

ILWU-PMA WATCHMEN PENSION PLAN
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SUMMARY ANNUAL REPORT FOR ILWU-PMA WATCHMEN PENSION PLAN

This is a summary of the annual report for the ILWU-PMA Watchmen Pension Plan (“Plan”) (Employer Identification Number 94-6173372) for the Plan year beginning July 1, 2004 and ending June 30, 2005. The annual report is filed with the Internal Revenue Service as required under the Employee Retirement Income Security Act of 1974 (“ERISA”).

Basic Financial Statement

Benefits under the Plan are provided in part by funds held in trust in the ILWU-PMA Watchmen Pension Fund (“Fund”) and in part by lifetime annuities purchased for most pensioners and survivor pensioners receiving benefits as of February 1, 1991.

Plan expenses were \$836,791.

These expenses included \$140,765 in administrative expenses, \$29,029 in investment advisory/management fees and \$666,997 in benefits paid directly from the Fund to participants and beneficiaries. In addition to the benefits paid directly from the Fund, approximately 38 pensioners and survivor pensioners received their Plan benefits under annuity contracts. A total of 345 persons were participants in or beneficiaries of the Plan at the end of the Plan year, although not all of these persons had yet earned the right to receive benefits.

The value of the Plan assets, after subtracting liabilities of the Plan, was \$14,622,707 as of June 30, 2005 compared to \$13,313,711 as of July 1, 2004. During the Plan year, the Plan experienced an increase in its net assets of \$1,308,996. This increase includes unrealized appreciation or depreciation in the value of Plan assets; that is, the difference between the value of the Plan’s assets at the end of the Plan year and the value of the assets at the beginning of the Plan year or the cost of assets acquired during the Plan year. The Plan had total income of \$2,145,787, including employer contributions of \$1,390,015, realized gains of \$115,319 from the sale of assets, unrealized appreciation of assets of \$541,423, and \$99,030 earnings from investments.

Insurance Information

The Trustees of the Plan purchased a single premium group annuity contract from Lincoln National Life Insurance Company in 1984 for most pensioners and survivor pensioners then in pay status. During the Plan year ended June 30, 1991, the Trustees purchased a single premium group annuity contract from Allstate Life Insurance Company for certain pensioners and survivor pensioners who were not receiving benefits under the previously purchased annuity contract.

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Minimum Funding Standards

An actuary's statement shows that enough money was contributed to the Plan to keep it funded in accordance with the minimum funding standards of ERISA.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. an accountant's report;
2. assets held for investment;
3. transactions in excess of 5 percent of Plan assets; and
4. actuarial information regarding the funding of the Plan.

To obtain a copy of the full annual report, or any part thereof, write or call the ILWU-PMA Watchmen Pension Plan, 1188 Franklin Street, Suite 300, San Francisco, CA 94109, telephone (415) 673-8500. It may be necessary for the Plan to impose a reasonable charge to cover copying costs. If so, you will be advised of the charge for specific documents requested before they are mailed to you.

You also have the right to receive from the Plan office, on request and at no charge, a statement of the assets and liabilities of the Plan and accompanying notes, or a statement of income and expenses of the Plan and accompanying notes, or both. If you request a copy of the full annual report from the Plan office, these two statements and accompanying notes will be included as part of that report. Any charge made to cover copying costs does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the ILWU-PMA Watchmen Pension Plan, 1188 Franklin Street, Suite 300, San Francisco, CA 94109, and at the U.S. Department of Labor in Washington D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, N-1513, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington D.C. 20210.

Additional Explanation

This report is being distributed in accordance with provisions of the Employee Retirement Income Security Act (ERISA). ERISA requires that an annual report be filed with the Internal Revenue Service, and that a summary of the annual report be furnished each year to all Plan participants. This summary is being given general distribution to assure that all participants receive it. It may therefore be received by some persons who are not participants in the Plan.