

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2011</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☒
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information			
1a Name of plan <u>MATSON PENSION PLAN FOR CLERICAL BU EES</u> 2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>MATSON, INC.</u> <u>55 12TH STREET</u> <u>OAKLAND, CA 94607</u>	1b Three-digit plan number (PN) ▶ <u>021</u>	1c Effective date of plan <u>01/01/1998</u>		
	2b Employer Identification Number (EIN) <u>99-0032630</u>	2c Sponsor's telephone number <u>808-525-8495</u>	2d Business code (see instructions) <u>483000</u>	

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/10/2012	MARY NGAI
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2011)
v.012611

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") MATSON, INC. 55 12TH STREET OAKLAND, CA 94607	3b Administrator's EIN 99-0032630 3c Administrator's telephone number 510-628-4357
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name MATSON NAVIGATION COMPANY, INC	4b EIN 94-0662400 4c PN 012	
5 Total number of participants at the beginning of the plan year	5	12
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	2
b Retired or separated participants receiving benefits.....	6b	7
c Other retired or separated participants entitled to future benefits.....	6c	3
d Subtotal. Add lines 6a , 6b , and 6c	6d	12
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	12
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1A 1G 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) ☐ Insurance	(1) ☐ Insurance
(2) ☐ Code section 412(e)(3) insurance contracts	(2) ☐ Code section 412(e)(3) insurance contracts
(3) ☒ Trust	(3) ☒ Trust
(4) ☐ General assets of the sponsor	(4) ☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
- (2)** ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3)** ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☐ **H** (Financial Information)
- (2)** ☒ **I** (Financial Information – Small Plan)
- (3)** ☐ **A** (Insurance Information)
- (4)** ☐ **C** (Service Provider Information)
- (5)** ☒ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>MATSON PENSION PLAN FOR CLERICAL BU EES</u>	B Three-digit plan number (PN) ▶ <u>021</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>MATSON, INC.</u>	D Employer Identification Number (EIN) <u>99-0032630</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2011</u>
2	Assets:
a	Market value 2a <u>2124173</u>
b	Actuarial value 2b <u>2197330</u>
3	Funding target/participant count breakdown:
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a <u>7</u> <u>1775438</u>
b	For terminated vested participants 3b <u>2</u> <u>52885</u>
c	For active participants:
(1)	Non-vested benefits 3c(1) <u>35365</u>
(2)	Vested benefits 3c(2) <u>823032</u>
(3)	Total active 3c(3) <u>3</u> <u>858397</u>
d	Total 3d <u>12</u> <u>2686720</u>
4	If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐
a	Funding target disregarding prescribed at-risk assumptions 4a
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor 4b
5	Effective interest rate 5 <u>6.12 %</u>
6	Target normal cost 6 <u>22086</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<u>10/05/2012</u>
Signature of actuary <u>JENNIFER S.J. LUM-OTA, FSA,EA,MAAA</u>	Date <u>11-04070</u>
Type or print name of actuary <u>BUCK CONSULTANTS, LLC</u>	Most recent enrollment number <u>808-533-6002</u>
Firm name <u>1001 BISHOP ST., SUITE 700</u> <u>HONOLULU, HI 96813-3696</u>	Telephone number (including area code)
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2011
v.012611

Part II		Beginning of year carryover and prefunding balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	125164	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	83603	0
9	Amount remaining (line 7 minus line 8)	41561	0
10	Interest on line 9 using prior year's actual return of <u>15.11</u> %	6280	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38 from prior year)		220827
b	Interest on (a) using prior year's effective rate of <u>6.58</u> % except as otherwise provided (see instructions)		14530
c	Total available at beginning of current plan year to add to prefunding balance		235357
d	Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	47841	0

Part III		Funding percentages	
14	Funding target attainment percentage	14	80.00 %
15	Adjusted funding target attainment percentage	15	80.00 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	86.35 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV		Contributions and liquidity shortfalls			
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
10/14/2011	13521				
01/13/2012	20901				
06/20/2012	85000				
			Totals ►	18(b)	119422
				18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contributions from prior years.	19a 0
b Contributions made to avoid restrictions adjusted to valuation date	19b 0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c 110463
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No
c If 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of quarter of this plan year	
(1) 1st	(2) 2nd
0	0
(3) 3rd	(4) 4th
0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: 3.78%	2nd segment: 6.31%	3rd segment: 6.57%	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 60
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	22086	
b Excess assets, if applicable, but not greater than 31a	31b	0	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	537231		95543
b Waiver amortization installment	0		0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	117629	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	47841	0	47841
36 Additional cash requirement (line 34 minus line 35)	36	69788	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	110463	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	40675	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	40675	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE I (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information—Small Plan This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection
For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011		
A Name of plan MATSON PENSION PLAN FOR CLERICAL BU EES	B Three-digit plan number (PN) ►	021
C Plan sponsor's name as shown on line 2a of Form 5500 MATSON, INC.	D Employer Identification Number (EIN) 99-0032630	

Complete Schedule I if the plan covered fewer than 100 participants as of the beginning of the plan year. You may also complete Schedule I if you are filing as a small plan under the 80-120 participant rule (see instructions). Complete Schedule H if reporting as a large plan or DFE.

Part I	Small Plan Financial Information
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Report below the current value of assets and liabilities, income, expenses, transfers and changes in net assets during the plan year. Combine the value of plan assets held in more than one trust. Do not enter the value of the portion of an insurance contract that guarantees during this plan year to pay a specific dollar benefit at a future date. Include all income and expenses of the plan including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. **Round off amounts to the nearest dollar.**

		(a) Beginning of Year	(b) End of Year
1 Plan Assets and Liabilities:			
a Total plan assets	1a	2124173	2096734
b Total plan liabilities	1b		
c Net plan assets (subtract line 1b from line 1a).....	1c	2124173	2096734
2 Income, Expenses, and Transfers for this Plan Year:		(a) Amount	(b) Total
a Contributions received or receivable:			
(1) Employers	2a(1)	256392	
(2) Participants.....	2a(2)		
(3) Others (including rollovers)	2a(3)		
b Noncash contributions.....	2b		
c Other income.....	2c	-116335	
d Total income (add lines 2a(1), 2a(2), 2a(3), 2b, and 2c).....	2d		140057
e Benefits paid (including direct rollovers)	2e	167496	
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Administrative service providers (salaries, fees, and commissions).....	2h		
i Other expenses.....	2i		
j Total expenses (add lines 2e, 2f, 2g, 2h, and 2i)	2j		167496
k Net income (loss) (subtract line 2j from line 2d).....	2k		-27439
l Transfers to (from) the plan (see instructions)	2l		

3 Specific Assets: If the plan held assets at anytime during the plan year in any of the following categories, check "Yes" and enter the current value of any assets remaining in the plan as of the end of the plan year. Allocate the value of the plan's interest in a commingled trust containing the assets of more than one plan on a line-by-line basis unless the trust meets one of the specific exceptions described in the instructions.				
		Yes	No	Amount
a Partnership/joint venture interests.....	3a		X	
b Employer real property.....	3b		X	
c Real estate (other than employer real property)	3c		X	
d Employer securities.....	3d		X	
e Participant loans.....	3e		X	

	Yes	No	Amount
3f Loans (other than to participants)		X	
g Tangible personal property		X	

Part II Compliance Questions

4 During the plan year:	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of plan year or classified during the year as uncollectible? Disregard participant loans secured by the participant's account balance.		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible?		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a.)		X	
e Was the plan covered by a fidelity bond?	X		20000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan at any time hold 20% or more of its assets in any single security, debt, mortgage, parcel of real estate, or partnership/joint venture interest?		X	
j Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
k Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? If "No," attach an IQPA's report or 2520.104-50 statement. (See instructions on waiver eligibility and conditions.)	X		
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2011
		This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>MATSON PENSION PLAN FOR CLERICAL BU EES</u>	B Three-digit plan number (PN) ▶ <u>021</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>MATSON, INC.</u>	D Employer Identification Number (EIN) <u>99-0032630</u>

Part I	Distributions
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All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>99-0268171</u> <u>22-1211670</u> Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>0</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☒ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. Complete as many entries as needed to report all applicable employers.

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

Schedule SB, line 22 - Description of Weighted Average Retirement Age

This age is derived by applying, for an employee with the characteristics of an average new entrant to the plan, the following formula, modified so that the “½” is not used for $t = FRA - ERA$.

$$\frac{\sum_{t=0}^{FRA-ERA} ({}_t p_{ERA}) * (q^r_{ERA+t}) * (ERA + t + \frac{1}{2})}{\sum_{t=0}^{FRA-ERA} ({}_t p_{ERA}) * (q^r_{ERA+t})}$$

where FRA = age everyone is assumed to retire
 ERA = earliest retirement age
 ${}_t p_{ERA}$ = probability of surviving to age ERA + t
 q^r_{ERA+t} = probability of retiring at age ERA + t

Annual rates of assumed retirement are as follows:

Age	Retirement Rates	
	If not eligible for unreduced early retirement	If eligible for unreduced early retirement
55	.00	.20
56	.00	.20
57	.00	.20
58	.00	.20
59	.00	.20
60	.05	1.00
61	.05	1.00
62	.15	1.00
63	.10	1.00
64	.20	1.00
65	1.00	1.00

Schedule SB, line 26 - Schedule of Active Participant Data

Distribution of Active Participants by Completed Age and Credited Service as of January 1, 2011

Plan: Matson Pension Plan for Clerical Bargaining Unit Employees
 EIN: 99-0032630
 PN: 021

Schedule SB, Line 26 - Schedule of Active Participant Data											
Attained Age	YEARS OF CREDITED SERVICE										Total
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	
Under 25											0
25 to 29											0
30 to 34											0
35 to 39											0
40 to 44			1								1
45 to 49											0
50 to 54											0
55 to 59											0
60 to 64									1		1
65 to 69											0
70 & up											0
Total	0	0	1	0	0	0	0	0	1	0	2*

* Participant count excludes those participants who transferred to an ineligible employment classification and therefore ceased receiving future benefit accruals in the above-named plan. However, the participant count in column 1 of line 3(c)(3) of the Schedule SB does include such transferred participants.

Summary of Shortfall Amortization Bases as of January 1, 2011

Plan: Matson Pension Plan for Clerical Bargaining Unit Employees
 EIN 99-0032630
 PN: 021
 Data Code Number: 16

<u>Type of Base</u>	<u>Date Established</u>	<u>Initial Amount</u>	<u>Remaining Installments</u>	<u>Shortfall Amortization Installment</u>	<u>Present Value of Remaining Installments as of January 1, 2011</u>
Shortfall	1/1/2010	\$ 372,900	6	\$ 62,756	\$ 337,955
Shortfall	1/1/2011	199,276	7	32,787	199,276
				<u>\$ 95,543</u>	<u>\$ 537,231</u>

Matson Pension Plan for Clerical Bargaining Unit Employees:

Data Code Number	Covered Group
16	- Matson Clerical BU (Oakland)

Prescribed Funding Assumptions and Methods

Funding Interest Rates:	Segment Rates with four-month lookback: First Segment Rate: 3.78% Second Segment Rate: 6.31% Third Segment Rate: 6.57% Effective Interest Rate: 6.12%
Funding Mortality:	Mortality tables mandated by PPA as specified in IRS Regulation 1.430(h)(3)-1, applied on a static basis, projected 7 years from the valuation date for annuitants and 15 years for non-annuitants.
Actuarial Cost Method:	The Funding Target is the present value of accrued benefits based on compensation and service to date. The Target Normal Cost is the present value of benefits expected to be accrued during the current plan year, reflecting the effect of expected compensation increases during the year and including expected administrative expenses to be paid from plan assets during the year.

Non-Prescribed Funding Assumptions and Methods

Salary Increase:	4.00%
Expenses:	Expected plan administrative expenses equal to prior year's non-investment administrative expenses paid from plan assets (\$17,096) are added to Target Normal Cost.
Frequency of Optional Payment Forms:	70% of members are assumed to elect a Single Life Annuity. 30% of members are assumed to elect a 50% Joint and Survivor Annuity with spouse.
Marital Percentage:	67% of the members are assumed to be married, and males are assumed to be three years older than their spouses.
Mortality:	The mortality table is applied on a static basis. Separate annuitant and non-annuitant tables were used.
Turnover Rates:	None
Disability Rates:	None

Non-Prescribed Funding Assumptions and Methods (continued)

Retirement Rates:

Annual rates of retirement for Matson Clerical BU (Oakland) active members are:

Rates		
Age	If not eligible for unreduced early retirement	If eligible for unreduced early retirement
55	.00	.20
56	.00	.20
57	.00	.20
58	.00	.20
59	.00	.20
60	.05	1.00
61	.05	1.00
62	.15	1.00
63	.10	1.00
64	.20	1.00
65 & over	1.00	1.00

In addition, for purposes of determining at-risk Funding Target and at-risk Target Normal Cost, employees eligible to retire and receive a benefit in the next 11 years are assumed to retire when first eligible (but not before the end of the current plan year) and elect to receive the form of benefit producing the highest present value.

Retirement age for inactive members with deferred benefits:
age 60

Asset Valuation Method:

Actuarial Value of Assets is market value as of the valuation date, including discounted receivable contributions, reduced by 2/3 and 1/3 of the gain/(loss) in each of the prior 2 years, respectively. The gain/(loss) for each period is determined as the actual return on market value during the period less the expected return on market value based on an assumed earnings rate chosen by the actuary but required by PPA to be not greater than the applicable third segment rate. The resulting value is constrained to be within a corridor of 90% to 110% of market value, including discounted receivable contributions.

The expected return on plan assets for the applicable measurement periods was 8.25% per annum, limited by PPA to the applicable third segment rate as follows:

2010 measurement period:	6.82%
2009 measurement period:	6.69%

Summary of Changes from the January 1, 2010 Valuation

- The 3-segment interest rates with four-month lookback used for funding purposes were updated to the current valuation date. 2010 valuation used 3-segment interest rates (with four-month lookback) of 5.03% (first segment rate), 6.73% (second segment rate) and 6.82% (third segment rate), and effective interest rate of 6.58%.
- The mortality tables used for funding purposes were updated with projections specified by IRS Regulation 1.430(h)(3)-1.
- The amount of expenses added to the Target Normal Cost was updated to the current valuation date. 2010 valuation used non-investment administrative expenses (paid from plan assets) of \$9,363.

Changes in assumptions were made either in accordance with applicable law and regulations or to better reflect the actuary's best estimate of anticipated experience under the plan.

Matson Pension Plan for Clerical Bargaining Unit Employees:

<u>Data Code Number</u>		<u>Covered Group</u>
16	-	Matson Clerical BU (Oakland)

Changes Since
Last Valuation: None.

Eligibility

All Matson Clerical BU (Oakland) employees covered by the Matson Clerical BU (Oakland) bargaining agreement become members on the first day of the month coinciding with or next following completion of one year of service. All Matson Clerical BU (Terminal Island) members were transferred to the OCU multiemployer pension plan.

Normal Retirement Benefit

a) Eligibility: Age 65.

b) Amount of Benefit: The monthly benefit is the greater of (1), (2) or (3):

- (1) (a) 1.45% of FAMC up to monthly Covered Compensation plus 1.85% of FAMC in excess of monthly Covered Compensation, times years of Credited Benefit Service up to 25,

plus

- (b) .725% of FAMC up to monthly Covered Compensation plus .925% of FAMC in excess of monthly Covered Compensation, times years of Credited Benefit Service in excess over 25 (maximum 25),

plus

- (c) .725% of FAMC times years of Credited Benefit Service over 50.

Final Average Monthly Compensation (FAMC) is the highest sixty-consecutive-month average of compensation (during most recent 120 months during which employee was an eligible employee), including base, overtime and one-year annual bonuses.

Credited Benefit Service consists of all periods of eligible employment.

- (2) The accrued benefit determined on December 31, 1988 under the plan provisions in effect on that date.

Schedule SB, Part V – Summary of Plan Provisions
 Matson Pension Plan for Clerical Bargaining Unit Employees
 EIN: 99-0032630 PN: 021

(3) Minimum Benefit:

<u>Date of Termination of Employment</u>	<u>Minimum Benefit Level [multiplied by years of credited benefit service (max 36 years)]</u>
7/1/2008 – 6/30/2009	\$135.00
7/1/2009 – 6/30/2010	\$150.00
7/1/2010 – 6/30/2011	\$155.00
7/1/2011 – 6/30/2012	\$160.00
7/1/2012 – 6/30/2013	\$165.00*
On or after 7/1/2013	\$175.00*

* Benefit levels effective on or after 7/1/12 were not reflected in calculation of funding target and target normal cost.

Early Retirement Benefit

a) Eligibility: (i) Age 55 and 5 years of service or (ii) 30 years of service.

b) Amount of benefit:

(1) If 30 years of service, unreduced Normal Retirement Benefit.

(2) If not eligible for better benefit under (1) above, the Normal Retirement Benefit for service to the Early Retirement Date multiplied by the following early retirement factor:

<u>Age</u>	<u>If Terminated Before Age 55</u>	<u>If Terminated At or After Age 55</u>
55	.50	.70
56	.54	.76
57	.58	.82
58	.62	.88
59	.66	.94
60	.70	1.00
61	.76	1.00
62	.82	1.00
63	.88	1.00
64	.94	1.00

Deferred Retirement Benefit

a) Eligibility: Employed beyond age 65.

b) Amount of Benefit: Member continues to accrue benefits beyond Normal Retirement Date. Benefits commencing after the April 1 following the calendar year in which the member attains age 70½ are actuarially increased as required by law.

Disability

If a member is disabled and receiving benefits under the employer's long term disability plan, he will continue to accrue pension benefits based upon his rate of compensation when he became disabled.

Vested Benefit

a) Eligibility: 5 years of service.

Schedule SB, Part V – Summary of Plan Provisions
Matson Pension Plan for Clerical Bargaining Unit Employees
EIN: 99-0032630 PN: 021

- b) Amount of Benefit: Commencing at age 65, the amount of Normal Retirement Benefit credited for service to the date of termination. Members may elect a reduced Early Retirement Benefit at or after age 55.

Supplemental Retirement Benefit (Bridge Benefit)

- a) Eligibility: (i) Age 55 and 30 years of service or (ii) age 60 and 5 years of service.
- b) Amount of Benefit: Lesser of
- (1) \$400 per month payable until the earlier of member's death or attainment of Social Security Full Retirement Age, or
 - (2) \$24,000 divided by the number of months between member's age (in completed years and months) as of annuity starting date and his Social Security Full Retirement Age. Supplemental retirement benefits shall cease upon the earlier of member's death or attainment of Social Security Full Retirement Age.

Pre-Retirement Spouse Benefit

- a) Eligibility: Married at least 1 year, with 5 years of service or eligible for retirement.
- b) Amount of Benefit:
- (1) If the member was active and eligible for early retirement (age 55 with 5 years of service), the spouse receives an immediate monthly income equal to the greater of (a) 75% of a reduced 75% Joint and Survivor benefit or (b) the following percentage of the Normal Retirement Benefit:

<u>Surviving Spouse's Age at Member's Date of Death</u>	<u>Percentage of Normal Retirement Benefit</u>
53 and over	50%
45 through 52	45%
37 through 44	40%
30 through 36	35%
Under 30	30%

- (2) If the member was active and under age 55 with at least 5 years of service, the spouse receives 75% of a reduced 75% Joint and Survivor benefit that would have been in effect had the member terminated on the date of death and survived to the date benefits commenced, and retired on that date. This benefit is deferred until the date the member would have reached age 65 (or, at the spouse's election, any time after the date the member would have reached age 55).
- (3) If the member was terminated before death, the spouse would receive 55% of a reduced 55% Joint and Survivor benefit.

Employee Contributions None.

Forms of Payment

- a) Automatic Form:
- (1) Single life annuity for unmarried member.
 - (2) Reduced 50% Qualified Joint & Survivor annuity for married member.
 - (3) Lump sum of not more than \$5,000.

Schedule SB, Part V – Summary of Plan Provisions
Matson Pension Plan for Clerical Bargaining Unit Employees
EIN: 99-0032630 PN: 021

b) Optional Forms:

- (1) Single life annuity.
- (2) 50% or 100% Joint & Survivor annuity.
- (3) 66-2/3% or 75% Joint & Survivor annuity with spouse.

c) Conversion of Payment Forms

The member's single life annuity is converted into an actuarially equivalent other form of payment using (except for lump sums) the Unisex Pension 1984 Mortality Table set back two years for members and seven years for contingent annuitants and an interest rate of 6.5% per year.

The lump sum form of payment is calculated as (1) for members not yet eligible for retirement, the present value of the accrued benefit payable at Normal Retirement Date (or actual retirement date, if later) and (2) for members eligible for early retirement, the present value of the immediate early retirement benefit. In both cases, the present value is calculated using the Internal Revenue Code §417(e)(3) assumptions with a lookback month for the applicable interest rate for the fourth full calendar month preceding the plan year.

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ File as an attachment to Form 5500 or 5500-SF.

OMB No. 1210-0110

2011**This Form is Open to Public
Inspection**

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

▶ Round off amounts to nearest dollar.

▶ Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan Matson Pension Plan for Clerical BU Ees		B Three-digit plan number (PN) ▶ 021
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Matson, Inc.		D Employer Identification Number (EIN) 99-0032630
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2011</u>			
2 Assets:			
a Market value	2a	2,124,173	
b Actuarial value	2b	2,197,330	
3 Funding target/participant count breakdown:			
		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a	7	1,775,438
b For terminated vested participants.....	3b	2	52,885
c For active participants:			
(1) Non-vested benefits.....	3c(1)		35,365
(2) Vested benefits	3c(2)		823,032
(3) Total active.....	3c(3)	3	858,397
d Total.....	3d	12	2,686,720
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b		
5 Effective interest rate	5	6.12 %	
6 Target normal cost	6	22,086	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	Jennifer S.J. Lum-Ota 	10/05/2012
	Signature of actuary	Date
Jennifer S.J. Lum-Ota, FSA, EA, MAAA		11-04070
Type or print name of actuary		Most recent enrollment number
Buck Consultants, LLC		(808) 533-6002
1001 Bishop St., Suite 700	Firm name	Telephone number (including area code)
Honolulu	HI 96813-3696	
Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2011
v.012611

Part II		Beginning of year carryover and prefunding balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	125,164	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	83,603	0
9	Amount remaining (line 7 minus line 8).....	41,561	0
10	Interest on line 9 using prior year's actual return of <u>15.11</u> %.....	6,280	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38 from prior year)		220,827
b	Interest on (a) using prior year's effective rate of <u>6.58</u> % except as otherwise provided (see instructions).....		14,530
c	Total available at beginning of current plan year to add to prefunding balance.....		235,357
d	Portion of (c) to be added to prefunding balance.....		0
12	Other reductions in balances due to elections or deemed elections.....	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	47,841	0

Part III		Funding percentages	
14	Funding target attainment percentage	14	80.00 %
15	Adjusted funding target attainment percentage	15	80.00 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	86.35 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV		Contributions and liquidity shortfalls			
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
10/14/2011	13,521				
01/13/2012	20,901				
06/20/2012	85,000				
Totals •			18(b)	119,422	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contributions from prior years.	19a 0
b Contributions made to avoid restrictions adjusted to valuation date.....	19b 0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c 110,463
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No
c If 20a is "Yes," see instructions and complete the following table as applicable:	

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: 3.78 %	2nd segment: 6.31 %	3rd segment: 6.57 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 60
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29).....	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	22,086	
b Excess assets, if applicable, but not greater than 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	537,231	95,543	
b Waiver amortization installment.....	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	117,629	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	47,841	0	47,841
36 Additional cash requirement (line 34 minus line 35)	36	69,788	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	110,463	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	40,675	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	40,675	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

Schedule SB, line 22 - Description of Weighted Average Retirement Age

This age is derived by applying, for an employee with the characteristics of an average new entrant to the plan, the following formula, modified so that the “½” is not used for $t = FRA - ERA$.

$$\frac{\sum_{t=0}^{FRA-ERA} ({}_t p_{ERA}) * (q^r_{ERA+t}) * (ERA + t + \frac{1}{2})}{\sum_{t=0}^{FRA-ERA} ({}_t p_{ERA}) * (q^r_{ERA+t})}$$

where FRA = age everyone is assumed to retire
 ERA = earliest retirement age
 ${}_t p_{ERA}$ = probability of surviving to age ERA + t
 q^r_{ERA+t} = probability of retiring at age ERA + t

Annual rates of assumed retirement are as follows:

Age	Retirement Rates	
	If not eligible for unreduced early retirement	If eligible for unreduced early retirement
55	.00	.20
56	.00	.20
57	.00	.20
58	.00	.20
59	.00	.20
60	.05	1.00
61	.05	1.00
62	.15	1.00
63	.10	1.00
64	.20	1.00
65	1.00	1.00

Matson Pension Plan for Clerical Bargaining Unit Employees:

Data Code Number	Covered Group
16	- Matson Clerical BU (Oakland)

Prescribed Funding Assumptions and Methods

Funding Interest Rates:	Segment Rates with four-month lookback: First Segment Rate: 3.78% Second Segment Rate: 6.31% Third Segment Rate: 6.57% Effective Interest Rate: 6.12%
Funding Mortality:	Mortality tables mandated by PPA as specified in IRS Regulation 1.430(h)(3)-1, applied on a static basis, projected 7 years from the valuation date for annuitants and 15 years for non-annuitants.
Actuarial Cost Method:	The Funding Target is the present value of accrued benefits based on compensation and service to date. The Target Normal Cost is the present value of benefits expected to be accrued during the current plan year, reflecting the effect of expected compensation increases during the year and including expected administrative expenses to be paid from plan assets during the year.

Non-Prescribed Funding Assumptions and Methods

Salary Increase:	4.00%
Expenses:	Expected plan administrative expenses equal to prior year's non-investment administrative expenses paid from plan assets (\$17,096) are added to Target Normal Cost.
Frequency of Optional Payment Forms:	70% of members are assumed to elect a Single Life Annuity. 30% of members are assumed to elect a 50% Joint and Survivor Annuity with spouse.
Marital Percentage:	67% of the members are assumed to be married, and males are assumed to be three years older than their spouses.
Mortality:	The mortality table is applied on a static basis. Separate annuitant and non-annuitant tables were used.
Turnover Rates:	None
Disability Rates:	None

Non-Prescribed Funding Assumptions and Methods (continued)

Retirement Rates:

Annual rates of retirement for Matson Clerical BU (Oakland) active members are:

Rates		
Age	If not eligible for unreduced early retirement	If eligible for unreduced early retirement
55	.00	.20
56	.00	.20
57	.00	.20
58	.00	.20
59	.00	.20
60	.05	1.00
61	.05	1.00
62	.15	1.00
63	.10	1.00
64	.20	1.00
65 & over	1.00	1.00

In addition, for purposes of determining at-risk Funding Target and at-risk Target Normal Cost, employees eligible to retire and receive a benefit in the next 11 years are assumed to retire when first eligible (but not before the end of the current plan year) and elect to receive the form of benefit producing the highest present value.

Retirement age for inactive members with deferred benefits:
age 60

Asset Valuation Method:

Actuarial Value of Assets is market value as of the valuation date, including discounted receivable contributions, reduced by 2/3 and 1/3 of the gain/(loss) in each of the prior 2 years, respectively. The gain/(loss) for each period is determined as the actual return on market value during the period less the expected return on market value based on an assumed earnings rate chosen by the actuary but required by PPA to be not greater than the applicable third segment rate. The resulting value is constrained to be within a corridor of 90% to 110% of market value, including discounted receivable contributions.

The expected return on plan assets for the applicable measurement periods was 8.25% per annum, limited by PPA to the applicable third segment rate as follows:

2010 measurement period:	6.82%
2009 measurement period:	6.69%

Summary of Changes from the January 1, 2010 Valuation

- The 3-segment interest rates with four-month lookback used for funding purposes were updated to the current valuation date. 2010 valuation used 3-segment interest rates (with four-month lookback) of 5.03% (first segment rate), 6.73% (second segment rate) and 6.82% (third segment rate), and effective interest rate of 6.58%.
- The mortality tables used for funding purposes were updated with projections specified by IRS Regulation 1.430(h)(3)-1.
- The amount of expenses added to the Target Normal Cost was updated to the current valuation date. 2010 valuation used non-investment administrative expenses (paid from plan assets) of \$9,363.

Changes in assumptions were made either in accordance with applicable law and regulations or to better reflect the actuary's best estimate of anticipated experience under the plan.

Matson Pension Plan for Clerical Bargaining Unit Employees:

<u>Data Code Number</u>		<u>Covered Group</u>
16	-	Matson Clerical BU (Oakland)

Changes Since
Last Valuation: None.

Eligibility

All Matson Clerical BU (Oakland) employees covered by the Matson Clerical BU (Oakland) bargaining agreement become members on the first day of the month coinciding with or next following completion of one year of service. All Matson Clerical BU (Terminal Island) members were transferred to the OCU multiemployer pension plan.

Normal Retirement Benefit

a) Eligibility: Age 65.

b) Amount of Benefit: The monthly benefit is the greater of (1), (2) or (3):

- (1) (a) 1.45% of FAMC up to monthly Covered Compensation plus 1.85% of FAMC in excess of monthly Covered Compensation, times years of Credited Benefit Service up to 25,

plus

- (b) .725% of FAMC up to monthly Covered Compensation plus .925% of FAMC in excess of monthly Covered Compensation, times years of Credited Benefit Service in excess over 25 (maximum 25),

plus

- (c) .725% of FAMC times years of Credited Benefit Service over 50.

Final Average Monthly Compensation (FAMC) is the highest sixty-consecutive-month average of compensation (during most recent 120 months during which employee was an eligible employee), including base, overtime and one-year annual bonuses.

Credited Benefit Service consists of all periods of eligible employment.

- (2) The accrued benefit determined on December 31, 1988 under the plan provisions in effect on that date.

Schedule SB, Part V – Summary of Plan Provisions
 Matson Pension Plan for Clerical Bargaining Unit Employees
 EIN: 99-0032630 PN: 021

(3) Minimum Benefit:

<u>Date of Termination of Employment</u>	<u>Minimum Benefit Level [multiplied by years of credited benefit service (max 36 years)]</u>
7/1/2008 – 6/30/2009	\$135.00
7/1/2009 – 6/30/2010	\$150.00
7/1/2010 – 6/30/2011	\$155.00
7/1/2011 – 6/30/2012	\$160.00
7/1/2012 – 6/30/2013	\$165.00*
On or after 7/1/2013	\$175.00*

* Benefit levels effective on or after 7/1/12 were not reflected in calculation of funding target and target normal cost.

Early Retirement Benefit

a) Eligibility: (i) Age 55 and 5 years of service or (ii) 30 years of service.

b) Amount of benefit:

(1) If 30 years of service, unreduced Normal Retirement Benefit.

(2) If not eligible for better benefit under (1) above, the Normal Retirement Benefit for service to the Early Retirement Date multiplied by the following early retirement factor:

<u>Age</u>	<u>If Terminated Before Age 55</u>	<u>If Terminated At or After Age 55</u>
55	.50	.70
56	.54	.76
57	.58	.82
58	.62	.88
59	.66	.94
60	.70	1.00
61	.76	1.00
62	.82	1.00
63	.88	1.00
64	.94	1.00

Deferred Retirement Benefit

a) Eligibility: Employed beyond age 65.

b) Amount of Benefit: Member continues to accrue benefits beyond Normal Retirement Date. Benefits commencing after the April 1 following the calendar year in which the member attains age 70½ are actuarially increased as required by law.

Disability

If a member is disabled and receiving benefits under the employer's long term disability plan, he will continue to accrue pension benefits based upon his rate of compensation when he became disabled.

Vested Benefit

a) Eligibility: 5 years of service.

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Matson Pension Plan for Clerical Bargaining Unit Employees
EIN: 99-0032630 PN: 021

- b) Amount of Benefit: Commencing at age 65, the amount of Normal Retirement Benefit credited for service to the date of termination. Members may elect a reduced Early Retirement Benefit at or after age 55.

Supplemental Retirement Benefit (Bridge Benefit)

- a) Eligibility: (i) Age 55 and 30 years of service or (ii) age 60 and 5 years of service.
- b) Amount of Benefit: Lesser of
- (1) \$400 per month payable until the earlier of member's death or attainment of Social Security Full Retirement Age, or
 - (2) \$24,000 divided by the number of months between member's age (in completed years and months) as of annuity starting date and his Social Security Full Retirement Age. Supplemental retirement benefits shall cease upon the earlier of member's death or attainment of Social Security Full Retirement Age.

Pre-Retirement Spouse Benefit

- a) Eligibility: Married at least 1 year, with 5 years of service or eligible for retirement.
- b) Amount of Benefit:
- (1) If the member was active and eligible for early retirement (age 55 with 5 years of service), the spouse receives an immediate monthly income equal to the greater of (a) 75% of a reduced 75% Joint and Survivor benefit or (b) the following percentage of the Normal Retirement Benefit:

<u>Surviving Spouse's Age at Member's Date of Death</u>	<u>Percentage of Normal Retirement Benefit</u>
53 and over	50%
45 through 52	45%
37 through 44	40%
30 through 36	35%
Under 30	30%

- (2) If the member was active and under age 55 with at least 5 years of service, the spouse receives 75% of a reduced 75% Joint and Survivor benefit that would have been in effect had the member terminated on the date of death and survived to the date benefits commenced, and retired on that date. This benefit is deferred until the date the member would have reached age 65 (or, at the spouse's election, any time after the date the member would have reached age 55).
- (3) If the member was terminated before death, the spouse would receive 55% of a reduced 55% Joint and Survivor benefit.

Employee Contributions None.

Forms of Payment

- a) Automatic Form:
- (1) Single life annuity for unmarried member.
 - (2) Reduced 50% Qualified Joint & Survivor annuity for married member.
 - (3) Lump sum of not more than \$5,000.

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EIN: 99-0032630 PN: 021

b) Optional Forms:

- (1) Single life annuity.
- (2) 50% or 100% Joint & Survivor annuity.
- (3) 66-2/3% or 75% Joint & Survivor annuity with spouse.

c) Conversion of Payment Forms

The member's single life annuity is converted into an actuarially equivalent other form of payment using (except for lump sums) the Unisex Pension 1984 Mortality Table set back two years for members and seven years for contingent annuitants and an interest rate of 6.5% per year.

The lump sum form of payment is calculated as (1) for members not yet eligible for retirement, the present value of the accrued benefit payable at Normal Retirement Date (or actual retirement date, if later) and (2) for members eligible for early retirement, the present value of the immediate early retirement benefit. In both cases, the present value is calculated using the Internal Revenue Code §417(e)(3) assumptions with a lookback month for the applicable interest rate for the fourth full calendar month preceding the plan year.

Summary of Shortfall Amortization Bases as of January 1, 2011

Plan: Matson Pension Plan for Clerical Bargaining Unit Employees
 EIN 99-0032630
 PN: 021
 Data Code Number: 16

<u>Type of Base</u>	<u>Date Established</u>	<u>Initial Amount</u>	<u>Remaining Installments</u>	<u>Shortfall Amortization Installment</u>	<u>Present Value of Remaining Installments as of January 1, 2011</u>
Shortfall	1/1/2010	\$ 372,900	6	\$ 62,756	\$ 337,955
Shortfall	1/1/2011	199,276	7	32,787	199,276
				<u>\$ 95,543</u>	<u>\$ 537,231</u>

Schedule SB, line 26 - Schedule of Active Participant Data

Distribution of Active Participants by Completed Age and Credited Service as of January 1, 2011

Plan: Matson Pension Plan for Clerical Bargaining Unit Employees
 EIN: 99-0032630
 PN: 021

Schedule SB, Line 26 - Schedule of Active Participant Data											
Attained Age	YEARS OF CREDITED SERVICE										Total
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	
Under 25											0
25 to 29											0
30 to 34											0
35 to 39											0
40 to 44			1								1
45 to 49											0
50 to 54											0
55 to 59											0
60 to 64									1		1
65 to 69											0
70 & up											0
Total	0	0	1	0	0	0	0	0	1	0	2*

* Participant count excludes those participants who transferred to an ineligible employment classification and therefore ceased receiving future benefit accruals in the above-named plan. However, the participant count in column 1 of line 3(c)(3) of the Schedule SB does include such transferred participants.

MATSON PENSION PLAN FOR
CLERICAL BARGAINING UNIT EMPLOYEES

EIN: 99-0032630; PN: 021
Schedule SB Notes for 2011 Plan Year

In preparing this Schedule SB, the actuary relied on the following information which was provided by other parties:

- (a) Contribution information, as provided by the employer.
- (b) Asset information, as provided by the trustee and insurance companies.
- (c) Data on people covered by the Plan, as provided by employer. While not verifying the data at the source, the actuary performed tests for consistency and reasonability. Compensation information also provided by the employer.
- (d) Plan provisions summarized in the attachment that fairly reflect the most recent restated plan documents adopted December 27, 2010.

The plan name, EIN and PN on the 2011 Schedule SB are the same as used for the 2011 Form 5500. These reflect the new plan name, EIN and PN effective 6/29/12 due to a change in the plan sponsor's structure.

MATSON PENSION PLAN FOR
CLERICAL BARGAINING UNIT EMPLOYEES

EIN: 99-0032630; PN: 021
Schedule SB Notes for 2011 Plan Year

In preparing this Schedule SB, the actuary relied on the following information which was provided by other parties:

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