

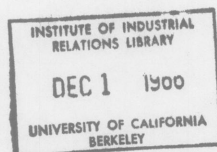
Longshoremen + Warehousemen (ILWU) - Shipping industry

Pacific Maritime Association + Int'l Longshoremen's + Ware-  
housemen's Union

17 August 1966

THIRD AMENDMENT TO ILWU-PMA SUPPLEMENTAL  
AGREEMENT ON MECHANIZATION AND MODERNIZATION

17 August 1966



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THIRD AMENDMENT TO ILWU-PMA SUPPLEMENTAL AGREEMENT ON  
MECHANIZATION AND MODERNIZATION

THIS THIRD AMENDMENT TO ILWU-PMA SUPPLEMENTAL AGREEMENT ON MECHANIZATION AND MODERNIZATION, entered into as of the 1st day of July, 1966 by and between International Longshoremen's and Warehousemen's Union (hereinafter referred to as "Union"), representing Employees under the Plan, on behalf of itself and all longshore and marine clerks' Locals in California, Oregon and Washington, and Pacific Maritime Association (hereinafter referred to as "Association"), representing its Member Companies under the Plan,

W I T N E S S E T H:

WHEREAS, the parties hereto executed on the 15th day of November, 1961 the ILWU-PMA Supplemental Agreement on Mechanization and Modernization (hereinafter referred to as "Agreement") and caused various trusts to be created, thereby establishing as of the 1st day of January, 1961 the Plan; and

WHEREAS, a First and Second Amendment to said Agreement were adopted October 29, 1962 and May 1, 1963, respectively; and

WHEREAS, Section 1(c) of Article IV of said Agreement provides for payment to eligible Employees by the Trustees of the ILWU-PMA Supplemental Wage Benefit Trust, to be

established by the Union and Association under the Plan, of supplemental wage benefits in accordance with the provisions of Schedule C attached to said Agreement; and

WHEREAS, said Trust was established under a Trust Indenture dated November 15, 1961 by Trustees appointed by the Union and Association, and Employers participating in the Plan established by said Agreement have made contributions to said Trust as required by said Agreement and have fully discharged their obligations under Section 2(a) of Article V of said Agreement; and

WHEREAS, Section 11 of Article VI of said Agreement provides, inter alia, that the Association and Member Companies shall in no event be required to provide for payment beyond July 1, 1966 of any benefits provided by the Plan, and Section 4 of Article V of said Agreement provides that the balance, as of said date, of any trust fund established under said Plan shall be used, as the Union and the Association agree in writing, in accordance with the basic intent and purpose of the Plan; and

WHEREAS, Article X of said Trust Indenture provides that the Trustees of said Trust shall hold the moneys subject to their administration for such uses and purposes as the Union and Association may agree pursuant to the powers reserved by them under Section 4 of Article V; and

WHEREAS, the Union and Association have during

collective bargaining negotiations fully considered whether the maintenance of said Trust for payment of supplemental wage benefits to redress the consequences of technological unemployment is necessary and have determined that the conditions that motivated them to establish said Trust are not likely to develop and, therefore, continued maintenance of said Trust is not reasonable; and

WHEREAS, the Union and Association have decided in collective bargaining negotiations to terminate said Trust and to distribute the trust fund,

NOW, THEREFORE, in consideration of the premises, the parties hereto agree as follows:

1. Schedule C attached to said Agreement and Section 2(e), Article IV of said Agreement shall be, and hereby are, revoked, as of the date hereof, in their entirety, and the Trustees of the ILWU-PMA Supplemental Wage Benefit Trust shall be, and hereby are, relieved as of the date hereof of all obligations to pay benefits in accordance with the provisions of said Schedule C and said Section 2(e) and shall hold the trust fund within their administration for the sole purpose of making payments therefrom pursuant to the provisions of paragraph 3 of this Third Amendment to said Agreement.

2. This Third Amendment shall be, and hereby is, adopted as a substitute for said Section C; all references to said Schedule C, and the benefits provided thereunder, in said Agreement and Trust Indenture under which said Trust

was established shall as of the date hereof, and thereafter, refer to the provisions of this Third Amendment, subject to subsequent amendments hereof adopted in writing by the mutual agreement of the parties hereto pursuant to the power hereby reserved by them to amend the provisions hereof.

3. The provisions of this paragraph 3 shall govern the disposition by the Trustees of the trust fund of said Trust within their administration:

3.1. The Trustees shall, with respect to payment of taxes, be governed by the letter ruling dated June 28, 1966 addressed to counsel for the Trustees by the Internal Revenue Service and, with respect to the reporting and transmitting of such taxes, the Trustees shall comply with the determination of the Acting District Director of Internal Revenue at San Francisco, California, dated July 29, 1966. The Trustees shall obtain determinations from the appropriate authorities of the States of California, Oregon and Washington with respect to the reporting and paying of the payroll taxes and other taxes imposed by each of said States, and shall comply therewith.

3.2. Administrative charges. The Trustees shall pay, or arrange for the payment of, from the trust funds within their administration, all employer payroll taxes imposed by the United States and/or the States of California, Oregon and/or Washington as a consequence of the distribution

of the trust fund pursuant to the provisions of paragraph 3. The Trustees shall pay, or arrange for the payment of, all administrative expenses, including but not limited to accounting, actuarial, arbitration costs, clerical and legal charges, incurred by them during the term of said Trust and as a consequence, directly or indirectly, of the disposition of the trust fund as required hereunder. The remainder of said trust fund shall be distributed in accordance with the provisions of paragraphs 3.3 to 3.65, inclusive, hereof.

3.3. Amount of distribution. The Trustees shall distribute said remainder of the trust fund in equal shares to eligible Employees; provided, however, the Trustees shall withhold from each share all employee payroll taxes and income withholding taxes imposed by the United States and/or the States of California, Oregon and/or Washington as a consequence of such distribution. All questions of eligibility shall be resolved by the Trustees in accordance with the provisions of paragraphs 3.4 to 3.44, inclusive, hereof.

3.4. Eligibility. Subject to the provisions of paragraphs 3.41 to 3.44, inclusive, an Employee who had fully-registered status on July 1, 1960 and who was also fully-registered on June 30, 1966 shall be an eligible Employee entitled to be included on the Distribution List of Employees eligible to participate in the distribution required by paragraph 3.3. hereof.



3.41. Subject to the provisions of paragraphs 3.43 and 3.44, inclusive, hereof, an Employee shall be deemed to have had fully-registered status on July 1, 1960 if, and only if, his name was on July 1, 1960 included in the records of at least one of the following joint port labor relations committees of Class A (fully-registered) longshoremen and/or marine clerks:

Northern California

Longshore Labor Relations Committee of San Francisco  
Longshore Labor Relations Committee of Stockton  
Joint Checkers Labor Relations Committee of San Francisco  
Longshore Labor Relations Committee of Eureka

Southern California

Joint Longshore Labor Relations Committee  
Los Angeles-Long Beach Harbor  
Clerks Labor Relations Committee Los Angeles-Long Beach Harbor  
Joint Longshore Labor Relations Committee  
Port of San Diego  
Port Hueneme Longshore Labor Relations Committee

Washington

Joint Port Labor Relations Committee - Port of Anacortes  
Joint Port Labor Relations Committee - Port of Bellingham  
Joint Port Labor Relations Committee - Port of Grays Harbor  
Joint Port Labor Relations Committee - Port of Willapa Harbor  
Joint Port Labor Relations Committee - Port of Tacoma  
Everett Joint Port Labor Relations Committee  
Olympia Joint Port Labor Relations Committee

Washington (continued)

Port Angeles Joint Port Labor Relations Committee  
Seattle Joint Port Labor Relations Committee  
Port Gamble Labor Relations Committee  
Seattle Clerks Joint Port Labor Relations Committee  
Joint Labor Relations Committee, Checkers and Supervisors for the Port of Tacoma

Oregon

Portland Joint Longshore Labor Relations Committee  
Vancouver Joint Longshore Labor Relations Committee  
Longview Joint Longshore Labor Relations Committee  
Astoria Joint Longshore Labor Relations Committee  
Newport Joint Longshore Labor Relations Committee  
Coos Bay Joint Longshore Labor Relations Committee  
Bandon Joint Longshore Labor Relations Committee  
Crescent City/Gold Beach Joint Longshore Labor Relations Committee  
Checkers Joint Labor Relations Committee  
Portland Joint Gear and Lockermen Longshore Labor Relations Committee

For purposes of this paragraph, an Employee of The River Lines Incorporated shall be deemed to have had fully-registered status on July 1, 1960 if, had a joint port labor relations committee been established in Sacramento on that date, the record of such Employee would have qualified such Employee on July 1, 1960 for inclusion in the records of that joint port labor relations committee of Class A (fully-registered) longshoremen and/or marine clerks. Also, all Employees listed on Appendix A of the Memorandum of Understanding between Pacific Maritime Association and International Longshoremen's and Warehousemen's Union covering Merger of ILWU Local 6 etc., dated November 5, 1962, shall be deemed to have fully-registered status on July 1, 1960.

3.42. Subject to the provisions of paragraphs 3.43 to 3.44, inclusive, hereof, an Employee shall be deemed to

have had fully-registered status on June 30, 1966, if, and only if, his name was on June 30, 1966 included in the records of at least one of the following joint port labor relations committees of Class A (fully-registered) longshoremen, marine clerks, walking bosses and/or foremen:

Northern California

Longshore Labor Relations Committee of San Francisco  
Longshore Labor Relations Committee of Stockton  
Longshore Labor Relations Committee of Eureka  
Longshore Labor Relations Committee of Sacramento  
Walking Boss Labor Relations Committee of San Francisco  
Joint Checkers Labor Relations Committee of San Francisco

Southern California

Joint Longshore Labor Relations Committee  
Los Angeles-Long Beach Harbor  
Clerks Labor Relations Committee Los Angeles-Long Beach Harbor  
Foremen's Labor Relations Committee Los Angeles-Long Beach Harbor  
Joint Longshore Labor Relations Committee  
Port of San Diego  
Joint Foremen's Labor Relations Committee  
Port of San Diego  
Port Hueneme Longshore Labor Relations Committee  
Foremen's Labor Relations Committee of Port Hueneme

Washington

Joint Port Labor Relations Committee - Port of Anacortes  
Joint Port Labor Relations Committee - Port of Bellingham  
Joint Port Labor Relations Committee - Port of Grays Harbor  
Joint Port Labor Relations Committee - Port of Willapa Harbor  
Joint Port Labor Relations Committee - Port of Tacoma

Washington (continued)

Everett Joint Port Labor Relations Committee  
Olympia Joint Port Labor Relations Committee  
Port Angeles Joint Port Labor Relations Committee  
Seattle Joint Port Labor Relations Committee  
Port Gamble Labor Relations Committee  
Seattle Clerks Joint Port Labor Relations Committee  
Joint Labor Relations Committee, Checkers and Supervisors for the Port of Tacoma  
Foremen's Labor Relations Committee

Oregon

Portland Joint Longshore Labor Relations Committee  
Vancouver Joint Longshore Labor Relations Committee  
Longview Joint Longshore Labor Relations Committee  
Astoria Joint Longshore Labor Relations Committee  
Newport Joint Longshore Labor Relations Committee  
Coos Bay Joint Longshore Labor Relations Committee  
Bandon Joint Longshore Labor Relations Committee  
Crescent City/Gold Beach Joint Longshore Labor Relations Committee  
Checkers Joint Labor Relations Committee  
Walking Boss Joint Labor Relations Committee  
Portland Joint Gear and Lockermen Longshore Labor Relations Committee

3.43. Attached hereto and incorporated herein are Exhibits 1 to 4, inclusive, (sometimes referred to herein collectively as the Distribution List) that list the names of Employees who appear from the records of the Association to comply with the conditions of paragraphs 3.41, 3.42 and 3.44. The Employees listed on said Distribution List shall be the only Employees eligible under paragraph 3.4 to participate in

the distribution provided by paragraph 3.3; provided, however, that any Employee who is not listed on said Distribution List and who complies with the review procedures established by paragraph 3.5 hereof within the time limits therein provided and establishes his right to be recognized as an eligible Employee hereunder shall also be included on the Distribution List; provided further, any Employee who complies with said review procedure may challenge the eligibility of any Employee whose name is listed as of the date hereof on any of said Exhibits 1 to 4, inclusive.

3.44. No Employee shall be entitled to inclusion on the Distribution List if such Employee died on or before June 30, 1966 or such Employee, his designee or representative received or qualified to receive any benefit, or portion thereof, provided under the provisions of Schedules A and/or B attached to said Agreement; or Schedules A and/or B attached to the Supplemental Agreement on Mechanization and Modernization for Walking Bosses and Foremen, dated April 19, 1962, as amended, or the First Amended ILWU-PMA Pension Agreement and ILWU-PMA Pension Fund - Declaration of Trust, as amended; provided, however, that an Employee who first qualifies for benefits under said ILWU-PMA Pension Agreement and ILWU-PMA Pension Fund - Declaration of Trust after June 30, 1966 shall not solely by reason of said qualification be ineligible to participate in the distribution provided by paragraph 3.3

hereof. The Union and Association by written agreement and without need of a protest filed in accordance with the provisions of paragraphs 3.53 and 3.55 hereof may delete from the Distribution List the name of any Employee who is disqualified for inclusion on said Distribution List by reason of the provisions of this paragraph 3.44. If the Union and Association delete any name or names from the Distribution List, they shall promptly notify the Trustees and shall arrange to have notice of such deletion posted in the dispatch hall or halls, central pay offices and various other offices of the Association where the Exhibit on which said name appears is available for inspection. The Trustees shall by registered mail at the last known address of the Employee that is available to the Trustees, inform the Employee of the deletion from the Distribution List, the reason therefor, and the right of the Employee to appeal such decision to the Coast Arbitrator. The Employee must, if he wishes to appeal, by written notice delivered to the Trustees no later than ten (10) days after the date of mailing by the Trustees of the aforesaid notice to said Employee, request that the matter be appealed to the Coast Arbitrator, who shall proceed in the manner provided in paragraph 3.58, except that the Coast Arbitrator may decide, in his sole option and discretion, whether a hearing should be held.

3.5. Review Procedure. The Trustees shall arrange to have posted for public inspection at each of the dispatch halls maintained by the Union and the Association from which Employees are dispatched for employment, at each of the central pay offices maintained by the Association, and at the various Association offices, the Notice which is attached hereto as Exhibit 5. The Trustees shall arrange for the publication of said Notice in each bi-monthly issue of The Dispatcher for four consecutive issues, the first publication to be made in the first issue circulated following the date hereof; the costs of such publication shall be an administrative charge payable pursuant to paragraph 3.2 hereof from the trust fund under the Trustees' administration. The Trustees, at their option and as they in their sole discretion decide, may arrange for the posting of said Notice in a public place at the office of each of the Locals of the Union and/or on the docks where Employees are customarily employed, but no person howsoever interested in the funds subject to the Trustees' administration shall have any basis for complaint by reason of the decision of the Trustees not to make or to limit such additional postings.

3.51. The Trustees shall make the Distribution List available for inspection by any person claiming an interest in the distribution provided by paragraph 3.3. To facilitate such inspection the Trustees shall make available

at the dispatch hall or halls serving each port and the pay offices maintained by the Association, a copy of the exhibit or exhibits applicable to the area in which such halls and offices are located. The Trustees may, at their sole option, file such exhibits at other locations where Employees customarily congregate if the Trustees decide in their sole discretion that to do so will facilitate inspection of such exhibits by persons claiming an interest in the distribution provided by paragraph 3.3 hereof.

3.52. Any Employee, or his representative, who believes that the Employee is eligible to participate in said distribution, shall have the duty, and the full responsibility to determine whether said Employee's name and registration number have been included on the Distribution List. If an Employee, or his representative, believes that such Employee is eligible pursuant to the provisions of paragraphs 3.4 to 3.44, inclusive, to be included on the Distribution List, and if such Employee's name is not included thereon, such Employee, or his representative, must file a claim which complies with the provisions of paragraph 3.54, which claim shall be processed in accordance with the provisions of paragraphs 3.54 to 3.512, inclusive. Such claim shall not be timely unless it is filed not later than the forty-fifth (45th) day after said Notices are posted at all dispatch halls, pay offices, and offices of the Association at which the Trustees are required by paragraph 3.5 hereof



to post said Notices. An Employee whose name does not appear on one of said exhibits and for whom a timely claim has not been filed shall not in any event be included on the Distribution List, regardless of whether such Employee fulfills the conditions of paragraphs 3.4 to 3.44, inclusive, hereof.

3.53. If an Employee on the Distribution List believes that the name or names of one or more other Employees has or have been included improperly on the Distribution List, and that such other Employee or Employees is not or are not eligible under the provisions of paragraphs 3.4 to 3.44, inclusive, then such Employee on the Distribution List may file a protest which complies with the provisions of paragraph 3.55 hereof, which protest shall be processed by the Trustees in accordance with the provisions of paragraphs 3.55 to 3.512, provided that any protest shall not be timely unless it is filed not later than the forty-fifth (45th) day after said Notices are posted as required by paragraph 3.5.

3.54. All claims filed pursuant to paragraph 3.52 hereof must be in writing, identify the claimant and give his registration number, alleged date of registration, and his mailing address, together with such other evidence, if any, as the claimant believes will establish his status as a Class A (fully-registered) longshoreman and/or marine clerk on July 1, 1960 and as a Class A (fully-registered) longshoreman, marine clerk, walking boss and/or foreman on

June 30, 1966. Said claim must be delivered to a representative of the joint port labor relations committee serving a port at which the claimant was listed as a Class A (fully-registered) longshoreman, marine clerk, walking boss and/or foreman on June 30, 1966; delivery shall not be completed unless said representative gives a written receipt of said claim to the claimant or his representative. Neither the Association, Union, nor Trustees shall be required to process any claims which do not comply with and are not delivered in compliance with the provisions of this paragraph 3.54.

3.55. All protests filed pursuant to paragraph 3.53 must be in writing, must identify the protestant, must give his mailing address, must give the name of the challenged Employee whose name is on the Distribution List, and must be supported by a duly notarized affidavit of the protestant setting forth facts why the challenged Employee is not eligible pursuant to paragraphs 3.4 to 3.44, inclusive, to participate in the distribution. Said protest must be delivered to a representative of the joint port labor relations committee serving a port at which the challenged Employee was listed as a Class A (fully-registered) longshoreman, marine clerk, walking boss and/or foreman on June 30, 1966; delivery shall not be completed unless said representative gives a written receipt of said protest to the protestant or his representative. Neither the Association,

Union, nor Trustees shall be required to process protests which do not comply with and are not delivered in compliance with the provisions of paragraph 3.55.

3.56. Upon receipt of a complaint or protest filed pursuant to either paragraphs 3.54 or 3.55 the representative shall present the same to the appropriate joint port labor relations committee among those listed in paragraphs 3.42 and 3.43 for investigation and determination as to whether an addition to or an elimination from the Distribution List is required. The joint port labor relations committee shall, within seven (7) days of receipt by it of a claim or protest notify by registered mail the claimant or protestant of its decision as to the eligibility of the Employee involved to participate in the distribution required by paragraph 3.3. If the joint port labor relations committee is not able to decide the claim or protest within seven (7) days after receipt of said claim or protest, the same shall be deemed denied and the claimant or protestant accordingly notified. If, on the basis of a protest, it is decided to eliminate an Employee from the Distribution List, the joint port labor relations committee shall notify the protestant, the challenged Employee and the Trustees by registered mail of its decision, and shall concurrently have posted the notice of its decision at the dispatch halls, pay offices, and various Association offices where the exhibit listing such challenged Employee's

name is and will be available for inspection. Every notice required by paragraph 3.56, whether by registered mail or by posting, shall notify the claimant, protestant and/or challenged Employee of his right, if dissatisfied with the decision, to have the decision reviewed and the time in which request for review must be instituted to be timely, as provided by paragraph 3.57.

3.57. A claimant, protestant or challenged Employee who is dissatisfied with the decision of the joint port labor relations committee may request that his claim or protest be referred to the area arbitrator for review. Such request for review must be filed by delivery to a representative of the joint port labor relations committee of a written request for review within ten (10) days of the mailing of the decision of the joint port labor relations committee, or, in the case of action on a protest, of the posting of Notice of decision, whichever is later. If a request for review of a claim or protest is duly filed, the joint port labor relations committee shall promptly make available to the area arbitrator its entire file on the claim or protest and the area arbitrator may as he decides, at his option, hold a hearing or request production by the joint port labor relations committee, claimant, protestant and/or challenged Employee in such form as is acceptable to him of such additional information as he deems necessary for decision. The area arbitrator shall

within thirty (30) days of submission of a claim or protest to him render a written decision with a copy to the joint port labor relations committee involved, the Trustees, the claimant, protestant and/or Employee involved. The area arbitrator shall be bound by the provisions of paragraphs 3.4 to 3.44, inclusive, hereof in determining whether an Employee should be added to or eliminated from the Distribution List, but, in all events, the decision of the area arbitrator on questions of eligibility shall be conclusive, not subject to review or further legal proceedings before any court, agency or tribunal, and shall be binding on all persons howsoever interested in the disposition of the trust fund under the administration of the Trustees.

3.58. Notwithstanding the provisions of paragraph 3.57, all claims or protests predicated on grounds of alleged discrimination either in favor of or against any person because of membership or nonmembership in the Union, activity for or against the Union, or absence thereof, race, creed, color, national origin or religious or political beliefs shall be promptly forwarded to the Joint Coast Labor Relations Committee for processing. The Joint Coast Labor Relations Committee shall promptly investigate the grounds of complaint or protest and notify the Trustees, complainant, protestant and/or Employee involved by registered mail of its decision; in the case of a protest, the Trustees shall

arrange to have posted at the dispatch hall, pay offices, and various Association offices where the exhibit on which such challenged Employee's name is listed and will be available for inspection, Notice of the decision of the Joint Coast Labor Relations Committee. If the Joint Coast Labor Relations Committee is not able to decide the claim or protest, the same shall be deemed denied and the claimant or protestant accordingly notified. Any claimant, protestant and/or Employee may appeal from the decision of the Joint Coast Labor Relations Committee to the Coast Arbitrator. Appeal shall be taken by a written request for an arbitrator's hearing delivered to the Joint Coast Labor Relations Committee. Such an appeal shall be timely only if such request for an arbitrator's hearing is so filed in writing with the Joint Coast Labor Relations Committee within ten (10) days following mailing of the decision from which an appeal is taken, or, in the case of a protest, posting of notice of decision, whichever date is later. The Coast Arbitrator shall schedule the matter for hearing and shall afford all interested parties an opportunity to produce evidence and present their respective claims and defenses. In determining questions of discrimination, the Coast Arbitrator shall determine (1) whether the Employee involved had reasonable opportunity under the provisions of the Supplement to Pacific Maritime Association and International Longshoremen's and Warehousemen's Union Agreements, which

is dated January 31, 1963, and which provides procedures for elimination of such discriminations, and (2) whether such Employee diligently invoked such procedures to secure elimination of such discrimination. If the Coast Arbitrator determines that such Employee was dilatory or otherwise failed to invoke the remedies offered by said Supplement, the appeal shall be dismissed. All questions of eligibility, except those pertaining to such discrimination, shall be resolved in accordance with the provisions of paragraphs 3.4 to 3.44, inclusive, hereof. The Coast Arbitrator shall notify, in writing, the Joint Coast Labor Relations Committee, the Trustees, and the Employee or Employees involved in the claim or protest of his decision, which shall be conclusive, not subject to review or further legal proceedings before any court, agency or tribunal, and shall be binding on all persons howsoever interested in the trust fund subject to the administration of the Trustees.

3.59. When the time has expired for filing timely claims and protests and timely appeals from the decisions thereon, as provided by paragraphs 3.5 to 3.58, each joint port labor relations committee and the Joint Coast Labor Relations Committee shall notify the Trustees in writing of the names of (1) Employees, if any, to be added to or deleted from the Distribution List as a consequence of the decisions of such labor relations committee on the claims and protests

filed with it from which an appeal has not been taken pursuant to the provisions hereof; (2) Employees, if any, involved in claims or protests filed with such committee that were denied or rejected by it and are not subject to appeal, and (3) Employees, if any, who are involved in claims or protests that have been referred to an area arbitrator, the Joint Coast Labor Relations Committee or the Coast Arbitrator.

3.510. On the basis of the reports required by paragraph 3.59 the Trustees shall make additions to or deletions from the Distribution List. With respect to claims and protests subject to appeal to an area arbitrator or to the Coast Arbitrator, the Trustees shall withhold action until a decision has been rendered by such arbitrator and reported in writing to the Trustees pursuant to the provisions of paragraphs 3.57 and 3.58 at which time the Trustees shall make additions to or deletions from the Distribution List pursuant to such decision. When such adjustments have been made to the Distribution List, Employees eligible to participate in the distribution provided in paragraph 3.3 hereof shall be comprised of those Employees, and only those Employees, whose names have been included on the Distribution List. The Trustees shall not be responsible for any loss incurred by any Employee, or his representative, because such Employee or another Employee or Employees was or were included or was not or were not included on the Distribution



List. Except as expressly provided by paragraph 3 hereof, the Trustees shall have no responsibility to decide any questions of eligibility, and the Trustees shall recognize as eligible for participation in said distribution only those Employees whose eligibility has been determined in accordance with the provisions of said paragraph 3.

3.511. To facilitate termination of said trust and to expedite distribution of said trust fund, time is of the essence. The provisions hereof establishing fixed time periods in which questions may be raised with respect to Employees' inclusion or exclusion from the Distribution List may be extended only by the unanimous agreement of the Trustees who are hereby authorized to grant extensions of time in which claims, protests and appeals may be filed, as the Trustees in their sole and unreviewable discretion may decide; provided, however, that the Trustees shall not be required to grant extensions and, if they grant an extension in one instance, the Trustees shall not be required to grant an extension in any other instance.

3.512. The review procedures established herein shall supersede all grievance procedures established under any ILWU-PMA longshore agreement, supplement or amendment thereto, and shall be the exclusive legal remedy available to any person howsoever interested in the distribution required by paragraph 3.3 hereof for the resolution of any

questions pertaining to eligibility of an Employee to participate in said distribution.

3.6. Disbursement. When the Distribution List has been established in accordance with paragraphs 3.4 to 3.512, and when all taxes and administrative charges authorized to be paid by this Amendment have been determined, the Trustees shall pay, or arrange for payment of, all such taxes and administrative charges, shall determine, or arrange to be determined, the amount payable to each eligible Employee on the Distribution List, and shall distribute the share of each eligible Employee by transmittal of such share to a disbursing agent appointed for such purpose with irrevocable instructions governing disbursement, such share to be disbursed in a single payment.

3.61. Subject to the provisions of paragraphs 3.62 to 3.611, inclusive, the pay office or offices maintained by the Association shall be employed as disbursing agent or agents. Such offices shall maintain the funds transmitted by the Trustees in a separate account and shall not commingle said funds with any other funds within their administration or control. The charges imposed by said offices as disbursing agents hereunder shall be an administrative cost chargeable to the trust fund pursuant to the provisions of paragraph 3.2 hereof. The disbursing agent or agents shall comply with the irrevocable instructions received from the Trustees

upon transmittal of the shares of eligible Employees and shall be responsible for losses resulting from any deviations therefrom. The Trustees shall give irrevocable instructions to the disbursing agent or agents that comply with the provisions of paragraphs 3.62 to 3.611, inclusive, hereof.

3.62. Subject to paragraphs 3.63 to 3.69 the disbursing agent shall draw and pay to each eligible Employee named on the Distribution List a check in the amount determined by the Trustees pursuant to paragraph 3.6.

3.63. Subject to the provisions of paragraphs 3.64 to 3.69 the disbursing agent or agents shall pay a check to an eligible Employee named on the Distribution List only upon the presentation by said Employee and no other person of identification which would suffice to enable the disbursing agent to deliver a weekly pay check.

3.64. In the event of receipt by the Trustees of legal process restricting the payment of any sum of money to any Employee, the Trustees will immediately forward said legal process to the disbursing agent. Upon receipt of said process or process directed to the disbursing agent itself, the disbursing agent, if payment has not before been made, shall withhold the payment of said check of said Employee until such legal process has been released or discharged. The disbursing agent shall be authorized at its option and in

its sole discretion to arrange for deposit of such share into any appropriate court by an action in interpleader or other appropriate legal procedure, or to deposit the share with any other depositary acceptable to all persons claiming interests; the legal and other costs, if any, incurred by the depositary agent as a consequence to be charged to said share.

3.65. In the event that it is established to the disbursing agent to its satisfaction that an eligible Employee named on the Distribution List has died, or become incompetent, or is otherwise incapacitated from personally receiving his check, the disbursing agent shall be authorized to pay the representative of such deceased, incompetent, or incapacitated person. The disbursing agent shall be authorized at its option and in its sole discretion to pay any sum claimed by one or more persons into any appropriate court by an action in interpleader or other appropriate legal procedure.

3.66. In the event that six (6) months after the receipt from the Trustees of the remainder of the trust funds the disbursing agent has remaining in its possession funds which have not been distributed to eligible Employees or their representatives, the disbursing agent is authorized to employ investigators at a cost not to exceed one hundred dollars (\$100.00) per unpaid eligible Employee, which cost shall be chargeable against the amount to be paid said unpaid eligible Employee, to attempt to locate and inform said

eligible Employee of the distribution, and of his rights and obligations therein.

3.67. In the event that nine (9) months after the receipt from the Trustees of the remainder of the trust funds the disbursing agent has remaining in its possession funds which have not been claimed by a person entitled to payment thereof in accordance with the irrevocable instructions of the Trustees, the disbursing agent shall be authorized to pay said funds to the Trustees of the ILWU-PMA Welfare Fund to be used to provide benefits as required by Schedule A, as amended, attached to said ILWU-PMA Mechanization Agreement.

3.68. The rights of an eligible Employee to participate in the distribution of the remainder of the trust fund under the administration of the Trustees shall be forfeited and thereafter null and void, when the disbursing agent makes payment of such eligible Employee's share to the Trustees of the ILWU-PMA Welfare Fund pursuant to and in accordance with the provisions of paragraph 3.67 hereof.

3.69. The disbursing agent shall not be liable for any loss incurred by any eligible Employee resulting from (1) misdelivery of such eligible Employee's share to a person believed by the disbursing agent to be entitled to delivery thereof, (2) forgery, (3) theft, (4) false pretenses or fraud, (5) or any other unlawful conduct of a third person, provided always that the disbursing agent in making delivery of a share has complied with its instructions and relied reasonably and

in good faith on the representations of the person to whom such delivery was made. The Trustees, Trustees of the ILWU-PMA Welfare Fund, Association, Union and Employers shall in no event be liable for losses resulting from the aforementioned causes.

3.610. The disbursing agent is hereby authorized to file claims for the overpayment of taxes paid by the Trustees to the United States, and/or the States of California, Oregon and/or Washington with regard to any or all funds paid by the disbursing agent to the Trustees of the ILWU-PMA Welfare Fund, and shall pay any amounts received in settlement of such claims to the Trustees of the ILWU-PMA Welfare Fund, such payments to be used for the purpose set forth in paragraph 3.67 hereof.

3.611. The services of the disbursing agent may be utilized by the Trustees herein to make and file tax returns, to file reports required by any governmental authority regarding the distribution and termination of said Trust, and to serve as depositaries, as the Trustees in their sole, unreviewable discretion decide to effectuate said payments and distributions.

4. The ILWU-PMA Supplemental Wage Benefit Trust shall terminate when the Trustees, pursuant to the provisions of paragraph 3.6 hereof, have paid or arranged for payment, of all administrative charges and taxes and have remitted with irrevocable instructions the remainder of the trust

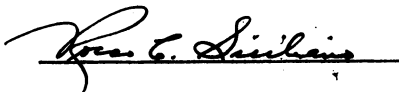
fund within their administration to a disbursing agent for disbursement in accordance with the provisions of paragraphs 3.6 to 3.611, inclusive, hereof.

5. The provisions of this Third Supplement to the ILWU-PMA Supplemental Agreement on Mechanization and Modernization shall supersede the provisions of the Memorandum of Understanding dated July 6, 1966 and clarifying and supplementary letters or memoranda thereto, or other agreements of the parties insofar as said provisions pertain to the termination of said Trust and to the distribution of the trust fund within the administration of the Trustees of said Trust.

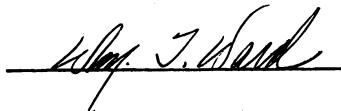
6. The provisions of said Agreement, as amended, which are not expressly revoked or amended by this Third Amendment thereto, shall continue in full force and effect to the extent provided by and in accordance with the provisions of said Agreement, as amended, subject to further amendment thereof by the parties hereto; without limitation upon the generality of the foregoing, the provisions of Section 4 of Article VI of said Agreement shall continue in full force and effect to the extent the same are not inconsistent with the provisions of paragraphs 3.52 to 3.512, inclusive, hereof.

Executed this 17<sup>th</sup> day of AUGUST, 1966

FOR THE ASSOCIATION:

A handwritten signature in cursive script, reading "Ross E. Sullivan", written over a horizontal line.

FOR THE UNION:

A handwritten signature in cursive script, reading "W. J. Wood", written over a horizontal line.