

BENEFITS UPDATE- IMPORTANT INFORMATION FOR ALL PLANS

From time to time the AMO Plans are presented with inquiries from participants regarding benefits. The following information is provided based on frequently asked questions. Please read the information carefully as it may provide answers to some of your questions and concerns.

Medical Benefits for In-Service Lump Sum Participants:

The following is a summary of medical benefits for In-Service Lump Sum Participants and their eligible dependents:

- In-Service Lump Sum Participants (who continue to work in covered employment) and their eligible dependents remain eligible for Active Employee Medical Benefits under the AMO Medical Plan.
- When you stop working in covered employment, a declaration of retirement is required to be completed and returned to the AMO Pension Plan. The declaration of retirement must be received while the participant is eligible for Active Employee Medical Benefits under the AMO Medical Plan in order to maintain medical coverage as a pensioner under the Plan. In most cases, Active Employee Medical Benefits will cease at the conclusion of 182 days from the last day of covered employment. Therefore, the declaration of retirement must be received within the 182-day period.
- After declaring retirement, In-Service Lump Sum Pensioners (and their eligible dependents) are eligible for Pensioner Medical Benefits in effect on the original effective date of their In-Service Lump Sum AMO Pension Benefit, based on the Rules and Regulations of the Medical Plan in effect at the time the In-Service Lump Sum benefit was received.
- After declaring retirement, In-Service Lump Sum Pensioners and their eligible dependents who are not Medicare Eligible will remain covered under AMO Medical Plan Pensioner Medical Benefits provided they do not exceed the Annual Pensioners Wage Earnings Limitations (\$24,960 in 2006) in any calendar year. Upon becoming Medicare Eligible, the AMO Medical Plan will provide benefits secondary to Medicare.
- In the event an In-Service Lump Sum Pensioner predeceases his spouse, the surviving spouse and eligible dependent children continue to qualify for medical benefits for their lifetime subject to the Rules and Regulations of the AMO Medical Plan.

Enrollment Process for the AMO 401(k) Plan:

Initial 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. Forms are available from:

- **AMO Plans Office:** Contact the Plan office at 1-800-348-6515.
- **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.
- **Ceridian:** www.thebenefitsline.com is the Ceridian web site that will provide participants with detailed account information including contributions, account balances, investment information, and the ability to obtain loans, Plan forms and make on-line changes/transfers. Toll Free Access: 1-888-742-0929.

Below are additional instructions for the updated AMO 401(k) Plan Elective Deferral/Withholding Authorization Enrollment Form:

▪ **New Employees/New Enrollees:**

- A new employee or new enrollee must complete both sides of the form, unless he/she was previously employed by an AMO signatory company and has already established a 401(k) account with the AMO 401(k) Plan.
- If the employee does not have a 401(k) account, the section marked “NEW ENROLLEES ONLY” on the back of the form must be completed by the employee for asset allocations.
- **Please note that the Employer box in Section 5 on the front of the form must be completed and signed by the employer and must list the effective date of deferral.**
- If the asset allocations section is not completed, the contributions and match, if applicable, will be invested in the “MetLife Stable Value Fund”. For new enrollees only, the employee may enroll and allocate assets via the internet at www.thebenefitsline.com. or by calling 1-888-742-0929.

▪ **Established Enrollees:**

- If the employee has already established a 401(k) account with the AMO 401(k) Plan, then he/she must complete ONLY the front side of this form if he/she wishes to make changes to his/her 401(k) deferral options, change the % for deferral, suspend deferral, or change personal data.

▪ **Relief Employees and Employees Working for Multiple Employers:**

- If the employee has been employed by multiple AMO signatory employers or is a relief employee working for different employers, he/she is required to complete this form for each employer.
- Forms are available as indicated above for new enrollments.

▪ **Additional Enrollment Information:**

- The salary deferral limit for 2006 is 75% of Plan compensation, up to the maximum annual dollar limit of \$15,000. A catch-up contribution of \$5,000 will be available to those participants age 50 and older. In no event, however, may total employer and participant contributions to the 401(k) Plan exceed \$44,000, or \$49,000 if you are 50 years of age or older, for 2006.
- 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. For initial enrollments, you may also enroll via the internet at www.thebenefitsline.com.

Please note: You have the option to make elective withholdings in two different ways:

- *From your employer payroll only or*
- *From your employer payroll and vacation benefit (if applicable).*