

November 23, 2002

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, 2002. Except where an effective date is specifically stated, all terms and conditions will become effective immediately following ratification by both Parties. The 1999-2002 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., July 1, 2002	\$27.68	\$0.00	\$27.68
Effective 8:00 A.M., June 28, 2003	\$27.68	\$0.50	\$28.18
Effective 8:00 A.M., July 3, 2004	\$28.18	\$0.50	\$28.68
Effective 8:00 A.M. July 5, 2005	\$28.68	\$1.00	\$29.68
Effective 8:00 A.M., July 1, 2006	\$29.68	\$0.50	\$30.18
Effective 8:00 A.M., June 30, 2007	\$30.18	\$0.50	\$30.68

Memorandum of Understanding
November 23, 2002
Page 2

Effective 8:00 A.M., November 23, 2002:

	<i>From</i>	<i>Increase</i>	<i>To</i>
Basic Longshore	\$27.68	\$0.00	\$27.68
Skill I	\$29.95	\$0.13	\$30.08
Skill II	\$32.22	\$0.13	\$32.35
Skill III	\$32.22	\$1.26	\$33.48
Basic Clerk	\$27.68	\$0.00	\$27.68
Clerk Supervisor	\$30.08	\$0.00	\$30.08
Kitchen/Tower/Computer Clerk	\$32.35	\$0.00	\$32.35
Chief Supervisor & Supercargo	\$33.48	\$0.00	\$33.48

Effective 8:00 A.M., June 28, 2003:

	<i>From</i>	<i>Increase</i>	<i>To</i>
Basic Longshore	\$27.68	\$0.50	\$28.18
Skill I	\$30.08	\$0.50	\$30.58
Skill II	\$32.35	\$0.50	\$32.85
Skill III	\$33.48	\$0.50	\$33.98
Basic Clerk	\$27.68	\$0.50	\$28.18
Clerk Supervisor	\$30.08	\$0.50	\$30.58
Kitchen/Tower/Computer Clerk	\$32.35	\$0.50	\$32.85
Chief Supervisor & Supercargo	\$33.48	\$0.50	\$33.98

Effective 8:00 A.M., July 3, 2004:

	<i>From</i>	<i>Increase</i>	<i>To</i>
Basic Longshore	\$28.18	\$0.50	\$28.68
Skill I	\$30.58	\$0.50	\$31.08
Skill II	\$32.85	\$0.50	\$33.35
Skill III	\$33.98	\$0.50	\$34.48
Basic Clerk	\$28.18	\$0.50	\$28.68
Clerk Supervisor	\$30.58	\$0.50	\$31.08
Kitchen/Tower/Computer Clerk	\$32.85	\$0.50	\$33.35
Chief Supervisor & Supercargo	\$33.98	\$0.50	\$34.48

Memorandum of Understanding
November 23, 2002
Page 3

Effective 8:00 A.M., July 2, 2005:

	<i>From</i>	<i>Increase</i>	<i>To</i>
Basic Longshore	\$28.68	\$1.00	\$29.68
Skill I	\$31.08	\$1.00	\$32.08
Skill II	\$33.35	\$1.00	\$34.35
Skill III	\$34.48	\$1.00	\$35.48
Basic Clerk	\$28.68	\$1.00	\$29.68
Clerk Supervisor	\$31.08	\$1.00	\$32.08
Kitchen/Tower/Computer Clerk	\$33.35	\$1.00	\$34.35
Chief Supervisor & Supercargo	\$34.48	\$1.00	\$35.48

Effective 8:00 A.M., July 1, 2006:

	<i>From</i>	<i>Increase</i>	<i>To</i>
Basic Longshore	\$29.68	\$0.50	\$30.18
Skill I	\$32.08	\$0.50	\$32.58
Skill II	\$34.35	\$0.50	\$34.85
Skill III	\$35.48	\$0.50	\$35.98
Basic Clerk	\$29.68	\$0.50	\$30.18
Clerk Supervisor	\$32.08	\$0.50	\$32.58
Kitchen/Tower/Computer Clerk	\$34.35	\$0.50	\$34.85
Chief Supervisor & Supercargo	\$35.48	\$0.50	\$35.98

Effective 8:00 A.M., June 30, 2007:

	<i>From</i>	<i>Increase</i>	<i>To</i>
Basic Longshore	\$30.18	\$0.50	\$30.68
Skill I	\$32.58	\$0.50	\$33.08
Skill II	\$34.85	\$0.50	\$35.35
Skill III	\$35.98	\$0.50	\$36.48
Basic Clerk	\$30.18	\$0.50	\$30.68
Clerk Supervisor	\$32.58	\$0.50	\$33.08
Kitchen/Tower/Computer Clerk	\$34.85	\$0.50	\$35.35
Chief Supervisor & Supercargo	\$35.98	\$0.50	\$36.48

<i>Work Experience Group</i>	<i>Straight-Time Hourly Rate Effective:</i>		
	<i>7/1/2002</i>	<i>6/28/2003</i>	<i>7/3/2004</i>
0 through 1,000 hours	\$19.94	\$20.30	\$20.66
1,001 through 2,000 hours	\$20.94	\$21.30	\$21.66
2,001 through 4,000 hours	\$22.94	\$23.30	\$23.66
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>		
	<i>7/2/2005</i>	<i>7/1/2006</i>	<i>6/30/2007</i>
0 through 1,000 hours	\$21.39	\$21.75	\$22.11
1,001 through 2,000 hours	\$22.39	\$22.75	\$23.11
2,001 through 4,000 hours	\$24.39	\$24.75	\$25.11
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 of the Internal Revenue Code and conditioned on the ILWU-PMA Pension Plan obtaining the approvals in A.2. below. In the event that such PBGC approvals are not obtained, the Agreement shall be reopened.

A. Actives:

1. Subject to limitations imposed by Section 415 of the Internal Revenue Code, the pension rate for actives who retire on or after July 1, 2002 under the ILWU-PMA Pension Plan will be as follows:
 - a. Effective July 1, 2002, for those registered longshoremen and clerks retiring on or after July 1, 2002, the rate of pension credit accrual will increase from \$95 per month per year of qualifying service to \$100 per month per year of qualifying service which will provide a maximum pension benefit of \$3,500 per month for a longshoremen or clerk with 35 or more years of qualifying service retiring at age 62 or later;
 - b. Effective July 1, 2003, for those registered longshoremen and clerks retiring on or after July 1, 2002, the rate of pension credit accrual will increase from \$100 per month per year of qualifying service to \$105 per month per year of qualifying service which will provide a maximum pension of \$3,675 per month for a longshoreman or clerk with 35 or more years of qualifying service retiring at age 62 or later;
 - c. Effective July 1, 2004, for those registered longshoremen and clerks retiring on or after July 1, 2002, the rate of pension credit accrual will increase from \$105 per month per year of qualifying service to \$110 per month per year of qualifying service which will provide a maximum pension of \$3,850 per month for a longshoreman or clerk with 35 or more years of qualifying service retiring at age 62 or later;

- d. Effective July 1, 2005, for those registered longshoremen and clerks retiring on or after July 1, 2002, the rate of pension credit accrual will increase from \$110 per month per year of qualifying service to \$120 per month per year of qualifying service which will provide a maximum pension of \$4,200 per month for a longshoreman or clerk with 35 or more years of qualifying service retiring at age 62 or later;
 - e. Effective July 1, 2006, for those registered longshoremen and clerks retiring on or after July 1, 2002, the rate of pension credit accrual will increase from \$120 per month per year of qualifying service to \$135 per month per year of qualifying service which will provide a maximum pension of \$4,725 per month for a longshoreman or clerk with 35 or more years of qualifying service retiring at age 62 or later;
 - f. Effective July 1, 2007, for those registered longshoremen and clerks retiring on or after July 1, 2002, the rate of pension credit accrual will increase from \$135 per month per year of qualifying service to \$150 per month per year of qualifying service which will provide a maximum pension of \$5,250 per month for a longshoreman or clerk with 35 or more years of qualifying service retiring at age 62 or later;
2. The Parties agree to amend the Plan and to cooperate with and support the Trustees of the ILWU-PMA Pension Plan ("Pension Plan") in requesting rulings from the Pension Benefit Guaranty Corporation to approve plan amendments incorporating the following:
- a. Reduce the Pension Plan's 85% funding test, replacing it with 65% for Plan years commencing July 1, 2002 through July 1, 2007. The 65% funding test shall increase by 3% per year for each succeeding year commencing July 1, 2008 up to a maximum of 85%;
 - b. Reduce the Pension Plan's 80% funding test, replacing it with 65% for Plan years commencing July 1, 2002 through July 1, 2007. The 65% funding test shall increase by 3% per year for each succeeding year commencing July 1, 2008 up to a maximum of 80%; and
 - c. Funding tests in items a and b above shall be calculated using a 6.5% interest rate and other actuarial assumptions, as recommended by the Plan's actuary, based upon an experience study for the purpose of aligning the Plan's actuarial assumptions (mortality table and retirement incidence other than the Plan's investment interest rate assumptions) with the Plan's experience.
- B. *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 negotiated in this contract 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, 2003 and January 31, 2004 or between August 1, 2006 and January 31, 2007, and thereby agrees to accept permanent deregistration; and
 - b. As of the 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.
 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 benefits will be paid without the actuarial reduction that otherwise applies to early retirement benefits under the ILWU-PMA Pension Plan.
- C. *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, 2002, for those longshore and clerk registrants who retired before July 1, 2002 under the ILWU-PMA Pension Plan, the retirement income supplement under the Supplemental Welfare Benefit (“SWB”) Plan shall increase as stated below. However, in the event that all or any part of the supplemental retirement income payments agreed to herein cannot be paid out of the Supplemental Welfare Benefit Plan, then subject to approval by appropriate governmental agencies, said portion of the supplemental retirement income payments shall instead be paid from the ILWU-PMA Pension Plan. The preceding sentence shall also specifically apply in the event that the Supplemental Welfare Benefit Plan is not approved by appropriate governmental agencies, or in the event that the limitations on benefits that may be paid under a supplemental payment plan as described in Section 2510.3-2(g) of Chapter XXV of Title 29 of the Code of Federal Regulations would prohibit payment by the Supplemental Welfare Benefit Plan of all or any part of such supplemental retirement income payments.

1. For those longshore and clerk registrants who retired before July 1, 1993 under the ILWU-PMA Pension Plan, the SWB retirement income supplement shall be increased as follows:

- a. Effective July 1, 2003, 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, 2004, an additional \$3 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon his retirement;
 - c. Effective July 1, 2005, an additional \$3 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon his retirement;
 - d. Effective July 1, 2006, an additional \$3 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan upon his retirement;
 - e. Effective July 1, 2007, 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, 1996 under the ILWU-PMA Pension Plan, the SWB retirement income supplement shall be increased as follows:
 - a. Effective July 1, 2003, an additional \$2 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan;
 - b. Effective July 1, 2004, an additional \$2 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan;
 - c. Effective July 1, 2005, an additional \$2 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan;
 - d. Effective July 1, 2006, an additional \$2 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan;
 - e. Effective July 1, 2007, an additional \$3 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan;
3. For those Longshore and Clerk registrants who retired after June 30, 1996, and prior to July 1, 1999 under the ILWU-PMA Pension Plan, the SWB retirement income supplement shall be increased as follows:

- a. Effective July 1, 2003, an additional \$1 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan;
 - b. Effective July 1, 2004, an additional \$2 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan;
 - c. Effective July 1, 2005, an additional \$2 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan;
 - d. Effective July 1, 2006, an additional \$2 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan;
 - e. Effective July 1, 2007, an additional \$1 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan;
4. For those Longshore and Clerk Registrants who retired after June 30, 1999, and before July 1, 2002, under the ILWU-PMA Pension Plan, the SWB retirement income supplement shall be increased as follows:
- a. Effective July 1, 2003, an additional \$1 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan;
 - b. Effective July 1, 2004, an additional \$1 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan;
 - c. Effective July 1, 2005, an additional \$1 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan;
 - d. Effective July 1, 2006, an additional \$1 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan;
 - e. Effective July 1, 2007, an additional \$1 per month per qualifying year of service recognized for pension benefits under the ILWU-PMA Pension Plan

Memorandum of Understanding
November 23, 2002
Page 9

Thus, effective with the SWB pension payment for the month of July 1, 2008 will be:

<i>Retiree Group</i>	<i>SWB Benefit Rate on 6/30/2002</i>	<i>Maximum Qualifying Years</i>	<i>Addition to Accrual Rate</i>	<i>Change in Accrual Rate</i>	<i>Maximum SWB Pension</i>
Before 7/81	\$17/month	25	\$15	From \$17 to \$32	\$800
Between 7/81-6/84	\$17/month	30	\$15	From \$17 to \$32	\$960
Between 7/84-6/87	\$17/month	33	\$15	From \$17 to \$32	\$1056
Between 7/87-6/90	\$17/month	35	\$15	From \$17 to \$32	\$1120
Between 7/90-6/93	\$17/month	35	\$15	From \$17 to \$32	\$1120
Between 7/93-6/96	\$0/month	35	\$11	From \$0 to \$11	\$385
Between 7/96-6/99	\$0/month	35	\$8	From \$0 to \$8	\$280
Between 7/99-6/02	\$0/month	35	\$5	From \$0 to \$5	\$175

Thus, at July 1, 2008, the combined maximum retirement income benefits to those longshoremen and clerks who retired prior to July 1, 2002, will be as follows:

			Effect of Combined Improvements		
<i>Retiree Group</i>	<i>Accrual Rate on 6/30/2002</i>	<i>Maximum Qualifying Years</i>	<i>Increase</i>	<i>Change to Rate</i>	<i>Maximum Retirement Income</i>
Before 7/81	\$65/month	25	\$15	From \$65 to \$80	From \$1,625 to \$2,000
Between 7/81-6/84	\$65/month	30	\$15	From \$65 to \$80	From \$1,950 to \$2,400
Between 7/84-6/87	\$65/month	33	\$15	From \$65 to \$80	From \$2,145 to \$2,640
Between 7/87-6/90	\$65/month	35	\$15	From \$65 to \$80	From \$2,275 to \$2,800
Between 7/90-6/93	\$65/month	35	\$15	From \$65 to \$80	From \$2,275 to \$2,800
Between 7/93-6/96	\$69/month	35	\$11	From \$69 to \$80	From \$2,415 to \$2,800
Between 7/96-6/99	\$72/month	35	\$8	From \$72 to \$80	From \$2,520 to \$2,800
Between 7/99-6/02	\$95/month	35	\$5	From \$95 to \$100	From \$3,325 to \$3,500

5. Effective January 1, 2003, all Surviving Spouses (including surviving spouses under QDROs) receiving a Survivor Pension or an Early Survivor Annuity under the ILWU-PMA Pension Plan or the SWB attributable to longshoremen and clerks who retired on

Memorandum of Understanding
November 23, 2002
Page 10

or before June 30, 2002, shall receive an increased pension benefit from the combined plans as follows:

- a. Effective January 1, 2003, the monthly survivor pension benefit for these Surviving Spouses shall be \$52.25 per month per qualifying year of service;
- b. Effective July 1, 2003, the monthly survivor pension benefit for these Surviving Spouses shall be \$52.80 per month per qualifying year of service;
- c. Effective July 1, 2004, the monthly survivor pension benefit for these Surviving Spouses shall be \$53.35 per month per qualifying year of service;
- d. Effective July 1, 2005, the monthly survivor pension benefit for these Surviving Spouses shall be \$53.90 per month per qualifying year of service;
- e. Effective July 1, 2006, the monthly survivor pension benefit for these Surviving Spouses shall be \$54.45 per month per qualifying year of service;
- f. Effective July 1, 2007, the monthly survivor pension benefit for these Surviving Spouses shall be \$55.00 per month per qualifying year of service.

Benefit increases resulting from the above changes shall be paid out of the Supplemental Welfare Benefit Plan. However, in the event that all or any part of the resulting supplemental survivor pension payments agreed to herein cannot be paid out of the Supplemental Welfare Benefit Plan, then subject to approval by appropriate governmental agencies, said portion of the supplemental retirement income payments shall instead be paid from the ILWU-PMA Pension Plan. The preceding sentence shall also specifically apply in the event that the Supplemental Welfare Benefit Plan is not approved by appropriate governmental agencies, or in the event that the limitations on benefits that may be paid under a supplemental payment plan as described in Section 2510.3-2(g) of Chapter XXV of Title 29 of the Code of Federal Regulations would prohibit payment by the Supplemental Welfare Benefit Plan of all or any part of such supplemental retirement income payments.

Thus, effective at the following dates, the monthly combined SWB and pension benefit payment for these Survivors will be as follows:

Effective January 1, 2003	\$52.25 per month per qualifying year of service
Effective July 1, 2003	\$52.80 per month per qualifying year of service
Effective July 1, 2004	\$53.35 per month per qualifying year of service
Effective July 1, 2005	\$53.90 per month per qualifying year of service
Effective July 1, 2006	\$54.45 per month per qualifying year of service
Effective July 1, 2007	\$55.00 per month per qualifying year of service

- D. The in-service distribution rules under the ILWU-PMA Pension Plan shall be eliminated for participants reaching age 70-1/2 after the end of the 2002 calendar year. The transition rules recommended by the Trustees of the ILWU-PMA Pension Plan in April 2002 shall be adopted respecting participants who have or will have reached age 70-1/2 before 2003.
- E. The Parties agree to request that the Trustees of the ILWU-PMA Pension Plan conduct a study of available options to protect the pensions of retired longshoremen and clerks from the effects of inflation, and to report the results of their study back to the parties on or before July 1, 2005.

III. Welfare

The Parties further 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.

- A. The Coastwise Indemnity Plan Chiropractic Benefit shall be amended as follows:
 - 1. Visits will be limited to forty (40) visits per Plan Year except where the Welfare Plan Chiropractic Consultant decides additional visits are medically necessary.
 - 2.

PPO:	100% of PPO Charges
Non-PPO:	80% of UCR Charges
No PPO Access:	100% of UCR Charges
- B. After July 1, 2002, 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 eighteen (18) months of registration. After 18 months of registration the member will have a choice of HMO or Coastwise Indemnity Plan coverage and normal welfare plan eligibility requirements shall apply.
 - 1. 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.
- C. After July 1, 2002 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 eighteen (18) 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.

- D. Prescription contraceptives shall be added to the Indemnity Plan.
- E. Durable Medical Equipment shall be added to the HMO Plan.
- F. Coastwise Indemnity Prescription Drug Plan:
 - 1. Provide that the maximum prescription dispensed at any one time is a 30 days' supply for retail (100 days' supply when prescribed by the patients' doctor as a maintenance drug) and 90 days for mail order prescriptions. There will be no changes to any existing overrides.
- G. The Parties agree to review each of the following through the Benefits Subcommittee:
 - 1. additional methods that would increase enrollment in HMOs;
 - 2. participants education (including education encouraging the use of generic drugs, PPO networks and HMOs);
 - 3. cost drivers specific to the Plan;
 - 4. disease management; and
 - 5. joint initiatives to impact national health care policy.

No changes shall be made pursuant to such review above concerning Plan provisions or benefits unless mutually agreed to by the Parties in writing.
- H. Surviving spouses and dependent child survivors of actives that suffered a pre-retirement death before July 1, 1999 with a minimum of 5 qualifying years shall be provided welfare benefits based on the deceased actives' qualifying years and date of pre-retirement death on the same terms as agreed to in 1999.

IV. Pay Guarantee Plan (PGP)

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

1 st Year	(7/1/2002 – 6/30/2003)	\$24,960,000
2 nd Year	(7/1/2003 – 6/30/2004)	20,020,000
3 rd Year	(7/1/2004 – 6/30/2005)	20,020,000
4 th Year	(7/1/2005 – 6/30/2006)	24,960,000
5 th Year	(7/1/2006 – 6/30/2007)	20,020,000
6 th Year	(7/1/2007 – 6/30/2008)	20,020,000

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

V. Section 17 and the Arbitration Process

John Kagel will succeed Sam Kagel as Coast Arbitrator upon the effective date of this Contract. In addition, the Contract shall be amended with regard to the Coast Arbitrator selection process as set forth below.

17.512 The Coast Arbitrator shall be selected by the Joint Coast Labor Relations Committee to serve a term coextensive with the term of the Agreement. The Coast Arbitrator may be reappointed for the term of the next Agreement by mutual agreement of the Parties. The Coast Arbitrator shall be a highly qualified neutral arbitrator with maritime experience, located on the West Coast. If the Committee fails to agree on the selection of the Coast Arbitrator, the individual shall be selected by a 6-person panel of prominent industry representatives: 3 selected by the Union and 3 selected by the Employers.

17.5121 If after thirty (30) days, the Panel is unable to select a Coast Arbitrator, the Panel shall submit to the Federal Mediation and Conciliation Service (FMCS) a request for a list of seven (7) highly qualified neutral arbitrators with maritime experience, located on the West Coast. If the Union and the Employer representatives agree that the list is unacceptable, they may jointly request that the FMCS provide a second list. In the event, the Parties cannot mutually select a Coast Arbitrator from the FMCS Panel, the selection shall be determined by a striking process. The first strike shall be determined by a coin flip. The Party that correctly calls the coin flip shall have the choice of striking first or last.

Note: It is agreed that since PMA nominated John Kagel, in the event a FMCS Panel is required to select the successor to John Kagel, the Union shall have the choice of a first or last strike. Thereafter, the procedure of coin flip set forth in Section 17.5121 shall apply.

VI. Framework for Special Agreement on Application of Technologies and Preservation of Marine Clerk Jurisdiction

The Parties recognize that each has submitted proposals in 2002 negotiations that are dramatic in scope and consequence regarding implementation of technologies and their impact on marine clerks under the PCCCD. The Parties also recognize that technologies and their impacts on marine clerks will likely vary by employer, work location and occasion based on, among other things, the changing nature of technology and the unique aspects of a particular work site. The Parties, therefore, agree that it is best to set out a contractual framework, rather than detailed provisions, that provides controlling principles for the introduction and application for present and future technologies in accommodation with the preservation of Union jurisdiction, job security and other longstanding contractual provisions in the PCCCD as modified herein.

Following are the provisions and the understandings that outline the framework for the resolution of such matters:

A. Controlling Principles

The Employers shall have the right to implement technologies that may affect marine clerks, subject to the following controlling principles.

1. The Employers shall guarantee all registered marine clerks covered under the PCCCD a full opportunity to work as marine clerks and such clerks shall not be subject to item 11, Supplement 1-A. Nothing in this Agreement will restrict transfer(s) between longshore and clerk's registered lists in accordance with Supplement II. The term, "full work opportunity to work as a marine clerk", shall mean assignment of clerk work, in five (5) of seven (7) days in any payroll week, at the prevailing supervisory skill rate, for all registered clerks checked into the hall. The work opportunity provided in this particular provision shall extend for the period ending with the clerk's retirement and shall not be subject to reduction or elimination, including by subsequent contract negotiations.
2. All traditional marine clerk work modified by any technology shall be assigned to marine clerks in accordance with section 1 of the PCCCD as modified herein.
3. Work assignments may be discontinued to the extent they become unnecessary as a result of technology.

4. In consideration for the modification and elimination of certain marine clerks' work that may occur as a result of technology, any new marine clerks' work created by the introduction of technology shall be assigned to marine clerks at a terminal and, thereafter, such assignment shall be construed as having the same effect as if it were an addition to Section 1 of the PCCCD at that terminal. All work created by technology or modified by technology that is functionally equivalent to the work of the marine clerks within their traditional Union jurisdiction, shall be assigned to marine clerks and remain marine clerks' work. It is further agreed that:
- a. New technologies shall be implemented in accordance with traditional Union jurisdiction set out in Section 1 of the PCCCD.
 - b. All traditional marine clerk's work, including work modified by any technology, shall be assigned to marine clerks in accordance with Section 1 of the PCCCD.
 - c. All work created by technology, including the operating of such technology, that is functionally equivalent to traditional marine clerks' work shall be assigned to marine clerks.
 - d. Technologies shall not be used to shift traditional Union jurisdiction to non-bargaining unit employees or facilities. Bargaining unit jobs may be eliminated only as a result of labor-saving devices and technologies and not as a means to achieve labor cost savings by using a cheaper work force or subcontractor.
 - e. In exchange for the Employers' right to introduce new technologies, the following work and functions shall be assigned to marine clerks at all facilities covered by the PCL&CA:
 - i. Yard Planning Operations. Marine clerks shall be assigned yard planner duties and functions generally identified as directing and executing the flow of cargo, planning and determining the particular place or area on a terminal dock or container yard facility where cargo is to be placed or relocated and involving the preparation, confirmation, distribution and reconciliation of all documents required by the employer for such work, including the input of data or the utilization of computer programs. It is understood that the practice of direction of supervisors by management is recognized and shall not be disturbed.

- ii. Rail Planning Operations. Marine clerks shall be assigned rail planner duties and functions generally identified as directing and executing the flow of cargo, planning and determining the particular place or area on a rail car where cargo is to be placed or relocated and involving the preparation, confirmation, distribution and reconciliation of all documents required by the employer for such work, including the input of data or the utilization of computer programs. It is understood that the practice of direction of supervisors by management is recognized and shall not be disturbed.
5. For the free flow of information to and from a terminal, the Employers shall establish a terminal control center(s) at each marine container facility.
- a. Terminal Control Center(s). A Terminal Control Center is a place(s) within a dock or terminal staffed by marine clerks where all documentation and/or electronic information/data and archived information for cargo and/or cargo equipment shall be accessed, and/or transmitted to and from external sources by marine clerks to perform clerk's work covered by Section 1 of the PCCCD. The monitoring and access of documentation, information and data at a terminal to perform clerks' work shall be through the Center. This information shall include all documentation, whether in the form of paper, electronic methods and any other technologies to perform work within the clerk's jurisdiction. All corrections, additions, deletions, adjustments, manipulations, and operationally necessary confirmations to the information/documentation or data within the clerk's jurisdiction shall be done there. However, there shall be no re-keying of information, except as required by the employer.
 - b. Terminal Control Operations. A Marine Clerk Supervisor(s) shall be assigned the following work and functions consistent with Section 1 of the PCCCD; specifically, accessing computer systems related to the terminal operations for the purpose of inputting and/or receiving data into the computer system as well as making any corrections, additions, deletions, adjustments and manipulations to such data per established practice at each terminal for all vessel, train and gate operations at the terminal and throughout all loading and unloading operations starting at a point in time per the established practice at each terminal. Any of the above data that comes from non-bargaining unit personnel must be administered through the Marine Clerk Supervisor.

6. All work and functions that are to be performed as part of any port security measures that may be mandated by law or regulation shall be performed by marine clerks to the full extent such work and functions are covered by Section 1 of the PCCCD.
7. In further consideration for the modification and elimination of certain marine clerks work that may occur as a result of technology, the Employers agree to increase pension benefits and provide other economic enhancements for retirement to both marine clerks and longshoremen (see Section II – “Pension” this MOU).

B. Procedure for Implementation of New Technologies

The following procedures shall be used related to implementation of technologies and preservation of Marine Clerk jurisdiction and other PCCCD contractual rights affected by technologies. Any changes in methods of operation not based on technologies shall be addressed under Section 15.

1. When an employer wants to implement new methods of operation based on technological change that affect marine clerks, the employer shall first discuss the issue at a meeting with union officials at the local level.
2. Following these discussions, the Employers shall submit to the Union, at the Coast level, a “technology letter” describing the new technologies and the proposed impact on the marine clerks. This letter shall set out the Employers’ view as to how existing operations will change as a result of the new technology, how the new technology will impact marine clerks, a description of the work that will be performed in connection with the new technology, and an estimate of the number of employees who will be needed to perform that work.
3. Within fourteen (14) days of receipt of the Employers’ “Technology Letter,” the Union shall submit to the Employers, at the Coast level, a letter that sets out the Union’s position as to the matters contained in the Employers’ letter as well as any claims by the Union concerning PCCCD Union jurisdiction, work opportunity or working terms and conditions that may be affected by any technology-related changes. Or when the Union wants affirmatively to clarify, confirm or preserve PCCCD union jurisdiction, work opportunity or working terms and conditions that have been or may be affected by technology-related changes, it may initiate this special procedure by first submitting to the Employers, at the Coast level, a “Union Claim Regarding Technology/Jurisdiction” describing the Union’s claims and positions regarding such matters.

4. Within seven (7) days of the receipt of the Union's position, the Employers will respond by letter to issues raised by the Union concerning jurisdiction, work opportunity or working terms and conditions affected by the technology-related changes.
 5. The Parties shall exchange, throughout this procedure, all information needed to understand the issues under review.
 6. Within fourteen (14) days of receipt of the Employers' response letter in Item 4 above, the Coast parties, acting through a Joint Technology Committee, shall discuss the issues raised in the Employers' and Union's letters and negotiate, in good faith, recommendations for the Joint Coast Labor Relations Committee regarding terms and conditions for implementation, including but not limited to manning, work assignments, skill rates, health and safety, and onerous work conditions, Union jurisdiction, training, etc. Each Coast Party may include, in the discussion, individuals with expertise and/or local knowledge of issues raised in the Employers' and Union's letters.
 7. The employer shall have the right to implement the new technology thirty-five (35) days after the Coast technology letter in Item 2 above is submitted to the Union.
 8. Within fourteen (14) days of discussion by the Joint Coast Labor Relations Committee and/or implementation of the new technology, the issues raised by either party may be presented to the Area Arbitrator who shall issue a prompt interim decision, which shall be implemented.
 9. Within fourteen (14) days, the interim decision issued by the Area Arbitrator shall be reviewed by the Joint Coast Labor Relations Committee for confirmation.
 10. If confirmation of the Area Arbitrator's interim decision is not reached by the Joint Coast Labor Relations Committee, the issue shall immediately be referred to the Coast Arbitrator for final resolution. The Coast hearing shall be a full and complete hearing of all issues raised by either party.
 11. The new technologies or new methods of operations based on technological changes and all related issues shall be implemented in strict accordance with the agreements of the Coast parties, or the rulings of the Coast Arbitrator.
- C. To the extent the provisions of Paragraph (A) and (B) above conflict with existing Contract provisions, Work Rules, practices or Arbitrators' decisions, the provisions of Paragraph (A) and (B) shall control. The Parties agree to modify the existing work assignment provisions of Sections 1.13 and 1.131 of the PCCCD as follows:

“This Contract Document, as supplemented by agreements (Port Supplements and Working Rules) for the various port areas covered hereby, shall apply to all employees who are employed by the members of the Association to perform work covered herein. It is the intent of this Contract Document to preserve the existing work of such employees, except as described in Section 1.13 and Section 1.131.

“1.13 Documentation work performed by clerks as of July 1, 1978 shall continue to be performed by clerks. In the event that new documents are developed which replace existing documents, then clerks shall be assigned to perform work on such new documentation. If computer remote terminals, electronic or mechanical devices are introduced to replace existing or new documentation, then clerks shall be assigned to perform work on such new equipment for that portion of the work which is recognized as being covered by Section 1. In any event, such work shall not be assigned to non-clerks off dock; however, in instances where technology allows for data to be available, it is not required for the data to be re-entered and is not a violation of Section 1 to the extent specified in the Framework For Special Agreement On Application Of Technologies And Preservation Of Marine Clerk Jurisdiction, incorporated herein by reference.

“1.131 When any work described in Section 1 is performed by computer remote terminals, electronic or mechanical devices, the necessary operation of such devices shall be performed by clerks for only the portion of the work which is recognized as being covered by Section 1. The intent is to preserve the traditional work of clerks as provided by the Agreement, except as described in Section 1.13 or if such work is eliminated by technology as specified in the Framework For Special Agreement On Application Of Technologies And Preservation Of Marine Clerk Jurisdiction, incorporated herein by reference.”

VII. Crane and Skilled Equipment Operators

- A. The following workers shall receive Skill III rate: Portainer/Hammerhead, Transtainer, Strad Driver, Tophandler Driver, Sidepick Operator, Portpacker and Reachstacker and 9.43 equipment operators.
- B. The following workers shall be paid at the Skill II rate: Lift Truck Operator-heavy (over 15 tons rated), ship board Munk Crane Operator, shore-based Whirley and Mobile Crane Operators, Locomotive Operator, Log Stacker Operators and shipboard Whirleys.

- C. The following workers shall be paid at the Skill I rate: Boom Man, Burton Man, Bulldozer Operator, Combination Lift Truck-Jitney Driver, Crane Chaser, Gang Boss, Guy Man, Hatch Boss Tender, Hatch Tender, Holdmen (Skilled), Lift-Truck Operator (up to 15 tons), Payloader Operator, Sack Turner, Side Runner, Tractor (semi-truck) Driver (on dock), Tractor (semi-truck) Driver (aboard ship), Winch Driver.
- D. Change PCLCD Section 14.521 to read “one full hour.” When ordered to do so by the Employer, longshore crane drivers (as defined in Section 14.2, PCLCD), tophandler driver, sidepick operators, strad, portpacker and reachstacker drivers shall report and turn to at a specified time ahead of the regular time of the starting shift or shall continue to work after the shift or during half of the noon hour. The time before or after may be in one-hour increments. Equipment operators in Item “1” above who are ordered to a job and who report to work and are turned to shall receive a guarantee of 10 hours’ pay at the prevailing rate.
- E. A Container Yard (CY) Equipment Board for the dispatch of all tophandlers, sidepick, portpacker and reachstacker operators shall be established in the Los Angeles/Long Beach Longshore Dispatch Hall and in any other major port where jointly agreed. Any tophandler/sidehandler job that is unfilled by persons on the CY Equipment Board shall be filled by any other Class “A” or Class “B” longshore worker who is PIT-certified in that piece of equipment. All tophandler equipment and reachstackers shall be designated as UTRs. Any CLRC crane designation of tophandlers and reachstackers in Los Angeles/Long Beach is hereby rescinded.
- F. A Crane Board shall be established in the San Francisco Bay Area Longshore Dispatch Hall.
- G. Amendments to Steady Skilled Operators’ Addenda, PCLCD:
- Page 214, Last Paragraph: The day and night monthly (four-week) pay guarantee shall be 180 hours (45 hours per week) at the proper (first or second) shift straight-time crane rate.
 - Page 215, 4th Paragraph: A tenth hour shall be paid to all drivers, steady and hall when operating 9.43-rated equipment. Early starts or late finishes shall be paid in one-hour increments as provided in Section 14.521
 - Page 222, Section A, Items 1 and 2: Change the July 1, 1990 dates to July 1, 2002.

- Page 222, Section A, Item 2, Paragraph 3: Additional crane training can be instituted by mutual agreement, with a minimum of 100 crane operators trained during the term of the PCLCD. Disagreements concerning the number of operators to be trained in excess of the minimum may be processed through the Contract grievance machinery.
- Page 225, Section D(1): Delete “or paid” in Section 1. Removes the limitation that crane operators may not be paid more than 20 shifts during a four-week period.
- Steady hammerhead crane operators who work 3 shifts per week shall be paid their 3 work shifts plus 2 guarantee shifts; those who work 4 shifts per week shall be paid their 4 work shifts plus 2 guarantee shifts; those who work 5 shifts per week shall be paid their 5 work shifts plus 2 guarantee shifts.
- Page 226, Section D, Item (C): Delete. (Agreed to at LLRC-LA/LB, Meeting No. 176-96, Item 1.)
- Page 226, Section D, Item 3(a): Delete “for other employers” in the fourth sentence. (Provides that a steady crane operator may work beyond 20-shift limitation for his employer.)
- Page 227, Section D, Item 4: Delete. (Agreed to LLRC-LA/LB Meeting.)

VIII. Break Bulk

- A. The July 14, 1999 Letter of Understanding on Small Port New Work Development is renewed as provided in the attached July 16, 2002 Letter of Understanding on Small Port New Work Development.

IX. Section 9, PCL&CA – Promotions, Training and Steady Skilled Men

- A. A steady worker, after serving the Union as an elected official, has the right to be reinstated in his/her same steady job with the same seniority and at the same company, and that job shall be filled on a temporary basis.
- B. A training program shall be developed to ensure qualified registrants for relief, replacement, or expansion.

X. Supplement I – Registration

Amend Supplement I, Section 4 of the PCL&CA to provide that the JPLRC may grant registered employees up to one (1) year leave of absence. A leave of absence in excess of one (1) year may be granted by action of the JPLRC.

XI. Supplement IV – Industry Travel

Amend Section 4.51 of the PCL&CA to provide for \$80 per night for lodging and \$20 per meal.

XII. 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.

XIII. Term of Agreement

Amend Section 22.1 of the Agreement by changing the termination date therein to 5:00 P.M., July 1, 2008.

Dated: _____

Dated: _____

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)

Attachments

Letters of Understanding

Wage Schedule

M & R Training (November 23, 2002)

Mechanic Employment Requirement (November 23, 2002)

Controverted Claims (November 23, 2002)

Flex Starting Time Day Shift – Ports of Los Angeles/Long Beach (November 23, 2002)

PBGC Rulings (November 23, 2002)

ILWU-PMA Pension Plan (November 23, 2002)

California PPO Request for Proposals (RFP) and Guiding Principles (September 4, 2002)

Marine Clerks' Technology Framework (November 1, 2002)

Implementation of Section 14 Revisions (November 23, 2002)

Longshore Technology (November 23, 2002)

Small Port New Work Development (July 16, 2002)

Amnesty Letter

WAGE SCHEDULE: LONGSHORE AND CLERK RATES

(Effective 8:00 a.m., November 23, 2002 to 8:00 a.m. June 28, 2003)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$27.68	\$36.91	\$41.52	\$44.29	\$49.82
Skill I	\$30.08	\$40.11	\$45.12	\$48.13	\$54.14
Skill II	\$32.35	\$43.13	\$48.53	\$51.76	\$58.23
Skill III	\$33.48	\$44.64	\$50.22	\$53.57	\$60.26
Clerk Wage Rates:					
Basic Clerk	\$27.68	\$36.91	\$41.52	\$44.29	\$49.82
Clerk Supervisor	\$30.08	\$40.11	\$45.12	\$48.13	\$54.14
Kitchen/Tower/Computer Clerk	\$32.35	\$43.13	\$48.53	\$51.76	\$58.23
Chief Supervisor & Supercargo	\$33.48	\$44.64	\$50.22	\$53.57	\$60.26
CFS Wage Rates:					
Utilityman	\$27.68	\$36.91	\$41.52	\$44.29	\$49.82
Working Supervisory Clerk	\$30.08	\$40.11	\$45.12	\$48.13	\$54.14
Mechanics Wage Rates:					
Journeyman	\$33.22	\$44.29	\$49.83	\$53.15	\$59.80
Leadman	\$35.98	\$47.97	\$53.97	\$57.57	\$64.76
Trainee	\$33.22	\$44.29	\$49.83	\$53.15	\$59.80

(Effective 8:00 a.m., June 28, 2003 to 8:00 a.m. July 2, 2004)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$28.18	\$37.57	\$42.27	\$45.09	\$50.72
Skill I	\$30.58	\$40.77	\$45.87	\$48.93	\$55.04
Skill II	\$32.85	\$43.80	\$49.28	\$52.56	\$59.13
Skill III	\$33.98	\$45.31	\$50.97	\$54.37	\$61.16
Clerk Wage Rates:					
Basic Clerk	\$28.18	\$37.57	\$42.27	\$45.09	\$50.72
Clerk Supervisor	\$30.58	\$40.77	\$45.87	\$48.93	\$55.04
Kitchen/Tower/Computer Clerk	\$32.85	\$43.80	\$49.28	\$52.56	\$59.13
Chief Supervisor & Supercargo	\$33.98	\$45.31	\$50.97	\$54.37	\$61.16
CFS Wage Rates:					
Utilityman	\$28.18	\$37.57	\$42.27	\$45.09	\$50.72
Working Supervisory Clerk	\$30.58	\$40.77	\$45.87	\$48.93	\$55.04
Mechanics Wage Rates:					
Journeyman	\$33.82	\$45.09	\$50.73	\$54.11	\$60.88
Leadman	\$36.63	\$48.84	\$54.95	\$58.61	\$65.93
Trainee	\$33.82	\$45.09	\$50.73	\$54.11	\$60.88

(Effective 8:00 a.m., July 3, 2004 to 8:00 a.m. July 1, 2005)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$28.68	\$38.24	\$43.02	\$45.89	\$51.62
Skill I	\$31.08	\$41.44	\$46.62	\$49.73	\$55.94
Skill II	\$33.35	\$44.47	\$50.03	\$53.36	\$60.03
Skill III	\$34.48	\$45.97	\$51.72	\$55.17	\$62.06
Clerk Wage Rates:					
Basic Clerk	\$28.68	\$38.24	\$43.02	\$45.89	\$51.62
Clerk Supervisor	\$31.08	\$41.44	\$46.62	\$49.73	\$55.94
Kitchen/Tower/Computer Clerk	\$33.35	\$44.47	\$50.03	\$53.36	\$60.03
Chief Supervisor & Supercargo	\$34.48	\$45.97	\$51.72	\$55.17	\$62.06
CFS Wage Rates:					
Utilityman	\$28.68	\$38.24	\$43.02	\$45.89	\$51.62
Working Supervisory Clerk	\$31.08	\$41.44	\$46.62	\$49.73	\$55.94
Mechanics Wage Rates:					
Journeyman	\$34.42	\$45.89	\$51.63	\$55.07	\$61.96
Leadman	\$37.28	\$49.71	\$55.92	\$59.65	\$67.10
Trainee	\$34.42	\$45.89	\$51.63	\$55.07	\$61.96

WAGE SCHEDULE: LONGSHORE AND CLERK RATES

(Effective 8:00 a.m., July 2, 2005 to 8:00 a.m. June 30, 2006)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$29.68	\$39.57	\$44.52	\$47.49	\$53.42
Skill I	\$32.08	\$42.77	\$48.12	\$51.33	\$57.74
Skill II	\$34.35	\$45.80	\$51.53	\$54.96	\$61.83
Skill III	\$35.48	\$47.31	\$53.22	\$56.77	\$63.86
Clerk Wage Rates:					
Basic Clerk	\$29.68	\$39.57	\$44.52	\$47.49	\$53.42
Clerk Supervisor	\$32.08	\$42.77	\$48.12	\$51.33	\$57.74
Kitchen/Tower/Computer Clerk	\$34.35	\$45.80	\$51.53	\$54.96	\$61.83
Chief Supervisor & Supercargo	\$35.48	\$47.31	\$53.22	\$56.77	\$63.86
CFS Wage Rates:					
Utilityman	\$29.68	\$39.57	\$44.52	\$47.49	\$53.42
Working Supervisory Clerk	\$32.08	\$42.77	\$48.12	\$51.33	\$57.74
Mechanics Wage Rates:					
Journeyman	\$35.62	\$47.49	\$53.43	\$56.99	\$64.12
Leadman	\$38.58	\$51.44	\$57.87	\$61.73	\$69.44
Trainee	\$35.62	\$47.49	\$53.43	\$56.99	\$64.12

(Effective 8:00 a.m., July 1, 2006 to 8:00 a.m. June 29, 2007)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$30.18	\$40.24	\$45.27	\$48.29	\$54.32
Skill I	\$32.58	\$43.44	\$48.87	\$52.13	\$58.64
Skill II	\$34.85	\$46.47	\$52.28	\$55.76	\$62.73
Skill III	\$35.98	\$47.97	\$53.97	\$57.57	\$64.76
Clerk Wage Rates:					
Basic Clerk	\$30.18	\$40.24	\$45.27	\$48.29	\$54.32
Clerk Supervisor	\$32.58	\$43.44	\$48.87	\$52.13	\$58.64
Kitchen/Tower/Computer Clerk	\$34.85	\$46.47	\$52.28	\$55.76	\$62.73
Chief Supervisor & Supercargo	\$35.98	\$47.97	\$53.97	\$57.57	\$64.76
CFS Wage Rates:					
Utilityman	\$30.18	\$40.24	\$45.27	\$48.29	\$54.32
Working Supervisory Clerk	\$32.58	\$43.44	\$48.87	\$52.13	\$58.64
Mechanics Wage Rates:					
Journeyman	\$36.22	\$48.29	\$54.33	\$57.95	\$65.20
Leadman	\$39.23	\$52.31	\$58.85	\$62.77	\$70.61
Trainee	\$36.22	\$48.29	\$54.33	\$57.95	\$65.20

(Effective 8:00 a.m., June 30, 2007 to 8:00 a.m. June 27, 2008)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$30.68	\$40.91	\$46.02	\$49.09	\$55.22
Skill I	\$33.08	\$44.11	\$49.62	\$52.93	\$59.54
Skill II	\$35.35	\$47.13	\$53.03	\$56.56	\$63.63
Skill III	\$36.48	\$48.64	\$54.72	\$58.37	\$65.66
Clerk Wage Rates:					
Basic Clerk	\$30.68	\$40.91	\$46.02	\$49.09	\$55.22
Clerk Supervisor	\$33.08	\$44.11	\$49.62	\$52.93	\$59.54
Kitchen/Tower/Computer Clerk	\$35.35	\$47.13	\$53.03	\$56.56	\$63.63
Chief Supervisor & Supercargo	\$36.48	\$48.64	\$54.72	\$58.37	\$65.66
CFS Wage Rates:					
Utilityman	\$30.68	\$40.91	\$46.02	\$49.09	\$55.22
Working Supervisory Clerk	\$33.08	\$44.11	\$49.62	\$52.93	\$59.54
Mechanics Wage Rates:					
Journeyman	\$36.82	\$49.09	\$55.23	\$58.91	\$66.28
Leadman	\$39.88	\$53.17	\$59.82	\$63.81	\$71.78
Trainee	\$36.82	\$49.09	\$55.23	\$58.91	\$66.28

WAGE SCHEDULE: LONGSHORE AND CLERK RATES

Work Experience Group: 0 - 1,000 Hours

(Effective 8:00 a.m., November 23, 2002 to 8:00 a.m. June 28, 2003)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$19.94	\$26.59	\$29.91	\$31.90	\$35.89
Skill I	\$22.34	\$29.79	\$33.51	\$35.74	\$40.21
Skill II	\$24.61	\$32.81	\$36.92	\$39.38	\$44.30
Skill III	\$25.74	\$34.32	\$38.61	\$41.18	\$46.33
Clerk Wage Rates:					
Basic Clerk	\$19.94	\$26.59	\$29.91	\$31.90	\$35.89
Clerk Supervisor	\$22.34	\$29.79	\$33.51	\$35.74	\$40.21
Kitchen/Tower/Computer Clerk	\$24.61	\$32.81	\$36.92	\$39.38	\$44.30
Chief Supervisor & Supercargo	\$25.74	\$34.32	\$38.61	\$41.18	\$46.33
CFS Wage Rates:					
Utilityman	\$19.94	\$26.59	\$29.91	\$31.90	\$35.89
Working Supervisory Clerk	\$22.34	\$29.79	\$33.51	\$35.74	\$40.21
Mechanics Wage Rates:					
Trainee	\$29.06	\$38.75	\$43.59	\$46.50	\$52.31

(Effective 8:00 a.m., June 28, 2003 to 8:00 a.m. July 2, 2004)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$20.30	\$27.07	\$30.45	\$32.48	\$36.54
Skill I	\$22.70	\$30.27	\$34.05	\$36.32	\$40.86
Skill II	\$24.97	\$33.29	\$37.46	\$39.95	\$44.95
Skill III	\$26.10	\$34.80	\$39.15	\$41.76	\$46.98
Clerk Wage Rates:					
Basic Clerk	\$20.30	\$27.07	\$30.45	\$32.48	\$36.54
Clerk Supervisor	\$22.70	\$30.27	\$34.05	\$36.32	\$40.86
Kitchen/Tower/Computer Clerk	\$24.97	\$33.29	\$37.46	\$39.95	\$44.95
Chief Supervisor & Supercargo	\$26.10	\$34.80	\$39.15	\$41.76	\$46.98
CFS Wage Rates:					
Utilityman	\$20.30	\$27.07	\$30.45	\$32.48	\$36.54
Working Supervisory Clerk	\$22.70	\$30.27	\$34.05	\$36.32	\$40.86
Mechanics Wage Rates:					
Trainee	\$29.59	\$39.45	\$44.39	\$47.34	\$53.26

(Effective 8:00 a.m., July 3, 2004 to 8:00 a.m. July 1, 2005)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$20.66	\$27.55	\$30.99	\$33.06	\$37.19
Skill I	\$23.06	\$30.75	\$34.59	\$36.90	\$41.51
Skill II	\$25.33	\$33.77	\$38.00	\$40.53	\$45.59
Skill III	\$26.46	\$35.28	\$39.69	\$42.34	\$47.63
Clerk Wage Rates:					
Basic Clerk	\$20.66	\$27.55	\$30.99	\$33.06	\$37.19
Clerk Supervisor	\$23.06	\$30.75	\$34.59	\$36.90	\$41.51
Kitchen/Tower/Computer Clerk	\$25.33	\$33.77	\$38.00	\$40.53	\$45.59
Chief Supervisor & Supercargo	\$26.46	\$35.28	\$39.69	\$42.34	\$47.63
CFS Wage Rates:					
Utilityman	\$20.66	\$27.55	\$30.99	\$33.06	\$37.19
Working Supervisory Clerk	\$23.06	\$30.75	\$34.59	\$36.90	\$41.51
Mechanics Wage Rates:					
Trainee	\$30.11	\$40.15	\$45.17	\$48.18	\$54.20

WAGE SCHEDULE: LONGSHORE AND CLERK RATES

Work Experience Group: 0 - 1,000 Hours

(Effective 8:00 a.m., July 2, 2005 to 8:00 a.m. June 30, 2006)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$21.39	\$28.52	\$32.09	\$34.22	\$38.50
Skill I	\$23.79	\$31.72	\$35.69	\$38.06	\$42.82
Skill II	\$26.06	\$34.75	\$39.09	\$41.70	\$46.91
Skill III	\$27.19	\$36.25	\$40.79	\$43.50	\$48.94
Clerk Wage Rates:					
Basic Clerk	\$21.39	\$28.52	\$32.09	\$34.22	\$38.50
Clerk Supervisor	\$23.79	\$31.72	\$35.69	\$38.06	\$42.82
Kitchen/Tower/Computer Clerk	\$26.06	\$34.75	\$39.09	\$41.70	\$46.91
Chief Supervisor & Supercargo	\$27.19	\$36.25	\$40.79	\$43.50	\$48.94
CFS Wage Rates:					
Utilityman	\$21.39	\$28.52	\$32.09	\$34.22	\$38.50
Working Supervisory Clerk	\$23.79	\$31.72	\$35.69	\$38.06	\$42.82
Mechanics Wage Rates:					
Trainee	\$31.16	\$41.55	\$46.74	\$49.86	\$56.09

(Effective 8:00 a.m., July 1, 2006 to 8:00 a.m. June 29, 2007)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$21.75	\$29.00	\$32.63	\$34.80	\$39.15
Skill I	\$24.15	\$32.20	\$36.23	\$38.64	\$43.47
Skill II	\$26.42	\$35.23	\$39.63	\$42.27	\$47.56
Skill III	\$27.55	\$36.73	\$41.33	\$44.08	\$49.59
Clerk Wage Rates:					
Basic Clerk	\$21.75	\$29.00	\$32.63	\$34.80	\$39.15
Clerk Supervisor	\$24.15	\$32.20	\$36.23	\$38.64	\$43.47
Kitchen/Tower/Computer Clerk	\$26.42	\$35.23	\$39.63	\$42.27	\$47.56
Chief Supervisor & Supercargo	\$27.55	\$36.73	\$41.33	\$44.08	\$49.59
CFS Wage Rates:					
Utilityman	\$21.75	\$29.00	\$32.63	\$34.80	\$39.15
Working Supervisory Clerk	\$24.15	\$32.20	\$36.23	\$38.64	\$43.47
Mechanics Wage Rates:					
Trainee	\$31.69	\$42.25	\$47.54	\$50.70	\$57.04

(Effective 8:00 a.m., June 30, 2007 to 8:00 a.m. June 27, 2008)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$22.11	\$29.48	\$33.17	\$35.38	\$39.80
Skill I	\$24.51	\$32.68	\$36.77	\$39.22	\$44.12
Skill II	\$26.78	\$35.71	\$40.17	\$42.85	\$48.20
Skill III	\$27.91	\$37.21	\$41.87	\$44.66	\$50.24
Clerk Wage Rates:					
Basic Clerk	\$22.11	\$29.48	\$33.17	\$35.38	\$39.80
Clerk Supervisor	\$24.51	\$32.68	\$36.77	\$39.22	\$44.12
Kitchen/Tower/Computer Clerk	\$26.78	\$35.71	\$40.17	\$42.85	\$48.20
Chief Supervisor & Supercargo	\$27.91	\$37.21	\$41.87	\$44.66	\$50.24
CFS Wage Rates:					
Utilityman	\$22.11	\$29.48	\$33.17	\$35.38	\$39.80
Working Supervisory Clerk	\$24.51	\$32.68	\$36.77	\$39.22	\$44.12
Mechanics Wage Rates:					
Trainee	\$32.21	\$42.95	\$48.32	\$51.54	\$57.98

WAGE SCHEDULE: LONGSHORE AND CLERK RATES

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

(Effective 8:00 a.m., November 23, 2002 to 8:00 a.m. June 28, 2003)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$20.94	\$27.92	\$31.41	\$33.50	\$37.69
Skill I	\$23.34	\$31.12	\$35.01	\$37.34	\$42.01
Skill II	\$25.61	\$34.15	\$38.42	\$40.98	\$46.10
Skill III	\$26.74	\$35.65	\$40.11	\$42.78	\$48.13
Clerk Wage Rates:					
Basic Clerk	\$20.94	\$27.92	\$31.41	\$33.50	\$37.69
Clerk Supervisor	\$23.34	\$31.12	\$35.01	\$37.34	\$42.01
Kitchen/Tower/Computer Clerk	\$25.61	\$34.15	\$38.42	\$40.98	\$46.10
Chief Supervisor & Supercargo	\$26.74	\$35.65	\$40.11	\$42.78	\$48.13
CFS Wage Rates:					
Utilityman	\$20.94	\$27.92	\$31.41	\$33.50	\$37.69
Working Supervisory Clerk	\$23.34	\$31.12	\$35.01	\$37.34	\$42.01
Mechanics Wage Rates:					
Trainee	\$30.45	\$40.60	\$45.68	\$48.72	\$54.81

(Effective 8:00 a.m., June 28, 2003 to 8:00 a.m. July 2, 2004)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$21.30	\$28.40	\$31.95	\$34.08	\$38.34
Skill I	\$23.70	\$31.60	\$35.55	\$37.92	\$42.66
Skill II	\$25.97	\$34.63	\$38.96	\$41.55	\$46.75
Skill III	\$27.10	\$36.13	\$40.65	\$43.36	\$48.78
Clerk Wage Rates:					
Basic Clerk	\$21.30	\$28.40	\$31.95	\$34.08	\$38.34
Clerk Supervisor	\$23.70	\$31.60	\$35.55	\$37.92	\$42.66
Kitchen/Tower/Computer Clerk	\$25.97	\$34.63	\$38.96	\$41.55	\$46.75
Chief Supervisor & Supercargo	\$27.10	\$36.13	\$40.65	\$43.36	\$48.78
CFS Wage Rates:					
Utilityman	\$21.30	\$28.40	\$31.95	\$34.08	\$38.34
Working Supervisory Clerk	\$23.70	\$31.60	\$35.55	\$37.92	\$42.66
Mechanics Wage Rates:					
Trainee	\$31.00	\$41.33	\$46.50	\$49.60	\$55.80

(Effective 8:00 a.m., July 3, 2004 to 8:00 a.m. July 1, 2005)

	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$21.66	\$28.88	\$32.49	\$34.66	\$38.99
Skill I	\$24.06	\$32.08	\$36.09	\$38.50	\$43.31
Skill II	\$26.33	\$35.11	\$39.50	\$42.13	\$47.39
Skill III	\$27.46	\$36.61	\$41.19	\$43.94	\$49.43
Clerk Wage Rates:					
Basic Clerk	\$21.66	\$28.88	\$32.49	\$34.66	\$38.99
Clerk Supervisor	\$24.06	\$32.08	\$36.09	\$38.50	\$43.31
Kitchen/Tower/Computer Clerk	\$26.33	\$35.11	\$39.50	\$42.13	\$47.39
Chief Supervisor & Supercargo	\$27.46	\$36.61	\$41.19	\$43.94	\$49.43
CFS Wage Rates:					
Utilityman	\$21.66	\$28.88	\$32.49	\$34.66	\$38.99
Working Supervisory Clerk	\$24.06	\$32.08	\$36.09	\$38.50	\$43.31
Mechanics Wage Rates:					
Trainee	\$31.55	\$42.07	\$47.33	\$50.48	\$56.79

WAGE SCHEDULE: LONGSHORE AND CLERK RATES

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

(Effective 8:00 a.m., July 2, 2005 to 8:00 a.m. June 30, 2006)

	<i>1st Shift</i>	<i>2nd Shift</i>	<i>1st and 2nd Shift Overtime</i>	<i>3rd Shift</i>	<i>3rd Shift Overtime</i>
Longshore Wage Rates:					
Basic Longshore	\$22.39	\$29.85	\$33.59	\$35.82	\$40.30
Skill I	\$24.79	\$33.05	\$37.19	\$39.66	\$44.62
Skill II	\$27.06	\$36.08	\$40.59	\$43.30	\$48.71
Skill III	\$28.19	\$37.59	\$42.29	\$45.10	\$50.74
Clerk Wage Rates:					
Basic Clerk	\$22.39	\$29.85	\$33.59	\$35.82	\$40.30
Clerk Supervisor	\$24.79	\$33.05	\$37.19	\$39.66	\$44.62
Kitchen/Tower/Computer Clerk	\$27.06	\$36.08	\$40.59	\$43.30	\$48.71
Chief Supervisor & Supercargo	\$28.19	\$37.59	\$42.29	\$45.10	\$50.74
CFS Wage Rates:					
Utilityman	\$22.39	\$29.85	\$33.59	\$35.82	\$40.30
Working Supervisory Clerk	\$24.79	\$33.05	\$37.19	\$39.66	\$44.62
Mechanics Wage Rates:					
Trainee	\$32.65	\$43.53	\$48.98	\$52.24	\$58.77

(Effective 8:00 a.m., July 1, 2006 to 8:00 a.m. June 29, 2007)

	<i>1st Shift</i>	<i>2nd Shift</i>	<i>1st and 2nd Shift Overtime</i>	<i>3rd Shift</i>	<i>3rd Shift Overtime</i>
Longshore Wage Rates:					
Basic Longshore	\$22.75	\$30.33	\$34.13	\$36.40	\$40.95
Skill I	\$25.15	\$33.53	\$37.73	\$40.24	\$45.27
Skill II	\$27.42	\$36.56	\$41.13	\$43.87	\$49.36
Skill III	\$28.55	\$38.07	\$42.83	\$45.68	\$51.39
Clerk Wage Rates:					
Basic Clerk	\$22.75	\$30.33	\$34.13	\$36.40	\$40.95
Clerk Supervisor	\$25.15	\$33.53	\$37.73	\$40.24	\$45.27
Kitchen/Tower/Computer Clerk	\$27.42	\$36.56	\$41.13	\$43.87	\$49.36
Chief Supervisor & Supercargo	\$28.55	\$38.07	\$42.83	\$45.68	\$51.39
CFS Wage Rates:					
Utilityman	\$22.75	\$30.33	\$34.13	\$36.40	\$40.95
Working Supervisory Clerk	\$25.15	\$33.53	\$37.73	\$40.24	\$45.27
Mechanics Wage Rates:					
Trainee	\$33.20	\$44.27	\$49.80	\$53.12	\$59.76

(Effective 8:00 a.m., June 30, 2007 to 8:00 a.m. June 27, 2008)

	<i>1st Shift</i>	<i>2nd Shift</i>	<i>1st and 2nd Shift Overtime</i>	<i>3rd Shift</i>	<i>3rd Shift Overtime</i>
Longshore Wage Rates:					
Basic Longshore	\$23.11	\$30.81	\$34.67	\$36.98	\$41.60
Skill I	\$25.51	\$34.01	\$38.27	\$40.82	\$45.92
Skill II	\$27.78	\$37.04	\$41.67	\$44.45	\$50.00
Skill III	\$28.91	\$38.55	\$43.37	\$46.26	\$52.04
Clerk Wage Rates:					
Basic Clerk	\$23.11	\$30.81	\$34.67	\$36.98	\$41.60
Clerk Supervisor	\$25.51	\$34.01	\$38.27	\$40.82	\$45.92
Kitchen/Tower/Computer Clerk	\$27.78	\$37.04	\$41.67	\$44.45	\$50.00
Chief Supervisor & Supercargo	\$28.91	\$38.55	\$43.37	\$46.26	\$52.04
CFS Wage Rates:					
Utilityman	\$23.11	\$30.81	\$34.67	\$36.98	\$41.60
Working Supervisory Clerk	\$25.51	\$34.01	\$38.27	\$40.82	\$45.92
Mechanics Wage Rates:					
Trainee	\$33.75	\$45.00	\$50.63	\$54.00	\$60.75

WAGE SCHEDULE: LONGSHORE AND CLERK RATES

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

(Effective 8:00 a.m., November 23, 2002 to 8:00 a.m. June 28, 2003)

	1st Shift	2nd Shift	1st & 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$22.94	\$30.59	\$34.41	\$36.70	\$41.29
Skill I	\$25.34	\$33.79	\$38.01	\$40.54	\$45.61
Skill II	\$27.61	\$36.81	\$41.42	\$44.18	\$49.70
Skill III	\$28.74	\$38.32	\$43.11	\$45.98	\$51.73
Clerk Wage Rates:					
Basic Clerk	\$22.94	\$30.59	\$34.41	\$36.70	\$41.29
Clerk Supervisor	\$25.34	\$33.79	\$38.01	\$40.54	\$45.61
Kitchen/Tower/Computer Clerk	\$27.61	\$36.81	\$41.42	\$44.18	\$49.70
Chief Supervisor & Supercargo	\$28.74	\$38.32	\$43.11	\$45.98	\$51.73
CFS Wage Rates:					
Utilityman	\$22.94	\$30.59	\$34.41	\$36.70	\$41.29
Working Supervisory Clerk	\$25.34	\$33.79	\$38.01	\$40.54	\$45.61
Mechanics Wage Rates:					
Trainee	\$31.83	\$42.44	\$47.75	\$50.93	\$57.29

(Effective 8:00 a.m., June 28, 2003 to 8:00 a.m. July 2, 2004)

	1st Shift	2nd Shift	1st & 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$23.30	\$31.07	\$34.95	\$37.28	\$41.94
Skill I	\$25.70	\$34.27	\$38.55	\$41.12	\$46.26
Skill II	\$27.97	\$37.29	\$41.96	\$44.75	\$50.35
Skill III	\$29.10	\$38.80	\$43.65	\$46.56	\$52.38
Clerk Wage Rates:					
Basic Clerk	\$23.30	\$31.07	\$34.95	\$37.28	\$41.94
Clerk Supervisor	\$25.70	\$34.27	\$38.55	\$41.12	\$46.26
Kitchen/Tower/Computer Clerk	\$27.97	\$37.29	\$41.96	\$44.75	\$50.35
Chief Supervisor & Supercargo	\$29.10	\$38.80	\$43.65	\$46.56	\$52.38
CFS Wage Rates:					
Utilityman	\$23.30	\$31.07	\$34.95	\$37.28	\$41.94
Working Supervisory Clerk	\$25.70	\$34.27	\$38.55	\$41.12	\$46.26
Mechanics Wage Rates:					
Trainee	\$32.41	\$43.21	\$48.62	\$51.86	\$58.34

(Effective 8:00 a.m., July 3, 2004 to 8:00 a.m. July 1, 2005)

	1st Shift	2nd Shift	1st & 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$23.66	\$31.55	\$35.49	\$37.86	\$42.59
Skill I	\$26.06	\$34.75	\$39.09	\$41.70	\$46.91
Skill II	\$28.33	\$37.77	\$42.50	\$45.33	\$50.99
Skill III	\$29.46	\$39.28	\$44.19	\$47.14	\$53.03
Clerk Wage Rates:					
Basic Clerk	\$23.66	\$31.55	\$35.49	\$37.86	\$42.59
Clerk Supervisor	\$26.06	\$34.75	\$39.09	\$41.70	\$46.91
Kitchen/Tower/Computer Clerk	\$28.33	\$37.77	\$42.50	\$45.33	\$50.99
Chief Supervisor & Supercargo	\$29.46	\$39.28	\$44.19	\$47.14	\$53.03
CFS Wage Rates:					
Utilityman	\$23.66	\$31.55	\$35.49	\$37.86	\$42.59
Working Supervisory Clerk	\$26.06	\$34.75	\$39.09	\$41.70	\$46.91
Mechanics Wage Rates:					
Trainee	\$32.98	\$43.97	\$49.47	\$52.77	\$59.36

WAGE SCHEDULE: LONGSHORE AND CLERK RATES

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

(Effective 8:00 a.m., July 2, 2005 to 8:00 a.m. June 30, 2006)

	1st Shift	2nd Shift	1st & 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$24.39	\$32.52	\$36.59	\$39.02	\$43.90
Skill I	\$26.79	\$35.72	\$40.19	\$42.86	\$48.22
Skill II	\$29.06	\$38.75	\$43.59	\$46.50	\$52.31
Skill III	\$30.19	\$40.25	\$45.29	\$48.30	\$54.34
Clerk Wage Rates:					
Basic Clerk	\$24.39	\$32.52	\$36.59	\$39.02	\$43.90
Clerk Supervisor	\$26.79	\$35.72	\$40.19	\$42.86	\$48.22
Kitchen/Tower/Computer Clerk	\$29.06	\$38.75	\$43.59	\$46.50	\$52.31
Chief Supervisor & Supercargo	\$30.19	\$40.25	\$45.29	\$48.30	\$54.34
CFS Wage Rates:					
Utilityman	\$24.39	\$32.52	\$36.59	\$39.02	\$43.90
Working Supervisory Clerk	\$26.79	\$35.72	\$40.19	\$42.86	\$48.22
Mechanics Wage Rates:					
Trainee	\$34.13	\$45.51	\$51.20	\$54.61	\$61.43

(Effective 8:00 a.m., July 1, 2006 to 8:00 a.m. June 29, 2007)

	1st Shift	2nd Shift	1st & 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$24.75	\$33.00	\$37.13	\$39.60	\$44.55
Skill I	\$27.15	\$36.20	\$40.73	\$43.44	\$48.87
Skill II	\$29.42	\$39.23	\$44.13	\$47.07	\$52.96
Skill III	\$30.55	\$40.73	\$45.83	\$48.88	\$54.99
Clerk Wage Rates:					
Basic Clerk	\$24.75	\$33.00	\$37.13	\$39.60	\$44.55
Clerk Supervisor	\$27.15	\$36.20	\$40.73	\$43.44	\$48.87
Kitchen/Tower/Computer Clerk	\$29.42	\$39.23	\$44.13	\$47.07	\$52.96
Chief Supervisor & Supercargo	\$30.55	\$40.73	\$45.83	\$48.88	\$54.99
CFS Wage Rates:					
Utilityman	\$24.75	\$33.00	\$37.13	\$39.60	\$44.55
Working Supervisory Clerk	\$27.15	\$36.20	\$40.73	\$43.44	\$48.87
Mechanics Wage Rates:					
Trainee	\$34.71	\$46.28	\$52.07	\$55.54	\$62.48

(Effective 8:00 a.m., June 30, 2007 to 8:00 a.m. June 27, 2008)

	1st Shift	2nd Shift	1st & 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
Longshore Wage Rates:					
Basic Longshore	\$25.11	\$33.48	\$37.67	\$40.18	\$45.20
Skill I	\$27.51	\$36.68	\$41.27	\$44.02	\$49.52
Skill II	\$29.78	\$39.71	\$44.67	\$47.65	\$53.60
Skill III	\$30.91	\$41.21	\$46.37	\$49.46	\$55.64
Clerk Wage Rates:					
Basic Clerk	\$25.11	\$33.48	\$37.67	\$40.18	\$45.20
Clerk Supervisor	\$27.51	\$36.68	\$41.27	\$44.02	\$49.52
Kitchen/Tower/Computer Clerk	\$29.78	\$39.71	\$44.67	\$47.65	\$53.60
Chief Supervisor & Supercargo	\$30.91	\$41.21	\$46.37	\$49.46	\$55.64
CFS Wage Rates:					
Utilityman	\$25.11	\$33.48	\$37.67	\$40.18	\$45.20
Working Supervisory Clerk	\$27.51	\$36.68	\$41.27	\$44.02	\$49.52
Mechanics Wage Rates:					
Trainee	\$35.28	\$47.04	\$52.92	\$56.45	\$63.50

November 23, 2002

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

Letter of Understanding – M & R Training

Dear Mr. Spinoso:

During the course of 2002 Contract negotiations, the Parties recognized the need for M & R training. It was acknowledged that the M & R training provisions contained within the 1999 Memorandum of Understanding (MOU) dated July 14, 1999 were not fully implemented.

The Parties, therefore, agreed that the terms and conditions of the M & R 1999 MOU are reconfirmed and shall be accomplished during the term of the 2002 PCL&CA. To that end, the Parties have agreed to the following schedule for implementing such training:

- 03-1-03 – CLRC Meeting to identify and approve area training programs;
- 07-01-03 – Commencement or recognition of on-going M & R training programs in the Ports of Los Angeles/Long Beach, Oakland and the Pacific Northwest.

Very truly yours,

Joseph N. Miniace
President and CEO

Acknowledged and Confirmed:

James Spinoso, International President, ILWU

Dated: _____

November 23, 2002

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

Letter of Understanding
Mechanic Employment Requirement

Dear Mr. Spinosa:

During the course of the 2002 ILWU-PMA Contract negotiations, the Parties discussed a registered mechanic's obligation to the performance of mechanic work, agreeing to the following:

- After 12 years of steady mechanic employment, a mechanic shall receive full dispatch hall check-in rights, including transfer and promotion.
- After 15 years of service, a mechanic shall receive full dispatch hall check-in rights, including transfer and promotion.
- These provisions shall be based on industry seniority and limited to 10% of an individual employer's mechanic work force in one year. In applying the 10% to a steady mechanic work force that totals less than ten, one mechanic per year shall receive full dispatch hall check-in rights, including transfer and promotion.

Very truly yours,

Joseph N. Miniace
President and CEO

Acknowledged and Confirmed:

James Spinosa, International President, ILWU

Dated: _____

November 23, 2002

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

Letter of Understanding
Controverted Claims

Dear Mr. Spinoso:

During the course of the 2002 ILWU-PMA Contract negotiations, the Parties met and discussed the Longshore and Harbor Workers' Compensation Act and, in particular, the issue of controverted claims.

It was agreed by the Parties that there could be a benefit to a continued dialogue on this subject to identify trends and concerns encountered by both Parties.

To that end, it is hereby agreed that the Parties shall meet again periodically to further discuss these issues.

Very truly yours,

Joseph N. Miniace
President and CEO

Acknowledged and Confirmed:

James Spinoso, International President, ILWU

Dated: _____

November 23, 2002

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

Letter of Understanding
Flex Starting Time Day Shift – Ports of Los Angeles and Long Beach

Dear Mr. Spinoso:

The Parties agreed during the course of 2002 PCL&CA negotiations that Employers in the Ports of Los Angeles/Long Beach may order longshoremen and clerk workers on a double flex 6:00 a.m. start on the first shift (Section VIII of the November 23, 2002 Memorandum of Understanding). Double flex orders in the dispatch hall shall be filled on a volunteer basis.

Very truly yours,

Joseph N. Miniace
President and CEO

Acknowledged and Confirmed:

James Spinoso, International President, ILWU

Dated: _____

November 23, 2002

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

Letter of Understanding
PBGC Rulings

Dear Mr. Spinosa:

It is understood and agreed that the joint Trustees of the ILWU-PMA Pension Plan ("Plan") will request rulings from the PBGC to approve the following:

1. The current 85% funding test shall be modified by replacing 85% with 65% for Plan years commencing July 1, 2002 through July 1, 2007. The 65% funding test shall increase by 3% per year for each succeeding year commencing July 1, 2008 until it again reaches 85%.
2. The current 80% funding test shall be modified by replacing 80% with 65% for Plan years commencing July 1, 2002 through July 1, 2007. The 65% funding test shall increase by 3% per year for each succeeding year commencing July 1, 2008 until it again reaches 80%.
3. The funding test referred to in Items 1 and 2 above shall be calculated using a 6.5% interest rate and other actuarial assumptions) updated based upon a study of the Plan's experience (mortality table and retirement incidence) to be conducted by the Plan's actuary.

The Trustees agree to use their best efforts to expedite the issuance of a favorable ruling.

Very truly yours,

Joseph N. Miniace
Trustee, ILWU-PMA Pension Plan
President and CEO

Acknowledged and Confirmed:

James Spinosa, Trustee, ILWU-PMA Pension Plan
International President, ILWU

Dated: _____

November 23, 2002

Mr. James Spinoso
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. Spinoso:

It is understood and agreed that the joint Trustees of the ILWU-PMA Pension Plan ("Plan") will request, upon execution of the Agreement, that the Plan's actuary conduct an experience study for the purpose of aligning the Plan's actuarial assumptions, other than the Plan's investment interest rate assumption with actual Plan experience.

Very truly yours,

Joseph N. Miniace
Trustee, ILWU-PMA Pension Plan
President and CEO

Acknowledged and Confirmed:

James Spinoso, Trustee, ILWU-PMA Pension Plan
International President, ILWU

Dated: _____

September 4, 2002

Mr. Michael Wechsler, Trustee
Senior Vice President and
Chief Financial Officer
Pacific Maritime Association
550 California Street
San Francisco, CA 94104-1006

Letter of Understanding
California PPO Request for Proposals (RFP) & Guiding Principles

Dear Mr. Wechsler:

In response to the Employer's request to issue a Request for Proposals (RFP) for a Preferred Provider Organization (PPO) to serve the existing California PPO Ports the Joint Union and Employer Trustees agree as follows:

I. Request for Proposals (RFP)

1. On or before October 1, 2002 the Joint Trustees shall instruct the Plan Consultant to issue a Request for Proposals (RFP) using the previously agreed-to January 1994 ILWU-PMA HMO Standards and Criteria as modified in the January 4, 2000 Request for Proposal-Preferred Provider Organization (PPO).
2. The Plan Consultant will issue a report to the Trustees within three (3) months of the date the RFP was issued.
3. Within one (1) month of the date the Trustees receive the Plan Consultant's report the Trustees and Plan Consultant shall meet to review and discuss the report.
4. Within one (1) month of the date the Trustees meet, interviews of prospective PPO's selected by Union or Employer Trustees or the Plan Consultant will be conducted by the Trustees and the Plan Consultant.
5. Twenty-one (21) days after conclusion of the final interview the Plan Consultant shall issue a final recommendation that will be implemented by the Trustees within seven (7) days.

II. Guiding Principles to be Applied in the Conduct and Analysis of Responses to the RFP

1. No particular PPO is viewed as a pre-conceived solution. The RFP is to determine whether there is a demonstratively better network available to serve the existing California PPO Ports. Performance standards and requirements include quality, access,

Letter of Understanding
California PPO Request, Guiding Principles
September 4, 2002

patient satisfaction, cost and management. Upon review and analysis of responses to the RFP, a decision will be made as to whether or not a change may be beneficial. Should it appear that a change may be beneficial, interviews will be scheduled with prospective providers.

2. The services provided to the Plan by a PPO Network are limited to leasing the PPO Network. The Network provides the plan access to discounted rates. It does not provide any other services, bundled or unbundled. The Network does not determine eligibility, coverage, or plan design, nor does it conduct medical reviews or determine what is denied or approved.
3. The PPO Network must treat providers fairly.
4. Regarding the Claims Key Analysis, a concern was raised that further contact or data sharing with Blue Cross could prejudice other potential networks. All potential networks will be treated equally and data released to each at the same time. The data provided to potential networks should be limited, first, to only claims for non-Medicare eligibles assigned to a PPO port, and then only data necessary to respond to the RFP, for example, CPT codes and Provider ID. Which data is necessary will be discussed with the Plan Consultant.
5. GeoAccess (access by zip code), the importance of Patient - Provider Match and Patient Disruption standards will be discussed with the Plan Consultant.
6. Participating Provider arrangements are not part of the RFP process.
7. Pharmacy Benefit Management and Case Management are not part of the RFP process.
8. The RFP and PPO Networks do not change Plan design or benefit structure.
9. Criteria and Indicators from the previously-agreed to January 1994 ILWU-PMA HMO Standards and Criteria as modified in the January 4, 2000 Request for Proposal-Preferred Provider Organization (PPO) are to be considered not applicable.
10. The ability of a network to add out of network providers is very important to the Union. From the Union's perspective, prospective networks must be flexible and aggressive in contracting qualified providers that are currently servicing participants.
11. Stability of the network, percentage of provider retention, history of provider disruptions, and number of hospitals and physicians terminated or added to the network are relevant concerns.

Letter of Understanding
California PPO Request, Guiding Principles
September 4, 2002

12. Neither party wants to do anything that could compromise the participants' use of PPO providers.
13. While the recommendation of the Plan Consultant is binding on both parties, the Parties also recognize the preferred course is to act on the basis of mutual agreement.

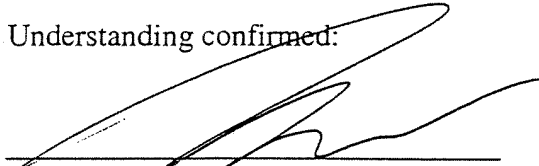
Yours truly,



Robert McEllrath, Trustee
International Vice President

9/4/02

Understanding confirmed:



Michael Wechsler, Trustee
Senior Vice President and
Chief Financial Officer
Pacific Maritime Association

Dated: 9/4/02

November 1, 2002

Mr. Joseph Miniace
President and CEO
550 California Street, 2nd Floor
San Francisco, CA 94104-1060

Letter of Understanding
Re: Marine Clerks' Technology Framework

Dear Joe:

During the course of the ILWU-PMA 2002 Negotiations, the Parties reached agreement on various provisions and procedures regarding the implementation of technologies and their impact on marine clerks under the PCCCD. Such provisions and procedures are set forth in the Framework For Special Agreement On Application Of Technologies and Preservation Of Marine Clerk Jurisdiction (referred to as the "Framework"). The purpose of this letter is to confirm our understanding that nothing in the Framework reduces or expands the established Contract language and practices regarding management's right as to the direction of marine clerk supervisors by management, the determining of overall business operations, and the setting of business and operational priorities.

I believe that this accurately sets forth the understanding reached in negotiations. I would ask that you sign a copy of this document for our file and retain a copy for your file.

Sincerely,

James Spinoso
International President

Understanding Confirmed:

Joseph N. Miniace, President & CEO

Date

cc: Coast Negotiating Committee

November 23, 2002

Mr. Joseph Miniace
President and CEO
Pacific Maritime Association
550 California Street
San Francisco, CA 94104-1006

Letter of Understanding
Implementation of Section 14 Revisions

Dear Joe:

During the course of PCL&CA negotiations, the parties agreed to conduct joint meetings of the CLRC and the respective JPLRC concerning application and implementation of the new provisions and revisions under Section 14 as to crane skilled equipment operators for the ports of Los Angeles/Long Beach and San Francisco Bay Area 9.43 equipment operators. These meetings will take place within 30 days of ratification of the 2002 Memorandum of Understanding.

Very truly yours,

James Spinosa
International President

Understanding confirmed:

Joseph Miniace
President and CEO
Pacific Maritime Association

Dated: _____

cc: ILWU Negotiating Committee

November 23, 2002

Mr. Joseph Miniace
President and CEO
Pacific Maritime Association
550 California Street
San Francisco, CA 94104-1006

LETTER OF UNDERSTANDING – LONGSHORE TECHNOLOGY

“In addition, the union is guaranteed that any new equipment used by PMA employers will be operated by ILWU members, trained if necessary by the employers.” Men and Machines, an ILWU-PMA Publication, July 1, 1966.

- All implementation of new technology as it affects Longshoremen shall be introduced in accordance with Section 15 of the PCLCD.
- When the Employer chooses to implement new technology to perform work covered in Section 1 of the PCLCD, then that work shall be assigned to Longshoremen. The performance of this work shall be performed on dock – on site.
- Work historically performed by Longshoremen shall continue to be performed by Longshoremen.
- All Longshore equipment in PCLCD facilities shall be operated by Longshoremen.

Yours truly,

James Spinosa
International President

Understanding Confirmed:

Joseph Miniace
President and CEO
Pacific Maritime Association

July 16, 2002

Joseph Miniace
President and CEO
Pacific Maritime Association
550 California Street
San Francisco, CA 94104-1006

**LETTER OF UNDERSTANDING
Small Port New Work Development**

Dear Joe:

During the course of 2002 negotiations, the Parties discussed the concept of having joint forums to discuss ways of attracting new work to the small ports. Recognizing that it is in their mutual interests to develop and provide work in ports that have little or limited work, the Parties agree to meet at the local level within sixty (60) days of the ratification of the Agreement to conduct such forums and promote new work **with final approval of the CLRC**.

Yours truly,

James Spinosa
International President

Understanding confirmed:

Joseph Miniace
President and CEO
Pacific Maritime Association

Dated: _____

cc: ILWU Negotiating Committee

November 23, 2002

Mr. Joseph Miniace
President and CEO
Pacific Maritime Association
550 California Street
San Francisco, CA 94104-1006

**LETTER OF UNDERSTANDING
AMNESTY**

Dear Joe:

This confirms the Employers' agreement that there will be no discipline, grievances, or legal claims against the Union or any individual longshore worker for any acts of alleged misconduct related to the Contract negotiations that may have occurred between July 1, 2002 and the signing of the 2002 Memorandum of Understanding.

Yours truly,

James Spinosa
International President

Understanding Confirmed:

Joseph Miniace
President and CEO
Pacific Maritime Association