

2007 Important Information Regarding Benefits Under the AMO Plans

The American Maritime Officers (AMO) Plans Administration provides participants with information to assist them in understanding and utilizing their benefits. There are changes in effect for 2007 about which all participants should be aware, as well as existing benefit information about which participants need to be reminded in order to streamline and make more efficient the benefit application and benefit payment processes. Please read the information carefully as the changes could affect you and your family. In addition, coming soon in a future mailing in 2007 will be updated Summary Plan Description (SPD) booklets for all Plans.

AMO Medical Plan

Annual Documents

Annually, the AMO Medical Plan requires updated information to help expedite benefit payments. In order to avoid delays in benefit claim processing, please complete the applicable annual forms and return them to the Plan office as soon as possible. Look for the AMO Plans annual mailing for 2007 that will include the required forms for completion. The Plan's required annual documents are:

- 2007 Permanent Data & COB for Dependent Spouse/Children (for participants in active employment)
- 2007 Pensioners Permanent Data, Earnings Limitation & COB
- 2007 Affidavit of Support & COB for Dependent Student (for dependent students age 19-23)

From time to time the Plan may require other forms to be completed. For your convenience, all Medical Plan forms are available via the AMO Plans web site: www.amoplans.com.

Annual Medical and Prescription Drug Deductibles

There will be no changes in the AMO Medical Plan deductibles, co-pays and co-insurance for 2007. However, please be reminded that all annual deductibles will need to be satisfied again in 2007 before eligible benefit payments can be made by the Plan. The annual deductibles are:

- Active Participant Medical Deductible - \$250.00; Family Medical Deductible - \$500.00
- Pensioner Not Medicare Eligible Medical Deductible - \$300.00; Family Deductible - \$600.00
- Pensioner Medicare Eligible Medical Deductible - \$250.00; Family Deductible - \$500.00
- Prescription Drug Deductible - \$100.00; Family \$200.00

Pre-certification and Case/Utilization Management

- The AMO Medical Plan requires that certain services be pre-certified. Inpatient hospitalization, outpatient hospital services, purchase or rental of durable medical equipment, home health care, therapeutic services, fertility treatment and specialty drug treatments require pre-certification. This pre-certification process enables the Plan to monitor the medical necessity of services being performed, as well as contain costs. In order to obtain pre-certification, the participant or the participant's physician should call the AMO Medical Plan at 800-348-6515, ext. 13.
- The AMO Medical Plan's Case Management Department takes an active approach in assisting members with the management of their health and associated medical benefits. The Plan's Case Management staff works to help participants understand the physician's plan of care and medication usage, and provides many other valuable services and support. Whether you or a family member are dealing with a chronic disease/trauma such as cancer, heart disease, diabetes, or you have a simple benefits/health management related question, the

Case/Utilization Management Department is here to assist you. Please don't hesitate to contact them at 800-348-6515, ext. 13.

Scholarship Benefits for Dependent Children of Active Participants and Pensioners Effective for the Fall Semester of 2005

The AMO Medical Plan's Scholarship Benefit was recently amended to provide \$3,000 per eligible student per scholastic year beginning with the 2005 Fall Semester. To apply, just complete an Application for Scholarship Benefits available via the AMO Plans web site www.amoplans.com or through the Plan office and return it with an official Registrar's Receipt to the Plan office.

AMERICAN MARITIME OFFICERS MEDICAL PLAN SCHEDULE OF BENEFITS NOT SUBJECT TO PPO RULES				
BENEFIT DESCRIPTION	DEDUCTIBLES/CO-PAYMENTS/CO-INSURANCE	AMO MEDICAL PLAN BENEFIT	VISIT/DOLLAR LIMITATION	PRE-CERT REQD?
Scholarship Benefit (Schedule W)	No Deductible No Co-payment	\$3,000 per scholastic year		No

Dental Benefits Effective January 1, 2007

As a reminder, for 2007 the Dental Benefits for eligible Active Participants and their dependants are as follows:

AMO Medical Plan Proposed Dental Schedule of Benefits (Effective January 1, 2007) Type A – ACTIVE PARTICIPANTS		
Description	AMO Medical Plan Benefit	Participant's Responsibility*
First \$500 of dental expense (subject to UCR)	100%	0%
Next \$3000 of dental expense (subject to UCR)	50%	50%
Maximum Annual Benefit: \$2,000 per eligible active participant and covered dependent per calendar year		

***Participant may also be responsible for any charges over UCR or non-covered services**

Explanation of Benefits

The AMO Medical Plan provides participants and/or providers of service with an Explanation of Benefits (EOB) for each claim submitted and processed by the Plan office. Please make sure to review each EOB received as it explains the following important information:

- Benefit payment details and notification to participants of any out-of-pocket responsibilities.
- In some cases, in order to expedite the claim for payment, further information may be required from the participant and/or physician. To help receive benefit payments, please make sure to forward any requested information to the Plan office as soon as practical. *Requested information is located in the REMARK section of the Explanation of Benefits.*

Pensioners Benefits - Medicare Parts A, B and D

- Medicare Part A and B (Hospitalization and Medical Benefits):
 - All Medicare eligible Pensioners who are also eligible for medical benefits under the Plan are required to submit their medical claims to Medicare Part A and B as primary payor.

- As secondary payor and as a supplement to Medicare, the AMO Medical Plan requires a copy of the Medicare Explanation of Medical Benefits (EOMB) and a copy of the itemized bill from the provider of service for benefit consideration.
- **Medicare Part D (Prescription Drug Benefits):**
 - In the calendar year 2007, Medicare eligible pensioners covered under the AMO Medical Plan once again will not be required to enroll in Medicare Part D.
 - Medicare eligible pensioners should continue to access their prescription drug benefits in the same manner they have done in the past and should not enroll in Medicare Part D.
 - As was the case in 2006, the AMO Medical Plan will receive a partial subsidy from Medicare for pensioners and their dependents who are eligible for Medicare prescription drug benefits.

AMO 401(k) PLAN

401(k) Plan Enrollment:

- If you are not already enrolled and would like to participate in the AMO 401(k) Plan, it is important that you complete an Enrollment/Withholding Authorization Form and Beneficiary Designation Form. Enrollment forms must be signed by the employee (front and back if applicable).
- Enrollment forms must be signed by the employer listing the effective date of deferral and faxed directly to the AMO 401(k) Plan at 954-922-7539 (front and back if applicable).
Upon completion, these forms should be sent to your employer and then to the Plan office. Failure to do so will result in no elective contributions being made on your behalf.

Forms: All AMO 401(k) Plan forms can be obtained via the AMO Plans and AMO web sites, the Newport Group web site or by contacting the Plan office.

- **AMO Plans Office:** Contact the Plan office at 1-800-348-6515 ext. 14.
- **AMO Plans Web Site:** www.amoplans.com.
- **AMO Web site:** www.amo-union.org.
- **AMO Signatory Employers:** Forms have been provided to employers to be used for AMO 401(k) Plan participants.
- **AMO Contracted Vessels:** Many vessels have forms available through the employer. If your vessel requires any Plan forms, please contact the Plan office at 1-800-348-6515.
- **Smith Barney Financial Consultants:** Toll Free Access: 1-800-975-7061. Please feel free to call Smith Barney Financial Consultants, Larry Goldstock, Sam Brandwein or any of their service team.
- **The Newport Group:** For recordkeeping/account changes and balances or other services call 1-888-742-0929 or visit their web site at www.thebenefitsline.com.

Types of Withholdings/Deferrals: Your election of 401(k) contribution withholding/ deferrals can be made for either:

- Employer payroll only, or
- Employer payroll and Vacation Benefit (Vacation Benefit only withholding is not an eligible option).

Changes in Covered Employment: If you change AMO signatory employers or are employed by multiple AMO signatory employers, your 401(k) Plan participation will continue without

interruption. However, in order to have contributions made on your behalf from your employer and/or Vacation Benefit, you are required to complete an Elective Deferral/Withholding Authorization Enrollment form for each employer.

Loan Information and Instructions:

- Effective January 1, 2007 the AMO 401(k) Plan will allow eligible Plan participants to have only one outstanding loan. In the past the Plan provided for two outstanding loans at one time. For those who currently have an outstanding loan(s) in effect, you will be required to be pay off your loan(s) before a new loan can be made.
- If you are currently re-paying a loan and would like to have payments automatically paid from your checking or savings account, please complete the Automated Clearing House (ACH) Debit Form available on the web site.
- To receive loan information please visit the Newport Group web site Loan Information tab or call Newport Group at 1-888-742-0929.

AMO Pension Plan

Computation of Pension Pay

Effective January 1, 2007 for Deep Sea participants retiring with a Pension effective date on or after January 1, 2007, the base monthly wages used in calculating your AMO Pension benefit will be the base wages earned but not to exceed the base wages in effect as of January 1, 2006. (Deep Sea participants retiring with an effective date prior to January 1, 2007 will be governed by the Rules and Regulation in effect at the time of retirement). **Base wages are determined under the terms of the applicable Collective Bargaining Agreement.**

MPB Immediate Vesting

The Plan Rules have been amended to provide immediate vesting in the MPB for all active AMO participants who have worked one day of covered employment on or after January 1, 2006. (This enhanced benefit replaces the previous 5 years of service vesting requirement).

Investment of your MPB Account

If you are not currently self-directing the investment of your MPB account (or 401(k) account), you may call (800) 348-6515 Ext. 14 to have an investment kit mailed to your home address. Investment kits include a summary fact sheet for each mutual fund available in both the 401(k) Plan and MPB. These fact sheets are also available online. If you do not choose to elect any of the investment options available, your balance will remain invested in the MetLife Stable Value Fund and earn a fixed rate of return.

AMO Vacation Plan

Reminder: AMO Vacation Plan 2006 W-2 Forms will be sent no later than January 31, 2007.

Required Documents to file an AMO Vacation Benefit Claim:

- Completed Application.
- Copies of pay vouchers (Great Lakes area participants-most recent pay stub).
- US Coast Guard Discharges.
- IRS Form W-4 (not needed every year unless claiming exempt or changing exemptions).

Forms:

- All Vacation Plan forms are available from the following locations:
 - AMO Vacation Plan Office in Dania Beach Florida. Please contact 1(800) 348-6515, ext. 15.
 - All AMO Offices.
 - AMO Plans web site at www.amoplans.com or AMO web site at www.amo-union.org.