MEMORANDUM AGREEMENT
OF July 1, 2015
CONCERNING ASSESSMENTS TO PROVIDE
LOS ANGELES CRANE OPERATOR MAKE WHOLE PAY

FMC Agreement No: 012451

The members of Pacific Maritime Association ("PMA"), acting pursuant to the Articles of Incorporation and the Bylaws of the Association, agree as follows:

1. Effective Date

This Agreement will become effective July 1, 2015. There are presently three PMA Membership Agreements which govern determination and collection of assessments to pay ILWU-PMA employee benefits:

(1) Federal Maritime Commission Agreement LM-84 (201103), which governs all but the CFS Program assessments and ILWU Marine Clerk Work Opportunity assessments; and

(2) Federal Maritime Commission Agreement LM-81; the CFS Program agreement which further allocates certain employee benefit costs between those who perform CFS-type operations and those ship and barge operators who load or discharge containers; and

(3) Federal Maritime Commission Agreement 201144 which governs assessments to provide ILWU Marine Clerk Work Opportunity.

Federal Maritime Commission Agreement LM-84, which governs all but the CFS Program assessments and assessments to provide ILWU Clerk Work Opportunity; LM-81, which governs the CFS Program allocations; and 201144, which

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governs assessments to provide ILWU Clerk Work Opportunity, continue.

2. Los Angeles Crane Operator Make Whole Pay

"ILWU" refers to the International Longshore and Warehouse Union. "Los Angeles Crane Operator Make Whole Payment" refers to payments pursuant to the Local 13 Crane Training Program dated February 20, 2015 under which all individuals checked in on the Local 13 A and B Crane Boards shall be paid at the equivalent Crane Operator prevailing daily rate of pay, Monday through Friday, regardless of the job they work in accordance with Section 14.521, and shall receive a make whole payment if such individuals work any job other than a crane job.

3. Assessment Rates

Assessments will be based upon a rate per assessable Container Revenue Unit (RU) in the Ports of Los Angeles and Long Beach and will, in the normal course, be calculated and published periodically. The assessment rate will be calculated and be made effective as described below.

4. Cost Estimate of the Los Angeles Crane Operator Make Whole Payments

Each calculation of the assessment rate will be based upon an estimate of the cost of the Los Angeles Crane Operator Make Whole Payments for the period during which the rate will be in effect.

5. Calculation

The calculation described below is illustrated in

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Appendix 1.

6. Container Revenue Unit

Container Revenue Units shall be reported by PMA members and assessed in accordance with PMA rules respecting the method for reporting tonnage to the Association. The geographic range in which tonnage moves classifies it for reporting purposes. Tonnage is reported as either "Offshore & Intercoastal" or "Coastwise." Offshore & Intercoastal Tonnage is cargo transported by water that is either destined for or leaves from a California, Oregon or Washington port and does not have as its origin or destination another California, Oregon or Washington port. Coastwise Tonnage is cargo that is loaded in a California, Oregon, or Washington port for discharge in a California, Oregon, or Washington port.

7. Assessment Rate per Revenue Unit

The assessment rate per Revenue Unit (RU) will be the amount obtained when the Cost Estimate of the Los Angeles Crane Operator Make Whole Payments is divided by the sum of the total Container Revenue Units in the Ports of Los Angeles and Long Beach projected to be worked during the assessment period.

8. OFFSHORE & INTERCOASTAL RU RATE

The Offshore & Intercoastal RU rate will be the Cost Estimate of the Los Angeles Crane Operator Make Whole Payments divided by the sum of Container Revenue Units in the Ports of Los Angeles and Long Beach.

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9. COASTWISE RU RATE

The Coastwise assessment rate per container Revenue Unit will be the Offshore & Intercoastal assessment rate for a Container Revenue Unit multiplied by 0.705891. Assessments on Coastwise RUs will be paid only upon discharge of the cargo. No assessment will be payable for loading of coastwise cargo.

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APPENDIX 1

ILLUSTRATIVE LOS ANGELES CRANE OPERATOR MAKE WHOLE PAYMENT COST AND CONTAINER REVENUE UNIT (RU) ESTIMATES

LOS ANGELES CRANE OPERATOR MAKE WHOLE PAYMENT COST	$500,000

REVENUE UNIT ESTIMATES FOR LOS ANGELES AND LONG BEACH

Offshore & Intercoastal	
Revenue Units	10,952,664
Coastwise	
Revenue Units	92

Los Angeles Crane Operator Make Whole Offshore & Intercoastal Rate Calculation

Per Revenue Unit	$0.05
$500,000 /	
((10,952,664 x 1.000000)	[Revenue Units]
+ (92 x 0.705891))	[Coastwise RU's]

Los Angeles Crane Operator Make Whole Coastwise Rate Calculation

Per Revenue Unit	$0.05 x 0.705981	$0.03

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4. Cost Estimate of the Los Angeles Crane Operator Make Whole Payments

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REVENUE UNIT ESTIMATES FOR LOS ANGELES AND LONG BEACH

Offshore & Intercoastal	
Revenue Units	10,952,664
Coastwise	
Revenue Units	92

Los Angeles Crane Operator Make Whole Offshore & Intercoastal Rate Calculation

Per Revenue Unit	$0.05
$500,000 /	
((10,952,664 x 1.000000)	[Revenue Units]
+ (92 x 0.705891))	[Coastwise RU's]

Los Angeles Crane Operator Make Whole Coastwise Rate Calculation

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