremen Guarantee
- Consolidation of Southern California Jurisdiction and Registration Lists
- Automated External Defibrillator (AED)

## WAGE SCHEDULE: WALKING BOSSES & FOREMEN RATES

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

	<b>1st Shift</b>	<b>2nd Shift</b>	<b>1st &amp; 2nd Shift Overtime</b>	<b>3rd Shift</b>	<b>3rd Shift Overtime</b>
Walking Boss/Foreman	\$43.80	\$58.40	\$65.70	\$70.08	\$78.84

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

	<b>1st Shift</b>	<b>2nd Shift</b>	<b>1st &amp; 2nd Shift Overtime</b>	<b>3rd Shift</b>	<b>3rd Shift Overtime</b>
Walking Boss/Foreman	\$44.60	\$59.47	\$66.90	\$71.36	\$80.28

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

	<b>1st Shift</b>	<b>2nd Shift</b>	<b>1st &amp; 2nd Shift Overtime</b>	<b>3rd Shift</b>	<b>3rd Shift Overtime</b>
Walking Boss/Foreman	\$46.20	\$61.60	\$69.30	\$73.92	\$83.16

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

	<b>1st Shift</b>	<b>2nd Shift</b>	<b>1st &amp; 2nd Shift Overtime</b>	<b>3rd Shift</b>	<b>3rd Shift Overtime</b>
Walking Boss/Foreman	\$47.80	\$63.73	\$71.70	\$76.48	\$86.04

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

	<b>1st Shift</b>	<b>2nd Shift</b>	<b>1st &amp; 2nd Shift Overtime</b>	<b>3rd Shift</b>	<b>3rd Shift Overtime</b>
Walking Boss/Foreman	\$49.40	\$65.87	\$74.10	\$79.04	\$88.92

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

	<b>1st Shift</b>	<b>2nd Shift</b>	<b>1st &amp; 2nd Shift Overtime</b>	<b>3rd Shift</b>	<b>3rd Shift Overtime</b>
Walking Boss/Foreman	\$51.00	\$68.00	\$76.50	\$81.60	\$91.80

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



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ROBERT McELLRATH  
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**  
**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, 4<sup>th</sup> 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,

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

James C. McKenna  
President and CEO

Understanding confirmed:

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

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

Dated: July 28<sup>th</sup> 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, 4<sup>th</sup> 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,

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

James C. McKenna  
President and CEO

Understanding confirmed:

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

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

Dated: July 28<sup>th</sup> 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:
<b>SPOUSES</b>	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:
<b>SAME SEX DOMESTIC PARTNERS NOT ELIGIBLE TO MARRY IN STATE OF DOMICILE</b>	Yes, but only if the domestic partner: (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.	(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.	No, as long as the domestic partner: (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.	(a) Certification affirming tax exemption criteria (1)-(3) are met; and (b) Worksheet I, IRS Publication 501.

**IMPORTANT NOTES:**

- 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.***"
- 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**

<b>DEPENDENT CATEGORY:</b>	<b>IS THE DEPENDENT ELIGIBLE?</b>	<b>DOCUMENTATION REQUIRED TO ESTABLISH ELIGIBILITY:</b>	<b>IF ELIGIBLE, IS THE PARTICIPANT REQUIRED TO PAY INCOME AND PAYROLL TAXES ON THE VALUE OF THE DEPENDENT COVERAGE?</b>	<b>DOCUMENTATION REQUIRED TO ESTABLISH TAX EXEMPTION:</b>
<p><b>NATURAL CHILDREN; STEP CHILDREN; ADOPTED CHILDREN; FOSTER CHILDREN; AND CHILDREN UNDER LEGAL GUARDIANSHIPS.</b></p>	<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>(a) Plan Enrollment and Current Dependent Verification Forms. (b) For natural children and stepchildren, a birth certificate. (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. (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. (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>	<p>No, as long as the child: (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>	<p>(a) Certification affirming tax exemption criteria (1)-(4) are met; and (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 LLWU-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 (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**

<b>DEPENDENT CATEGORY:</b>	<b>IS THE DEPENDENT ELIGIBLE?</b>	<b>DOCUMENTATION REQUIRED TO ESTABLISH ELIGIBILITY:</b>	<b>IF ELIGIBLE, IS THE PARTICIPANT REQUIRED TO PAY INCOME AND PAYROLL TAXES ON THE VALUE OF THE DEPENDENT COVERAGE?</b>	<b>DOCUMENTATION REQUIRED TO ESTABLISH TAX EXEMPTION:</b>
<b>CHILDREN OF DOMESTIC PARTNERS</b>	<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:
<b>OTHER DEPENDENT CHILDREN</b>	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.)

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WILLIAM E. ADAMS  
Secretary-Treasurer

July 1, 2008

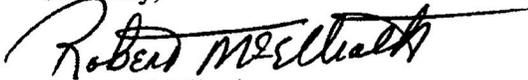
James C. McKenna  
President & CEO  
Pacific Maritime Association  
555 Market Street, 3rd Floor  
San Francisco, CA 94105

**LETTER OF UNDERSTANDING**  
**Long Term Care**

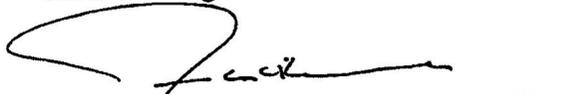
Mr. McKenna:

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,

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**  
**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 30, 2008

Mr. Daniel G. Miranda, Chairman  
Walking Boss & Foreman Negotiating Committee

**Letter of Understanding**  
**Update Section 13.2 Grievance Process Under the PCWB&FA**

Dear Mr. Miranda:

During the course of the 2008 Negotiations, the Parties agreed that the revised Section 13.2 Policy and Forms, as agreed to in Joint Coast Walking Bosses/Foremen Meeting No. 2-07, October 13, 2007, will be updated in the PCWB&FA.

Additionally, the parties agreed to amend Section 13.2 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, Rudy Rubio. The use of professional arbitrators shall be subject to review and continuation upon the JCLRC agreement annually.”

Sincerely,

A handwritten signature in black ink, appearing to read 'Steve Hennessey', written over a horizontal line.

Steve Hennessey  
Senior Vice President

Understanding confirmed:

A handwritten signature in black ink, appearing to read 'Daniel G. Miranda', written over a horizontal line.

Daniel G. Miranda, Chairman  
Walking Bosses/Foremen Negotiating Committee

Dated: 7/31/08



**Pacific Maritime Association**  
**Headquarters**

---

July 30, 2008

Mr. Daniel G. Miranda, Chairman  
Walking Boss & Foreman Negotiating Committee

**Letter of Understanding**  
**Scheduling Coast WB&FA LRC Meetings Prior to Area Arbitration**

Dear Mr. Miranda:

During the course of the 2008 ILWU-PMA Walking Bosses/Foremen Negotiations, the Parties discussed concerns by the Union that more dialogue and discussion should occur at the Coast level before Area Arbitrations are appeals to the Coast Arbitrator.

The Parties agreed that either party may request a Walking Boss/Foreman Coast meeting to discuss the appeal of an area arbitration before scheduling the hearing.

The Employers reaffirmed their commitment to schedule Coast Walking Bosses/Foremen meetings to discuss issues of significance to both parties.

Sincerely,

A handwritten signature in black ink, appearing to read 'Steve Hennessey', written over a horizontal line.

Steve Hennessey  
Senior Vice President

Understanding confirmed:

A handwritten signature in black ink, appearing to read 'Daniel G. Miranda', written over a horizontal line.

Daniel G. Miranda, Chairman  
Walking Bosses/Foremen Negotiating Committee

Dated: 7/31/08



**Pacific Maritime Association  
Headquarters**

---

July 30, 2008

Mr. Daniel G. Miranda, Chairman  
Walking Boss & Foreman Negotiating Committee

**Letter of Understanding**  
**Reaffirming Historical Letters of Understanding**

Dear Mr. Miranda:

During the course of the 2008 ILWU-PMA Walking Bosses/Foremen Negotiations, the Parties discussed a number of current Letters of Understanding. The Committee agreed to reaffirm the following Letters of Understanding:

- Letter of Understanding – Superintendents Dated July 23, 1981
- Letter of Understanding – Mutual Support and Cooperation Promoting Accountability of Walking Bosses Dated December 8, 2002
- Letter of Understanding – Port Security Dated December 3, 2002
- Letter of Understanding – Superintendents Dated December 8, 2002
- Letter of Understanding – New Technology Dated December 8, 2002

Sincerely,

A handwritten signature in black ink, appearing to read 'Steve Hennessey', written over a horizontal line.

Steve Hennessey  
Senior Vice President

Understanding confirmed:

A handwritten signature in black ink, appearing to read 'Daniel G. Miranda', written over a horizontal line.

Daniel G. Miranda, Chairman  
Walking Bosses/Foremen Negotiating Committee

Dated: 7/31/08



# FOREMEN'S UNION

411 North Harbor Blvd., Ste. 303, San Pedro, California 90731  
(310) 832-1109 • (310) 832-1079 • FAX (310) 832-2142

July 30, 2008

**Letter of Understanding**  
**Dispatch of Walking Bosses/Foremen (Locals 91, 92, and 98)**

Mr. Hennessey:

During the course of the 2008 Walking Bosses/Foremen negotiations, the parties discussed and agreed to re-affirm the following Letter of Understanding.

- Letter of Understanding – Dispatch of Walking Bosses/Foremen (Locals 91, 92 and 98) Dated December 8, 2002

The Parties also agreed that the Joint Walking Bosses/Foremen Committees in each of the above mentioned areas shall meet no later than January 1, 2009, in order to develop and implement a method to dispatch registered hall Walking Bosses/Foremen on a rotational basis for a 120-day trial period. At the end of the 120-day trial period, the rotational dispatch system shall remain in effect as long as the Parties mutually agree. Disagreements at the local level regarding the development or implementation of a rotational dispatch system, or should either party disagree to continuing the rotational dispatch system, the issue shall be referred to a Walking Bosses/Foremen Coast Meeting for resolution through the contract grievance machinery.

The Parties agreed and commit that in the event an employer requires the dispatch of a qualified walking boss/foreman with necessary skills for a particular operation, the local dispatchers will fulfill this request.

Sincerely,

Daniel G. Miranda, Chairman  
Walking Boss/Foreman Negotiating Committee

Understanding Confirmed:

  
Stephen Hennessey  
Senior Vice President

Dated: 7-31-08



**Pacific Maritime Association**  
**Headquarters**

---

July 30, 2008

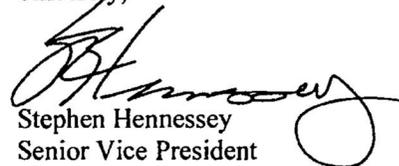
Mr. Daniel G. Miranda, Chairman  
Walking Boss & Foreman Negotiating Committee

**Letter of Understanding**  
**Utilization of Foremen on Flex Lashing Jobs – LA/LB**

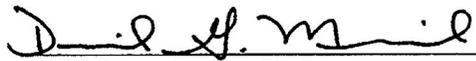
Dear Mr. Miranda:

During the course of the 2008 Pacific Coast Walking Bosses/Foremen Agreement negotiations, the Parties agreed that there was a disparity of flex foremen jobs between the hall and steady foremen. The Parties agreed that the issue would be referred to the Los Angeles/Long Beach Joint Labor Relations Committee for resolution. If the Committee cannot resolve the issue then it may be referred at the request of either party to a Coast Walking Bosses/Foremen Committee meeting for resolution.

Sincerely,

  
Stephen Hennessey  
Senior Vice President

Understanding Confirmed:

  
Daniel G. Miranda, Chairman  
Walking Bosses/Foremen Negotiating Committee

Dated: 7/31/08



**Pacific Maritime Association**  
**Headquarters**

---

July 30, 2008

Mr. Daniel G. Miranda, Chairman  
Walking Bosses and Foremen Negotiating Committee

**Letter of Understanding**  
**Steady Walking Bosses/Foremen Guarantee**

Dear Mr. Miranda:

During the course of the 2008 negotiations, the Parties agreed that extended hours, not including flex hours and/or meal hours, paid to steady Walking Bosses/Foremen shall not be deducted from their guarantee. Extended hours shall be paid in 30-minute increments to the Walking Boss/Foreman directly supervising the longshore workers who worked extended.

Sincerely,

A handwritten signature in black ink, appearing to read 'Steve Hennessey', written over a horizontal line.

Steve Hennessey  
Senior Vice President

Understanding confirmed:

A handwritten signature in black ink, appearing to read 'Daniel G. Miranda', written over a horizontal line.

Daniel G. Miranda, Chairman  
Walking Bosses/Foremen Negotiating Committee

Dated: 7/31/08



# FOREMEN'S UNION

411 North Harbor Blvd., Ste. 303, San Pedro, California 90731

(310) 832-1109 • (310) 832-1079 • FAX (310) 832-2142

July 30, 2008

Stephen Hennessey  
Senior Vice President  
Pacific Maritime Association  
555 Market St., Third floor  
San Francisco, California 94105

**PCWB&FA**  
**LETTER OF UNDERSTANDING**  
**Consolidation of Southern California Jurisdiction and Registration Lists**

Dear Mr. Hennessey:

During the course of the 2008 Walking Boss/Foremen contract negotiations, the Parties discussed the problems concerning conflicts of interest, inefficient Walking Boss/Foremen manpower usage, and disparate work opportunity arising from Walking Bosses and Foremen in Unit 29 in the Port of San Diego, and Unit 46 in the port of Port Hueneme, belonging to Longshore Locals 29 and 46, respectively, whose members they supervise. To address these problems and to facilitate the development of uniform dispatch lists for Walking Bosses and Foremen, the Parties hereby agree to consolidate Walking Boss and Foremen jurisdiction and registration lists in Southern California under Local 94, which has historically represented Units 29 and 46 for contract negotiations and adjustments to their registration lists. Accordingly, the parties agree to the following provisions:

- 1) Local 94 shall be recognized as the exclusive bargaining representative of all Registered, Regular Supplemental and/or Casual Walking Bosses and Foremen in the ports of San Diego and Port Hueneme, in addition to its traditional jurisdiction over Walking Bosses and Foremen in the ports of Los Angeles/Long Beach. Local 94 hereby assumes all contractual rights and responsibilities under the ILWU-PMA Pacific Coast Walking Bosses and Foremen's Agreement (PCWB&FA) that may have been previously held by Unit 29 and Unit 46, which Units will no longer be referenced in the Agreement.
- 2) All incumbent registered Walking Bosses and Foremen in the ports of San Diego and Port Hueneme as of July 1, 2008, shall receive, by written notice from the Joint Parties, the opportunity to choose to accept Walking Boss/Foremen registration in Local 94 or instead, as they may individually choose, accept Class "A" longshore registration in their home port with Local 29 or Local 46, as the case may be. The joint notice shall be mailed to the last known home address of all affected individuals within 15 days of ratification of the new PCWB&FA. Affected individuals shall have 15 days from the date of the written notice to make their choice by returning a prepared form and a self-addressed stamped envelope included with the notice. Failure to make a timely choice shall result in such individuals receiving Walking Boss/Foreman registration with Local 94 as residents of their home port.

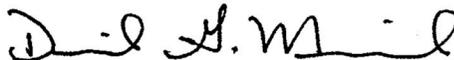
- 3) There shall be a single, consolidated Southern California Joint Walking Boss/Foremen Labor Relations Committee (the Committee) functioning pursuant to Section 17 of the PCWB&FA with jurisdiction over the ports of Los Angeles, Long Beach, San Diego and Port Hueneme. In addition to the officers and other representatives of Local 94, the Union members of the Committee shall include one Area LRC Representative from the port of San Diego and one from the Port of Port Hueneme. The Area LRC Representatives shall be selected from among the registered foremen in their home port and shall receive reasonable notice and opportunity to participate in Committee discussions and actions concerning their home port only. All meetings and actions of the Committee for all Southern California ports shall be reflected in a single set of minutes.
- 4) The Committee shall maintain a resident list of registered Walking Bosses/Foremen for the Port of San Diego and one for the Port of Hueneme. The Committee may also establish supplemental Walking Boss/Foremen lists for the ports of San Diego and Port Hueneme. These resident lists shall be filled exclusively by Class "A" longshoremen and clerks who are registered in that particular port, in accordance with the rules and procedures of the PCWB&FA and the Committee. The Committee shall maintain sufficient numbers of Walking Bosses and Foremen on the resident lists to adequately serve the needs of the ports of San Diego and Port Hueneme.
- 5) All dispatching of Walking Bosses and Foremen in the Southern California ports shall be done by the Joint Dispatchers, located at the Local 94 offices, who shall dispatch by telephone all registered or supplemental foremen from the resident lists in the ports of San Diego and Port Hueneme, in addition to administering the established dispatch rules and procedures for the Port of Los Angeles/Long Beach. The Joint Dispatchers shall also administer all voluntary travel among the Southern California ports.
- 6) All registered foremen in the Southern California ports shall have the right to voluntarily travel among these ports in accordance with the rules and procedures of the PCWB&FA and the Committee. Absent mutual agreement by the parties, registered foremen may not voluntarily travel on any shift when their home port has Walking Boss/Foremen jobs unfilled by home port registered Walking Bosses or Foremen. Voluntary travel shall be worked and paid pursuant to the provisions of the PCWB&FA.
- 7) The Port Supplements and working rules for Walking Bosses/Foremen in the ports of San Diego and Port Hueneme shall continue in effect only to the extent not in conflict with the provisions of this Agreement. The Committee is authorized to make any changes in the Port Supplements and working rules to the extent consistent with the provisions of this Agreement.
- 8) Local 94 represents that all registered Walking Bosses and Foremen in the Southern California ports, including San Diego and Port Hueneme, shall have equal rights to Union membership in accordance with the Local 94 Constitution and Bylaws, as may be amended, and the Labor Management Reporting and Disclosure Act (LMRDA). Accordingly, the parties shall provide to all registered Walking Bosses and Foremen in

**Letter of Understanding**  
**Consolidation of Southern California Jurisdiction and Registration Lists**  
**July 30, 2008**  
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the ports of San Diego and Port Hueneme new authorization forms for withholding of Union dues and fees to be paid to Local 94 in accordance with the terms of the PCWB&FA.

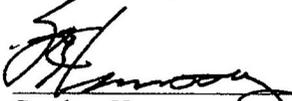
- 9) The Parties agree to construe and, alternatively to modify, the provision in the preamble to the PCWB&FA regarding Union successorship to not apply to the consolidation herein where a new union entity is not being added to the Agreement.
- 10) Any disputes concerning the terms or application of this agreement shall be resolved pursuant to Section 17 of the PCWB&FA.

Sincerely,



Daniel G. Miranda, Chairman  
Walking Bosses/Foremen Negotiating  
Committee

Understanding Confirmed:



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Stephen Hennessey  
Senior Vice President

Dated: 7-31-08



**Pacific Maritime Association**  
**Headquarters**

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July 30, 2008

Mr. Daniel G. Miranda, Chairman  
Walking Boss & Foreman Negotiating Committee

**Letter of Understanding**  
**Automated External Defibrillator (AED)**

Dear Mr. Miranda:

During the course of the 2008 negotiations, the Parties discussed the use of Automated External Defibrillator (AED) and agreed to review the American Heart Association (AHA) guidelines regarding the position and placement of AEDs and the applicability of such placement and positioning on board vessels.

Sincerely,

A handwritten signature in black ink, appearing to read 'Steve Hennessey', written over a horizontal line.

Steve Hennessey  
Senior Vice President

Understanding confirmed:

A handwritten signature in black ink, appearing to read 'Daniel G. Miranda', written over a horizontal line.

Daniel G. Miranda, Chairman  
Walking Bosses/Foremen Negotiating Committee

Dated: 7/31/08