

Benefits Update- Important Benefits Information for Plan Participants February 2008

In an effort to provide American Maritime Officers (AMO) Plan participants with information regarding frequently discussed topics, the following summaries have been prepared. Please read each item carefully as they contain important benefit information that may affect you and your eligible dependents:

I. AMO Medical Plan-Prescription Drug ID Cards and Medical Plan CIGNA ID Cards:

All eligible AMO Medical Plan participants should have 2 ID cards in their possession as follows:

1. Envision/RxOptions Prescription Drug Card: There will be no changes to the current Prescription Drug Benefit, therefore, please continue to use your current Prescription Drug I.D. cards.
2. AMO Medical Plan CIGNA ID Card: As you know, effective January 1, 2008 the AMO Medical Plan transitioned to CIGNA PPO. All eligible participants should have received an AMO Medical Plan CIGNA I.D valid effective January 1, 2008 (If you are a PPOM participant you may continue to use this card if necessary). If you are a Medicare eligible Pensioner, please continue to use your current AMO Medical Plan I.D. Card. The transition to CIGNA will not affect Medicare eligible Pensioners.
 - Please use your new I.D. card for all medical services rendered on or after January 1, 2008 (the card contains important benefit, eligibility and billing information).
 - You will need to advise your provider of service or medical service facility that you have a change in PPO Networks to CIGNA effective January 1, 2008.

For services on or after January 1, 2008, all Medical claims from medical providers (In- or Out-of-Network), not including pharmacists, will be sent to CIGNA and then forwarded to the AMO Medical Plan for benefit payment. All Medicare claims and claims that require direct member reimbursement (Optical, Dental, Scholarship, Disability, etc.) must be sent to the AMO Medical Plan office for processing. **All Prescription drug claims purchased at your pharmacy will continue to be processed at the point of sale in the same manner with no changes.**

If you require additional cards, please contact the Plan office at 1-800-348-6515 or via e-mail at amomedical@amoplans.com.

II. New Website for AMO 401(k) Plan and Money Purchase Benefit

We are pleased to announce that effective **Wednesday, March 5, 2008** you will have the ability to manage every aspect of your retirement account through the plandestination.com website. Please note that there will be no loss of access to the account during the transition.

A simple change of URL from www.thebenefitsline.com to www.plandestination.com is all it takes.

On this enhanced site, you will be able to obtain your account balances and perform transactions, view your personal performance and rate of return, determine your individual investment profile, access a comprehensive education and information section, and much more.

To learn more about this new website and its many features, you can take a convenient guided tour before using the site. A site demo is available at www.newportgroup.com. After you log on, select the “Demos” link at the top of the home page, then select “Qualified Participant Website” on the next page.

On **March 5, 2008**, you may log on to www.plandestination.com using your Social Security Number and existing personal identification number (PIN).

Please note that on **Wednesday, March 5, 2008**, the toll-free number for the Voice Response System and Client Service Center will change to 800-650-1065. As a result of this change, you will have the option to speak with a Client Service Representative and bypass the Voice Response System if you would like.

Your AMO 401(k) and MPB are important parts of your benefits package, and one that we are pleased to offer to help you reach your financial destinations.

Gain more control over your financial future with plandestination.com

- Check balances, perform transactions, and reference all of your account information in one place.
- Obtain real-time stock market updates and market news.
- Research investment options and use planning tools to get the answers to your specific questions.
- Explore financial topics in depth, organized around common life events.
- Set your decisions in motion by managing your account online.
- **Note that URL is changing from www.thebenefitsline.com to www.plandestination.com**
- **New Voice Response System toll-free number: 800-650-1065**
- **New Client Service Center toll-free number: 800-650-1065**

As always, feel free to contact your AMO Benefits Representatives at (800) 348-6515 for benefits related items, or, you can call our Smith Barney Financial Advisors, Larry Goldstock and Sam Brandwein, at (800) 975- 7061 for your investment and financial service inquiries.

III. How Does the AMO Pension Plan provide Pension Credit for Past Service?

Service with Newly Contributing Employer (Prior to 9/15/03)-One Year Rule

If an employee becomes a Participant prior to September 15, 2003 as part of a new unit of employees entering the Plan as a result of an agreement with the American Maritime Officers, the Participant may be credited with all continuous employment with that employer in that unit after the employer has contributed to the Plan for one year, provided the Participant remained in the

employ of the employer at the conclusion of the one year and earned 200 days of Covered Employment during the year.

Past Service Credit in the Maritime Industry (prior to 9/15/03)-Ten Year Rule

If an employee first became a Participant in this plan prior to September 15, 2003 and was formerly a Participant in any other pension plan in the maritime industry (excluding those plans with which this Plan has a reciprocal agreement), he may be granted credit for service that was credited under the other plan after he has earned 10 years of Pension Credit under this Plan subsequent to any one-year Break-in-Service. Past service credit is granted only if such service would have otherwise been credited under the terms of this Plan.

Offset of Company or Other Maritime Pension Plan

Benefits payable under the American Maritime Officers Pension Plan to Participants who receive past service credit will be offset by any benefits payable under the pension plan the Participant was covered by during such period of past service. The amount of the offset will be determined by converting the benefit under the other Plan, regardless of when or how it is paid, into an actuarially equivalent benefit payable at normal retirement age, using the AMO Plan's definition of actuarial equivalence.

The AMO Plan's definition of actuarial equivalence is:

- a) 6% Interest Rate
- b) 1971 Group Annuity Mortality Table

If you feel you are eligible to receive past service credit under the AMO Pension Plan, please provide the Plan office with copies of USCG Discharges, Company letters that specify the time periods and ratings, and documentation of participation in a company or other pension plan. In addition, a useful resource for employment information and records is the U.S. Department of Transportation Maritime Administration website at www.marad.dot.gov.

If you have any questions regarding this publication or any of the Plan's benefits, please contact the Plan office at:

Telephone: (954) 920-4247 or (800) 348-6515 Fax: (954) 920-9482

Website: www.amoplans.com

E-Mail:

- [Medical Plan: amomedical@amoplans.com](mailto:amomedical@amoplans.com)
- [Pension Plan and MPB: amopension@amoplans.com](mailto:amopension@amoplans.com)
- [Vacation Plan: amovacation@amoplans.com](mailto:amovacation@amoplans.com)
- [401\(k\) Plan: amo401k@amoplans.com](mailto:amo401k@amoplans.com)