

## **AMO defined contribution pension plan at a glance; tables for calculating contributions**

In January 2011, the American Maritime Officers Pension Plan will be replaced by a defined contribution plan that will provide all deep-sea, Great Lakes and inland waters AMO members and applicants for AMO membership with individual personalized retirement savings accounts funded initially at a 40-percent level at no cost to participants. Once the defined benefit AMO Pension Plan is fully funded and able to meet all of its remaining financial obligations to participants, employer contributions to the new defined contribution retirement accounts will rise to the 100-percent level.

The individual accounts established in January 2011 will be in addition to the AMO 401(k) Plan and the AMO Pension Plan Money Purchase Benefit, or MPB, and they will include individuals who received in-service lump-sum pension benefit distributions before the AMO Pension Plan was forced by law to eliminate this popular option in October 2009.

Below is an outline of how the new AMO defined contribution retirement savings plan will function. Included in this document on pages two and three are charts for calculating contributions at 40 percent and 100 percent, respectively.

- Contributions to individual accounts will be based on a formula combining the participants' age and length of service under AMO contract
- Contributions will be based on individual benefit wages and earned vacation
- Benefit wages will always be current
- Contributions to individual accounts will be made each month as they are received from employers
- Contributions for earned vacation days will be credited to individual accounts at the same time as contributions for days worked aboard vessels
- Participants will not be required to file for benefits from the AMO Vacation Plan in order to receive contributions earned during vacation
- All deep-sea, Great Lakes and inland waters AMO members and applicants for AMO membership will be vested in the plan immediately
- The new plan will be fully portable — participants who leave covered employment under AMO contract at any time for any reason may receive their account balance (subject to applicable tax law).
- Initial account management will be through a designated fund, but all participants will be able to direct account balances to one of 25 mutual funds or to more than one fund through either of four investment models once the individual accounts are active
- Participants will be able to track their accounts on line
- No loans will be available from individual accounts, and distributions will be permitted only when participants actually retire or leave employment under AMO contract
- Once the defined benefit AMO Pension Plan is funded sufficiently under the rehabilitation plan, the values of individual benefits due from the defined benefit plan will be determined by an actuary, and AMO members and applicants will be able to transfer these defined benefit balances to their individual defined contribution retirement savings accounts.

**Contribution Rates @ 40%**

Age	20-34	35-44	45-54	55 & over
Divisor	17.5	15	12.5	10
Age + Service				
20	1.14%			
21	1.20%			
22	1.26%			
23	1.31%			
24	1.37%			
25	1.43%			
26	1.49%			
27	1.54%			
28	1.60%			
29	1.66%			
30	1.71%			
31	1.77%			
32	1.83%			
33	1.89%			
34	1.94%			
35	2.00%	2.33%		
36	2.06%	2.40%		
37	2.11%	2.47%		
38	2.17%	2.53%		
39	2.23%	2.60%		
40	2.29%	2.67%		
41	2.34%	2.73%		
42	2.40%	2.80%		
43	2.46%	2.87%		
44	2.51%	2.93%		
45	2.57%	3.00%	3.60%	
46	2.63%	3.07%	3.68%	
47	2.69%	3.13%	3.76%	
48	2.74%	3.20%	3.84%	
49	2.80%	3.27%	3.92%	
50	2.86%	3.33%	4.00%	
51		3.40%	4.08%	
52		3.47%	4.16%	
53		3.53%	4.24%	
54		3.60%	4.32%	
55		3.67%	4.40%	5.50%
56		3.73%	4.48%	5.60%
57		3.80%	4.56%	5.70%
58		3.87%	4.64%	5.80%
59		3.93%	4.72%	5.90%
60		4.00%	4.80%	6.00%
61		4.07%	4.88%	6.10%
62		4.13%	4.96%	6.20%
63		4.20%	5.04%	6.30%
64		4.27%	5.12%	6.40%
65		4.33%	5.20%	6.50%
66		4.40%	5.28%	6.60%
67		4.47%	5.36%	6.70%
68		4.53%	5.44%	6.80%
69		4.60%	5.52%	6.90%
70		4.67%	5.60%	7.00%
71			5.68%	7.10%
72			5.76%	7.20%
73			5.84%	7.30%
74			5.92%	7.40%
75			6.00%	7.50%
76			6.08%	7.60%
77			6.16%	7.70%
78			6.24%	7.80%
79			6.32%	7.90%
80			6.40%	8.00%
81			6.48%	8.10%
82			6.56%	8.20%
83			6.64%	8.30%
84			6.72%	8.40%
85			6.80%	8.50%
86			6.88%	8.60%
87			6.96%	8.70%
88			7.04%	8.80%
89			7.12%	8.90%
90			7.20%	9.00%
91				9.10%
92				9.20%
93				9.30%
94				9.40%
95				9.50%
96				9.60%
97				9.70%
98				9.80%
99				9.90%
100				10.00%

**Contribution Rates @ 100%**

Age	20-34	35-44	45-54	55 & over
Divisor	7	6	5	4
Age + Service				
20	2.86%			
21	3.00%			
22	3.14%			
23	3.29%			
24	3.43%			
25	3.57%			
26	3.71%			
27	3.86%			
28	4.00%			
29	4.14%			
30	4.29%			
31	4.43%			
32	4.57%			
33	4.71%			
34	4.86%			
35	5.00%	5.83%		
36	5.14%	6.00%		
37	5.29%	6.17%		
38	5.43%	6.33%		
39	5.57%	6.50%		
40	5.71%	6.67%		
41	5.86%	6.83%		
42	6.00%	7.00%		
43	6.14%	7.17%		
44	6.29%	7.33%		
45	6.43%	7.50%	9.00%	
46	6.57%	7.67%	9.20%	
47	6.71%	7.83%	9.40%	
48	6.86%	8.00%	9.60%	
49	7.00%	8.17%	9.80%	
50	7.14%	8.33%	10.00%	
51		8.50%	10.20%	
52		8.67%	10.40%	
53		8.83%	10.60%	
54		9.00%	10.80%	
55		9.17%	11.00%	13.75%
56		9.33%	11.20%	14.00%
57		9.50%	11.40%	14.25%
58		9.67%	11.60%	14.50%
59		9.83%	11.80%	14.75%
60		10.00%	12.00%	15.00%
61		10.17%	12.20%	15.25%
62		10.33%	12.40%	15.50%
63		10.50%	12.60%	15.75%
64		10.67%	12.80%	16.00%
65		10.83%	13.00%	16.25%
66		11.00%	13.20%	16.50%
67		11.17%	13.40%	16.75%
68		11.33%	13.60%	17.00%
69		11.50%	13.80%	17.25%
70		11.67%	14.00%	17.50%
71			14.20%	17.75%
72			14.40%	18.00%
73			14.60%	18.25%
74			14.80%	18.50%
75			15.00%	18.75%
76			15.20%	19.00%
77			15.40%	19.25%
78			15.60%	19.50%
79			15.80%	19.75%
80			16.00%	20.00%
81			16.20%	20.25%
82			16.40%	20.50%
83			16.60%	20.75%
84			16.80%	21.00%
85			17.00%	21.25%
86			17.20%	21.50%
87			17.40%	21.75%
88			17.60%	22.00%
89			17.80%	22.25%
90			18.00%	22.50%
91				22.75%
92				23.00%
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94				23.50%
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96				24.00%
97				24.25%
98				24.50%
99				24.75%
100				25.00%