

Form 5500-SF Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Short Form Annual Return/Report of Small Employee Benefit Plan This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500-SF.	OMB Nos. 1210-0110 1210-0089 2020 This Form is Open to Public Inspection

Part I	Annual Report Identification Information
For calendar plan year 2020 or fiscal plan year beginning <u>01/01/2020</u> and ending <u>12/31/2020</u>	
A This return/report is for: ☒ a single-employer plan ☐ a multiple-employer plan (not multiemployer) (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)	
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 Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ DFVC program ☐ special extension (enter description)	

Part II	Basic Plan Information —enter all requested information												
1a Name of plan PENSION PLAN FOR MAINTENANCE SHOP AND CONTAINER YARD EMPLOYEES OF HAWAII TERMINALS, INC.	<table border="1"> <tr> <td>1b Three-digit plan number (PN) ►</td> <td>003</td> </tr> <tr> <td>1c Effective date of plan</td> <td>01/01/2002</td> </tr> </table>	1b Three-digit plan number (PN) ►	003	1c Effective date of plan	01/01/2002								
1b Three-digit plan number (PN) ►	003												
1c Effective date of plan	01/01/2002												
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) HAWAII STEVEDORES, INC. 1601 SAND ISLAND PARKWAY HONOLULU, HI 96819	<table border="1"> <tr> <td>2b Employer Identification Number (EIN)</td> <td>99-0108338</td> </tr> <tr> <td>2c Sponsor's telephone number</td> <td>808-527-3400</td> </tr> <tr> <td>2d Business code (see instructions)</td> <td>488300</td> </tr> </table>	2b Employer Identification Number (EIN)	99-0108338	2c Sponsor's telephone number	808-527-3400	2d Business code (see instructions)	488300						
2b Employer Identification Number (EIN)	99-0108338												
2c Sponsor's telephone number	808-527-3400												
2d Business code (see instructions)	488300												
3a Plan administrator's name and address ☐ Same as Plan Sponsor. HAWAII TERMINALS, INC. 1601 SAND ISLAND PARKWAY HONOLULU, HI 96819	<table border="1"> <tr> <td>3b Administrator's EIN</td> <td>47-3961529</td> </tr> <tr> <td>3c Administrator's telephone number</td> <td>808-527-3400</td> </tr> </table>	3b Administrator's EIN	47-3961529	3c Administrator's telephone number	808-527-3400								
3b Administrator's EIN	47-3961529												
3c Administrator's telephone number	808-527-3400												
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report. a Sponsor's name c Plan Name	<table border="1"> <tr> <td>4b EIN</td> <td></td> </tr> <tr> <td>4d PN</td> <td></td> </tr> </table>	4b EIN		4d PN									
4b EIN													
4d PN													
5a Total number of participants at the beginning of the plan year b Total number of participants at the end of the plan year c Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)..... d(1) Total number of active participants at the beginning of the plan year d(2) Total number of active participants at the end of the plan year e Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	<table border="1"> <tr> <td>5a</td> <td>42</td> </tr> <tr> <td>5b</td> <td>43</td> </tr> <tr> <td>5c</td> <td></td> </tr> <tr> <td>5d(1)</td> <td>25</td> </tr> <tr> <td>5d(2)</td> <td>26</td> </tr> <tr> <td>5e</td> <td>0</td> </tr> </table>	5a	42	5b	43	5c		5d(1)	25	5d(2)	26	5e	0
5a	42												
5b	43												
5c													
5d(1)	25												
5d(2)	26												
5e	0												

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, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, 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.	10/12/2021	JAY BOWDEN
	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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500-SF.

Form 5500-SF (2020)
v.200204

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) ☒ Yes ☐ No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) ☒ Yes ☐ No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☒ Yes ☐ No ☐ Not determined
- If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4300513. (See instructions.)

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	12094644	14060805
b Total plan liabilities	7b		
c Net plan assets (subtract line 7b from line 7a)	7c	12094644	14060805
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)	1020167	
(2) Participants	8a(2)		
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b	1494545	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		2514712
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	548551	
e Certain deemed and/or corrective distributions (see instructions) .	8e		
f Administrative service providers (salaries, fees, commissions)	8f		
g Other expenses	8g		
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		548551
i Net income (loss) (subtract line 8h from line 8c)	8i		1966161
j Transfers to (from) the plan (see instructions)	8j		

Part IV Plan Characteristics

- 9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1B 3H
- b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions

10 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? (See instructions and DOL's Voluntary Fiduciary Correction Program)	10a		☒	
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)	10b		☒	
c Was the plan covered by a fidelity bond?	10c	☒		500000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d		☒	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e		☒	
f Has the plan failed to provide any benefit when due under the plan?	10f		☒	
g Did the plan have any participant loans? (If "Yes," enter amount as of year-end.)	10g		☒	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h			
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i			

Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and lines 11a and b below.) If this is a defined contribution pension plan, leave line 12 below.....	☒ Yes ☐ No
a Enter the unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40	11a 0
b PBGC missed contribution reporting requirements. If the plan is covered by PBGC and the amount reported on line 11a is greater than \$0, has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:	
☐ Yes.	
☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.	
☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.	
☐ No. Other. Provide explanation _____	

12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? (If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.) If this is a defined benefit pension plan, leave line 12 blank and complete line 11 above.	☐ Yes ☒ No
a 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 letter ruling granting the waiver. Month _____ Day _____ Year _____	
If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.	
b Enter the minimum required contribution for this plan year	12b
c Enter the amount contributed by the employer to the plan for this plan year	12c
d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount)	12d
e Will the minimum funding amount reported on line 12d be met by the funding deadline?	☐ Yes ☐ No ☐ N/A

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year?	☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year.....	13a
b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	☐ Yes ☒ No
c 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.)	
13c(1) Name of plan(s):	13c(2) EIN(s)
13c(3) PN(s)	

<div>SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>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).</div> <div>▶ File as an attachment to Form 5500 or 5500-SF.</div>	<div>OMB No. 1210-0110</div> <div>2020</div> <div>This Form is Open to Public Inspection</div>
--	---	--

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020	
▶ 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 PENSION PLAN FOR MAINTENANCE SHOP AND CONTAINER YARD EMPLOYEES OF HAWAII TERMINALS, INC.	B Three-digit plan number (PN) ▶ 003
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF HAWAII STEVEDORES, INC.	D Employer Identification Number (EIN) 99-0108338
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 01 Day 01 Year 2020			
2	Assets:			
a	Market value	2a	12083860	
b	Actuarial value	2b	11578076	
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a	For retired participants and beneficiaries receiving payment.....	14	6873219	6873219
b	For terminated vested participants.....	3	447398	447398
c	For active participants	25	5718785	6208767
d	Total.....	42	13039402	13529384
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	5.85 %	
6	Target normal cost.....	6	351813	

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.

<div>SIGN HERE</div>	<div>Signature of actuary</div> <div>MISTY LAM, EA, MSPA, MAAA</div> <div>Type or print name of actuary</div> <div>BUCK GLOBAL, LLC</div> <div>Firm name</div> <div>1050 QUEEN STREET, SUITE 100 HONOLULU, HI 96814</div> <div>Address of the firm</div>	<div>10/07/2021</div> <div>Date</div> <div>20-06737</div> <div>Most recent enrollment number</div> <div>808-258-0315</div> <div>Telephone number (including area code)</div>
--------------------------	--	--

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)	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of <u>19.39</u> %	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		355138
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.69</u> %		20207
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		375345
d Portion of (c) to be added to prefunding balance		375345
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)	0	375345

Part III Funding Percentages

14 Funding target attainment percentage	14	82.80 %
15 Adjusted funding target attainment percentage	15	80.61 %
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	80.20 %
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
12/30/2020	665499	0			
01/15/2021	216385	0			
09/15/2021	138283	0			
Totals ▶			18(b)	1020167	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	958424

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No
- c** If line 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

Part V Assumptions Used to Determine Funding Target and Target Normal Cost**21** Discount rate:**a** Segment rates:1st segment:
4.75 %2nd segment:
5.50 %3rd segment:
6.27 %☐ N/A, full yield curve used**b** Applicable month (enter code)**21b**

4

22 Weighted average retirement age**22**

66

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 subject to 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** 351813**b** Excess assets, if applicable, but not greater than line 31a **31b** 0**32** Amortization installments:**a** Net shortfall amortization installment Outstanding Balance 2326653 Installment 228703**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** 580516

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0

36 Additional cash requirement (line 34 minus line 35) **36** 580516**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) **37** 958424**38** Present value of excess contributions for current year (see instructions)**a** Total (excess, if any, of line 37 over line 36) **38a** 377908**b** Portion included in line 38a attributable to use of prefunding and funding standard carryover balances **38b** 0**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 an election was made to use PRA 2010 funding relief for this plan:**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

[illegible]

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

Prescribed Funding Assumptions and Methods

The following assumptions and methods are prescribed by ERISA.

Funding interest rates

For 2020 Plan Year: Segment Rates with four-month lookback, constrained in accordance with relevant legislation as follows:

	Unconstrained Rates*	Rates Reflecting Corridor**
First Segment Rate	2.79%	4.75%
Second Segment Rate	3.92%	5.50%
Third Segment Rate	4.38%	6.27%
Effective Rate	4.15%	5.85%

For 2019 Plan Year: Segment Rates with four-month lookback, constrained in accordance with relevant legislation as follows:

	Unconstrained Rates*	Rates Reflecting Corridor**
First Segment Rate	2.28%	3.74%
Second Segment Rate	3.81%	5.35%
Third Segment Rate	4.46%	6.11%
Effective Rate	4.15%	5.69%

* Used for maximum tax-deduction purposes.

** Used for minimum funding and benefit restriction purposes. 2020 interest rates reflect the adoption of interest rate relief under American Rescue Plan Act of 2021 (ARP) election.

Mortality

Mortality tables mandated by current legislation as specified in IRS Regulation 1.430(h)(3)-1, as amended in IRS Notice 2019-26, applied on a static basis, using the blended annuitant/non-annuitant table applicable to small plans.

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 plan administrative expenses to be paid from plan assets during the year.

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods (continued)

Non-Prescribed Funding Assumptions and Methods

The following assumptions were selected by the plan's enrolled actuary. The assumptions are based on plan experience and plan sponsor guidance and are reviewed periodically. The asset valuation method was selected by the plan sponsor with the actuary's advice and is an acceptable method under the applicable provisions of the Internal Revenue Code and associated regulations.

Expenses

Plan sponsor does not expect to pay administrative expenses from the plan trust during 2020.

Frequency of optional payment forms

100% of single participants are assumed to elect a Single Life Annuity. 100% of married participants are assumed to elect an unreduced 75% Joint and Survivor Annuity.

Marital percentage

88% of participants are assumed to be married at death. Husbands are assumed to be 3 years older than their wives.

Retirement rates

Retirement rates are based on a 2011 Buck study of retirements by employees in the stevedoring industry.

Actives

Age	Assumption
61 & Under	0%
62	16%
63	18%
64	6%
65	8%
66	18%
67	33%
68	15%
69	10%
70	15%
71 & Over	100%

Terminated Vested

Age 62 or attained age if greater.

Disability rates

None.

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods (continued)

Non-Prescribed Funding Assumptions and Methods (continued)

Withdrawal rates for active participants not eligible for retirement

None.

Asset valuation method

The Actuarial Value of Assets is market value as of the valuation date, including the discounted value of accrued contributions, reduced by 2/3 of the gain/(loss) for the immediately preceding plan year and reduced by 1/3 of the gain/(loss) for the plan year before that. 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 current law and regulation 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 Actuary's assumption is consistent with the expected long-term rate of return selected by the plan sponsor for accounting purposes. This assumption is based on the plan sponsor's estimate of long-term future experience, taking into account asset allocation and historical and expected plan experience.

	Actuary's Assumption	Third Segment Rate	Reflecting PPA Limit
2020 Expected Return	7.50%	6.27%	6.27%
2019 Expected Return	7.50%	6.11%	6.11%
2018 Expected Return	7.50%	6.29%	6.29%

Future actuarial measurements

Future actuarial measurements may differ significantly from current measurements due to plan experience differing from that anticipated by the economic and demographic assumptions, changes expected as part of the natural operation of the methodology used for these measurements, and changes in plan provisions, applicable law or regulations. An analysis of the potential range of such future differences is beyond the scope of this report.

Summary of Changes from the January 1, 2019 Valuation

- The segment interest rates with four-month lookback used for funding purposes were updated to the current valuation date. These rates are constrained in accordance with relevant legislation. 2020 interest rates reflect the adoption of interest rate relief under American Rescue Plan Act of 2021 (ARP) election.
- The mortality tables used for funding purposes were updated with projections specified by IRS Regulation 1.430(h)(3)-1, as amended in IRS Notice 2019-26.
- The changes in assumptions listed above decreased the Funding Target by approximately \$57,000.

SCHEDULE SB (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>	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.	<small>OMB No. 1210-0110</small> 2020 This Form is Open to Public Inspection
---	--	--

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

► **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 PENSION PLAN FOR MAINTENANCE SHOP AND CONTAINER YARD EMPLOYEES OF HAWAII TERMINALS, INC.	B Three-digit plan number (PN) ►	003
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Hawaii Stevedores, Inc.	D Employer Identification Number (EIN) 99-0108338	
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>2020</u>			
2	Assets:			
	a Market value	2a	12,083,860	
	b Actuarial value	2b	11,578,076	
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
	a For retired participants and beneficiaries receiving payment.....	14	6,873,219	6,873,219
	b For terminated vested participants	3	447,398	447,398
	c For active participants.....	25	5,718,785	6,208,767
	d Total.....	42	13,039,402	13,529,384
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	5.85%	
6	Target normal cost.....	6	351,813	

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	 Signature of actuary MISTY LAM, EA, MSPA, MAAA Type or print name of actuary BUCK GLOBAL, LLC Firm name 1050 QUEEN STREET, SUITE 100 HONOLULU HI 96814 Address of the firm	<u>10/7/21</u> Date 2006737 Most recent enrollment number 808-258-0315 Telephone number (including area code)
----------------------	---	--

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, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2020
v. 200204

Beginning of Year Carryover and Prefunding Balances

7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of <u>19.39%</u>	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		355,138
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.69%</u>		20,207
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance.....		375,345
	d Portion of (c) to be added to prefunding balance		375,345
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).....	0	375,345

Funding Percentages

14	Funding target attainment percentage.....	14	82.80%
15	Adjusted funding target attainment percentage.....	15	80.61%
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	80.20%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

Contributions made to the plan for the plan year by employer(s) and employee(s)						
(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	
12/30/2020	665,499	0				
01/15/2021	216,385	0				
09/15/2021	138,283	0				
			Totals ►	18(b)	1,020,167	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	958,424

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No

C If line 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

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4 . 75 %	2nd segment: 5 . 50 %	3rd segment: 6 . 27 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 66
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 subject to 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	351,813	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	2,326,653	228,703	
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	580,516	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35).....	36	580,516	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	958,424	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	377,908	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
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 an election was made to use PRA 2010 funding relief for this plan:				
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

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

**Schedule SB, Line 11a – Reconciliation of differences in Present Value of Excess
Contributions**

Minimum Contribution as of 1/1/2019	\$	635,903
COB/PFB used to offset funding requirements	\$	0
Additional Cash Requirement	\$	635,903
Discounted Contributions	\$	991,041
Excess Contributions	\$	355,138

Minimum required contribution for plan year 2019 was updated as allowed by an election made under the American Rescue Plan Act of 2021 (ARP) to implement the fresh start 15-year amortization provision of ARP for the 2019 plan year. Also, the 2020 interest rates were updated based on the sponsor's election to apply the ARP segment rates for the 2020 plan year.

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Line 19 - Discounted Employer Contributions

<u>Date</u>	<u>Amount</u>	<u>Plan Year</u>	<u>Days Discounted at Effective Rate of 5.85%</u>	<u>Days Discounted at Effective Rate of 10.85%</u>	<u>Discounted Value</u>
Line 19c - Contributions Allocated Toward Minimum Required Contribution for Current Year					
12/30/2020 ¹	665,499	2020	364	0	628,914
1/15/2021	216,385	2020	380	0	203,982
9/15/2021	138,283	2020	623	0	125,528
Total	1,020,167				958,424

¹ Deferred contribution discounted at Effective Interest Rate as of 1/1/2020, as allowed under CARES Act

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

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

This table calculates the weighted average retirement age for all active persons in the plan

(1) Age	(2) Expected Active Headcount	(3) Retirement Rate	(4) Expected Retirements (2)*(3)	(5) Weighted Age (1)*(4)
59	21.6025	0.0296	0.6394	37.7222
60	21.8646	0.0257	0.5610	33.6606
61	22.1897	0.0132	0.2936	17.9076
62	21.7646	0.1600	3.4823	215.9046
63	18.1357	0.1800	3.2644	205.6586
64	14.7334	0.0600	0.8840	56.5761
65	13.7248	0.0800	1.0980	71.3691
66	12.4982	0.1800	2.2497	148.4786
67	10.1191	0.3300	3.3393	223.7323
68	7.6648	0.1500	1.1497	78.1810
69	6.4196	0.1000	0.6420	44.2956
70	5.6900	0.1500	0.8535	59.7447
71	4.7511	1.0000	<u>4.7511</u>	<u>337.3268</u>
Total			23.2079	1,530.5577
Weighted Average Retirement Age = 1530.5577 / 23.2079				65.95
Rounded Weighted Average Retirement Age				66

Note to Column 2: The Expected Active Headcount for each age includes persons who are eligible to retire and persons who are not eligible to retire at each age.

Note to Column 3: At each age, these retirement rates are a weighted average of the rates shown in Attachment to Part V for active participants eligible to retire at the age and zero for all other active participants.

General note: The table presents values rounded to fewer significant digits than used in the calculation.

Pension Plan for Maintenance Shop and Container Yard Employees of Hawaii Terminals, Inc.

EIN/PN: 99-0108338 / 003

Schedule SB, Line 26 - Schedule of Active Participant Data

[illegible]

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.**

EIN/PN: 99-0108338 / 003

Schedule SB, Line 32 - Schedule of Amortization Bases

Type of Base	Present Value of Remaining Installments as of January 1, 2020	Date Established	Remaining Installments	Shortfall Amortization Installment
Shortfall	(\$27,518)	1/1/2020	15	(\$2,584)
Shortfall	\$2,354,171	1/1/2019	14	\$231,287

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

Prescribed Funding Assumptions and Methods

The following assumptions and methods are prescribed by ERISA.

Funding interest rates

For 2020 Plan Year: Segment Rates with four-month lookback, constrained in accordance with relevant legislation as follows:

	Unconstrained Rates*	Rates Reflecting Corridor**
First Segment Rate	2.79%	4.75%
Second Segment Rate	3.92%	5.50%
Third Segment Rate	4.38%	6.27%
Effective Rate	4.15%	5.85%

For 2019 Plan Year: Segment Rates with four-month lookback, constrained in accordance with relevant legislation as follows:

	Unconstrained Rates*	Rates Reflecting Corridor**
First Segment Rate	2.28%	3.74%
Second Segment Rate	3.81%	5.35%
Third Segment Rate	4.46%	6.11%
Effective Rate	4.15%	5.69%

* Used for maximum tax-deduction purposes.

** Used for minimum funding and benefit restriction purposes. 2020 interest rates reflect the adoption of interest rate relief under American Rescue Plan Act of 2021 (ARP) election.

Mortality

Mortality tables mandated by current legislation as specified in IRS Regulation 1.430(h)(3)-1, as amended in IRS Notice 2019-26, applied on a static basis, using the blended annuitant/non-annuitant table applicable to small plans.

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 plan administrative expenses to be paid from plan assets during the year.

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods (continued)

Non-Prescribed Funding Assumptions and Methods

The following assumptions were selected by the plan's enrolled actuary. The assumptions are based on plan experience and plan sponsor guidance and are reviewed periodically. The asset valuation method was selected by the plan sponsor with the actuary's advice and is an acceptable method under the applicable provisions of the Internal Revenue Code and associated regulations.

Expenses

Plan sponsor does not expect to pay administrative expenses from the plan trust during 2020.

Frequency of optional payment forms

100% of single participants are assumed to elect a Single Life Annuity. 100% of married participants are assumed to elect an unreduced 75% Joint and Survivor Annuity.

Marital percentage

88% of participants are assumed to be married at death. Husbands are assumed to be 3 years older than their wives.

Retirement rates

Retirement rates are based on a 2011 Buck study of retirements by employees in the stevedoring industry.

Actives

Age	Assumption
61 & Under	0%
62	16%
63	18%
64	6%
65	8%
66	18%
67	33%
68	15%
69	10%
70	15%
71 & Over	100%

Terminated Vested

Age 62 or attained age if greater.

Disability rates

None.

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods (continued)

Non-Prescribed Funding Assumptions and Methods (continued)

Withdrawal rates for active participants not eligible for retirement

None.

Asset valuation method

The Actuarial Value of Assets is market value as of the valuation date, including the discounted value of accrued contributions, reduced by 2/3 of the gain/(loss) for the immediately preceding plan year and reduced by 1/3 of the gain/(loss) for the plan year before that. 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 current law and regulation 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 Actuary's assumption is consistent with the expected long-term rate of return selected by the plan sponsor for accounting purposes. This assumption is based on the plan sponsor's estimate of long-term future experience, taking into account asset allocation and historical and expected plan experience.

	Actuary's Assumption	Third Segment Rate	Reflecting PPA Limit
2020 Expected Return	7.50%	6.27%	6.27%
2019 Expected Return	7.50%	6.11%	6.11%
2018 Expected Return	7.50%	6.29%	6.29%

Future actuarial measurements

Future actuarial measurements may differ significantly from current measurements due to plan experience differing from that anticipated by the economic and demographic assumptions, changes expected as part of the natural operation of the methodology used for these measurements, and changes in plan provisions, applicable law or regulations. An analysis of the potential range of such future differences is beyond the scope of this report.

Summary of Changes from the January 1, 2019 Valuation

- The segment interest rates with four-month lookback used for funding purposes were updated to the current valuation date. These rates are constrained in accordance with relevant legislation. 2020 interest rates reflect the adoption of interest rate relief under American Rescue Plan Act of 2021 (ARP) election.
- The mortality tables used for funding purposes were updated with projections specified by IRS Regulation 1.430(h)(3)-1, as amended in IRS Notice 2019-26.
- The changes in assumptions listed above decreased the Funding Target by approximately \$57,000.

Pension Plan for Maintenance Shop and Container Yard Employees of Hawaii Terminals, Inc.

EIN/PN: 99-0108338 / 003

Schedule SB, Part V - Summary of Plan Provisions

Effective Date

January 1, 2002. Amended and restated effective January 1, 2015. Plan amended December 30, 2019 for negotiated benefit improvements effective July 1, 2019 and later.

Eligibility to participate

Employees who have completed one Year of Service whose terms and conditions of employment are subject to or covered by the collective bargaining agreement with respect to maintenance shop or container yard employees between Hawaii Terminals, Inc. (Horizon Lines, LLC prior to May 29, 2015) and the ILWU Local 142. However, an eligible employee on January 1, 2002 who was a member of the Retirement Plan for Maintenance Shop Employees of Hawaii Stevedores, Inc. ("Former Plan") on December 2, 2001 became a member of this Plan on January 1, 2002.

Service

Year of Service

One Year of Service is earned for completion of 1,000 Hours of Service in the twelve-month period commencing on an employee's hire date and each anniversary thereof.

Credited Vesting Service

One year of Credited Vesting Service is earned for the twelve-month period commencing on an employee's hire date and each anniversary thereof. In addition, Credited Vesting Service includes all vesting service prior to January 1, 2002 credited under the Former Plan. Credited Vesting Service is also earned for eligible leaves of absence to serve as union officials or in the uniformed services.

Credited Benefit Service

One-twelfth of a year of Credited Benefit Service is earned for each month of employment in which the member is eligible to participate in the Plan and had at least one Hour of Service. In addition, all benefit service credited under the Former Plan is included, as well as the month of December 2001 in the case of a member who had at least one Hour of Service during that month and was eligible at January 1, 2002. Credited Benefit Service is also earned for eligible leaves of absence to serve in the uniformed services to the extent required by law.

Pension Plan for Maintenance Shop and Container Yard Employees of Hawaii Terminals, Inc.

EIN/PN: 99-0108338 / 003

Schedule SB, Part V - Summary of Plan Provisions (continued)

Normal Retirement

Eligibility

Age 62.

Amount of Benefit

The monthly benefit is equal to the greater of (1) and (2) below:

(1) Basic Retirement Income

1/12 of 1% of compensation during Credited Benefit Service prior to January 1, 2004.

(2) Minimum Retirement Income

Years of Credited Benefit Service (up to maximum amounts specified in the plan) times the benefit level in effect on the earlier of the employee's retirement or termination of covered employment.

For active members who retire on or after January 1, 2008 and prior to July 1, 2014:

Effective	Benefit Level	Max. Credited Benefit Service
July 1, 2008	\$160	37 years
July 1, 2009	\$165	37 years
July 1, 2012	\$170	37 years
July 1, 2013	\$180	37 years

For active members who retire on or after July 1, 2014:

Effective	Benefit Level	Max. Credited Benefit Service
July 1, 2014	\$180	37 years
July 1, 2017	\$187.50	37 years
July 1, 2018	\$200	37 years
July 1, 2019	\$205	37 years
July 1, 2020	\$210	37 years
July 1, 2021	\$215	37 years

Benefits are based on total service recognized by the bargaining agreement and are net of benefits payable from the Former Plan for any of that service. For Funding purposes in this valuation, Benefit Level increases effective after the Plan Year are not measured.

Members in payment status will receive monthly increases to their benefit shown in the table below. Beneficiaries will receive the applicable benefit percentage of the increased benefit. For Funding purposes in this valuation, additional monthly benefits effective after the Plan Year are not measured.

Date of Retirement	Additional Monthly Benefit Effective		
	7/1/2019	7/1/2020	7/1/2021
Before 7/1/1987	\$66/month	\$66/month	\$66/month
7/1/1987 – 6/30/1999	\$70/month	\$70/month	\$70/month
7/1/1999 – 6/30/2002	\$35/month	\$35/month	\$35/month

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Part V - Summary of Plan Provisions (continued)

Time and Form of Payment

The normal form of benefit is a single life annuity payable beginning on the first of the month coincident with or next following eligibility for normal retirement. The automatic form of payment for a married member is an unreduced 60% joint and survivor annuity. For normal retirements on or after July 1, 2015, the automatic form of payment for a married member is an unreduced 75% joint and survivor annuity.

Supplemental Normal Retirement Benefit ("Bridge")

Eligibility

Retirement from active service after age 55 and before Social Security full retirement age.

Amount of Benefit

If age 62 or over, \$300 per month. If under age 62, \$300 per month actuarially reduced for early retirement.

Time and Form of Payment

Payable from date of retirement to the earlier of Social Security full retirement age or death; if member retires with 25 or more years of Credited Benefit Service and dies prior to Social Security full retirement age, the benefit will continue to an eligible survivor.

Early Retirement

Eligibility

Age 55 and 5 years of Credited Vesting Service, or age 60.

Amount of Benefit

For employees who retire after age 60, or employees who retire after age 55 and completion of 5 or more years of Credited Vesting Service, benefits are the same as for Normal Retirement, but are reduced five-twelfths of 1% for each month by which the Early Retirement Date precedes the Normal Retirement Date. For employees who retire on or after age 55 and before age 60 and have completed at least 3 but less than 5 years of Credited Vesting Service, benefits are equal to the Basic Retirement Income only, reduced by five-twelfths of 1% for each month by which the Early Retirement Date precedes the Normal Retirement Date.

Time and Form of Payment

Normal form of payment is a single life annuity beginning on any first of the month coincident with or following eligibility for Early Retirement. As for Normal Retirement, the automatic form for married members is an unreduced 60% joint and survivor annuity. For retirements on or after July 1, 2015, the automatic form of payment for a married member is an unreduced 75% joint and survivor annuity.

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Part V - Summary of Plan Provisions (continued)

Early Retirement Window

Eligibility

Age 59 years and 6 months and 5 years of Credited Vesting Service.

Amount of Benefit

Benefits are the same as for Normal Retirement, without the reduction that would otherwise apply to benefits commencing at an Early Retirement Date.

Time and Form of Payment

Payable to employees who meet eligibility requirements during the period July 1, 2019 to June 30, 2022.

Normal form of payment is a single life annuity beginning on any first of the month coincident with or following eligibility for Early Retirement. As for Normal Retirement, the automatic form for married members is an unreduced 75% joint and survivor annuity.

Deferred Retirement

Eligibility

Any time after eligibility for Normal Retirement.

Amount of Benefit

Benefits are the same as for Normal Retirement, using Compensation and Credited Benefit Service earned up to the Deferred Retirement Date. If the retirement date is after the April 1 of the calendar year following the calendar year in which the employee attains age 70-1/2, the deferred retirement benefit is not less than the benefit as of such April 1 with actuarial adjustment for the period following such April 1.

Time and Form of Payment

Normal form of payment is a single life annuity beginning on any first of the month following eligibility for Normal Retirement. As for Normal Retirement, the automatic form for married members is an unreduced 60% joint and survivor annuity. For deferred retirements on or after July 1, 2015, the automatic form of payment for a married member is an unreduced 75% joint and survivor annuity.

Termination

Eligibility

5 years of Credited Vesting Service or attainment of age 60 while an eligible employee to be vested in Normal Retirement benefit; otherwise, 3 years of Credited Vesting Service or attainment of age 55 while an eligible employee to be vested in the Basic Retirement Income (if applicable).

Pension Plan for Maintenance Shop and Container Yard Employees of Hawaii Terminals, Inc.

EIN/PN: 99-0108338 / 003

Schedule SB, Part V - Summary of Plan Provisions (continued)

Amount of Benefit

If an employee completes at least 5 years of Credited Vesting Service or terminates after attainment of age 60, the amount of the termination benefit is the same as that earned under the Normal Retirement benefit; otherwise, the benefit is limited to the Basic Retirement Income (if applicable).

Time and Form of Payment

Normal form of payment for the termination benefit is a single life annuity beginning at Normal Retirement age. The automatic form for a married member who was not eligible for an immediate early, normal or deferred retirement at termination is a reduced 50% joint and survivor annuity. The member may elect to receive the termination benefit starting any time after eligibility for Early Retirement, but the benefit will be reduced 5/9% for each of the first 60 months by which early retirement precedes age 62 and 5/18% for each month over 60.

Pre-Retirement Surviving Spouse Death Benefit

Eligibility

Eligible for a vested benefit or retirement and married at least one year at time of death.

Amount of Benefit

- (1) If active and died before July 1, 2019:
the applicable percentage from Table 1 of the Normal Retirement Benefit.

Table 1			
Spouse's Benefit Percentage for Payments Effective			
Date of Death	7/1/2019	7/1/2020	7/1/2021
Before 7/1/1999	71.73%	73.39%	75.00%
7/1/1999 – 6/30/2002	68.39%	71.72%	75.00%
7/1/2002 – 6/30/2008	68.33%	71.72%	75.00%

- (2) If active, age 59 with 25 years of Credited Benefit Service, and not eligible for benefit (1) above:
the applicable percentage from Table 2 of the Normal Retirement Benefit.

Table 2		
Spouse's Benefit Percentage for Payments		
Date of Death	Before 7/1/2015	On or After 7/1/2015
Before 7/1/1999	50%	70%
7/1/1999 – 6/30/2008	50%	65%
7/1/2008 – 6/30/2011	50%	75%
7/1/2011 – 6/30/2015	60%	75%
7/1/2015 and later	75%	75%

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Part V - Summary of Plan Provisions (continued)

- (3) If active, not eligible for benefit in (1) or (2) above, and either
- (a) with at least 5 years of Credited Vesting Service and age 55, or
 - (b) with at least 5 years of Credited Vesting Service and with 25 years of Credited Benefit Service, or
 - (c) at least age 60:
- The applicable percentage from Table 2 of Normal Retirement Benefit, reduced 5/12 of 1% for each month before age 62, subject to a maximum 35% reduction.
- (4) If active, age 55 but not eligible for benefits in (1), (2) or (3) above:
The applicable percentage from Table 2 of Basic Retirement Income, reduced 5/12 of 1% for each month before age 62.
- (5) (a) If active, with at least 3 years of Credited Vesting Service, but not eligible for benefits in (1), (2), (3) or (4) above, or
- (b) if a terminated vested member:
50% of the reduced 50% Joint & Survivor Early Retirement Benefit that would have been in effect had the member terminated on the date of death (and, if under age 55, survived to age 55).

Time and Form of Payment

The death benefit will be paid for the life of the spouse. Payment will begin on the first of the month next following the employee's death, except in (5) where payments begin when the member would have reached age 55, if later.

Post-Retirement Surviving Spouse Death Benefit

Eligibility

Spouse of a Member who retired from active service and elected an Unreduced Joint and Survivor annuity (automatic form of payment).

Amount of Benefit

The applicable percentage of the Normal Retirement Benefit shown below.

Date of Retirement	Spouse's Benefit Percentage for Payments Effective		
	7/1/2019	7/1/2020	7/1/2021
Before 7/1/1999	71.73%	73.39%	75.00%
7/1/1999 – 6/30/2002	68.39%	71.72%	75.00%
7/1/2002 and later	68.33%	71.72%	75.00%

Time and Form of Payment

The death benefit will be paid for the life of the spouse.

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Part V - Summary of Plan Provisions (continued)

Pre-Retirement Supplemental Retirement Death Benefit

Eligibility

Dies on or after 7/1/08 in active service as an eligible employee after completion of 25 years of Credited Benefit Service and before Social Security full retirement age with a surviving spouse to whom he was married during the one-year preceding death or eligible dependent child(ren).

Time and Form of Payment

Monthly payments will begin on the later of first of the month next following the member's death or the date the member, if living, would have reached his earliest retirement date (age 55). Payments end at the date the member, if living, would have attained Social Security full retirement age. Payments are in the same amount that would have been paid as a Supplemental Retirement Benefit to the member, if living, and are paid to the eligible surviving spouse; if the eligible surviving spouse dies before the member's Social Security full retirement age or if there is no eligible surviving spouse, payments are shared equally to eligible dependent children as defined in the plan.

Disability

Eligibility

After six months of disability and determination that the employee is permanently and continuously disabled and unable to perform work for the Company within the Bargaining Unit and is not receiving any other disability benefits from the Company or any worker's compensation.

Amount of Benefit

The greater of the Normal Retirement Benefit earned to Disability Retirement Date, unreduced for early commencement of benefits, or \$125.00 per month.

Time and Form of Payment

Normal form of payment is a single life annuity commencing after six months of disability and a determination of eligibility. The automatic form for married members is an unreduced 60% joint and survivor annuity. For disability retirements after July 1, 2015, the automatic form for married members is an unreduced 75% joint and survivor annuity.

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Part V - Summary of Plan Provisions (continued)

Forms of Payment

- Single Life annuity for unmarried members
- Unreduced Joint and Survivor annuity for married members who retire from active service or terminate after retirement eligibility with the surviving spouse percentages shown below:

Retirement Date	Spouse's Benefit Percentage for Payments Before 7/1/15	Spouse's Benefit Percentage for Payments on or after 7/1/15
Before 7/1/99	50%	70%
7/1/99 – 6/30/08	50%	65%
7/1/08 – 6/30/11	50%	75%
7/1/11 – 6/30/15	60%	75%
7/1/15 and later	75%	75%

- Reduced 50% Joint and Survivor annuity for married members who terminate prior to retirement eligibility
- 50% Joint and Survivor annuity
- 75% Joint and Survivor annuity
- 100% Joint and Survivor annuity
- Lump sum payment for repatriating employees hired prior to January 1, 1950
- Lump sum payment or equal monthly installments for disability retirement
- Lump sum payment for employees laid off in certain reductions in workforce
- Lump sum payment if not greater than \$5,000 (optional at member's election)

Actuarial Equivalence

The member's 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 the present value of the accrued benefit payable at Normal Retirement Date (or actual retirement date, if later), using the Internal Revenue Code Section 417(e)(3) assumptions with a lookback month for the applicable interest rate of the November in the preceding plan year. The minimum lump sum payment under a Disability Retirement Benefit is the Basic Retirement Income monthly benefit multiplied by 90.

The Supplemental Retirement Benefit commencing before attainment of age 62 is determined using the 1971 Group Annuity Mortality Table set back one year and an interest rate of 6.0% per year.

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Part V - Summary of Plan Provisions (continued)

Summary of Changes from the January 1, 2019 Valuation

- Minimum Retirement Income Benefit Level for active members increased from \$205 to \$210
- Retiree benefits for eligible retired members and beneficiaries are increased effective 7/1/2020.

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

**Schedule SB, Line 15 – Reconciliation of differences between valuation results and
amounts used to determine AFTAP**

The Enrolled Actuary signed an AFTAP Certification on 3/25/2020. That certification did not include the final contribution amount for plan year 2019 made on 12/30/2020 under the CARES Act. The certification also did not include a \$375,345 Prefunding Balance that was added due to an election made under the American Rescue Plan Act of 2021 (ARP) to implement the fresh start 15-year amortization provision of ARP in the plan year 2019. It showed an Adjusted Funding Target Attainment Percentage of 80.61% using these values:

Funding Target	\$	14,134,887
Actuarial Value of Assets	\$	11,394,342
Adjusted Funding Target	\$	14,134,887
Adjusted Actuarial Value of Assets	\$	11,394,342
Prefunding Balance	\$	0
Funding Standard Carryover Balance	\$	0

The 2020 AFTAP would have been 82.80% using assets on line 2b after contribution amount made on 12/30/2020. As this results in an immaterial change, the plan sponsor has not requested and the enrolled actuary has not signed a 2020 AFTAP Certification after contribution amount made on 12/30/2020 or ARP election.

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

**Schedule SB, Line 11a – Reconciliation of differences in Present Value of Excess
Contributions**

Minimum Contribution as of 1/1/2019	\$	635,903
COB/PFB used to offset funding requirements	\$	0
Additional Cash Requirement	\$	635,903
Discounted Contributions	\$	991,041
Excess Contributions	\$	355,138

Minimum required contribution for plan year 2019 was updated as allowed by an election made under the American Rescue Plan Act of 2021 (ARP) to implement the fresh start 15-year amortization provision of ARP for the 2019 plan year. Also, the 2020 interest rates were updated based on the sponsor's election to apply the ARP segment rates for the 2020 plan year.

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Line 19 - Discounted Employer Contributions

<u>Date</u>	<u>Amount</u>	<u>Plan Year</u>	Days Discounted at Effective Rate <u>of 5.85%</u>	Days Discounted at Effective Rate <u>of 10.85%</u>	<u>Discounted Value</u>
Line 19c - Contributions Allocated Toward Minimum Required Contribution for Current Year					
12/30/2020 ¹	665,499	2020	364	0	628,914
1/15/2021	216,385	2020	380	0	203,982
9/15/2021	138,283	2020	623	0	125,528
Total	1,020,167				958,424

¹ Deferred contribution discounted at Effective Interest Rate as of 1/1/2020, as allowed under CARES Act

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

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

This table calculates the weighted average retirement age for all active persons in the plan

(1) Age	(2) Expected Active Headcount	(3) Retirement Rate	(4) Expected Retirements (2)*(3)	(5) Weighted Age (1)*(4)
59	21.6025	0.0296	0.6394	37.7222
60	21.8646	0.0257	0.5610	33.6606
61	22.1897	0.0132	0.2936	17.9076
62	21.7646	0.1600	3.4823	215.9046
63	18.1357	0.1800	3.2644	205.6586
64	14.7334	0.0600	0.8840	56.5761
65	13.7248	0.0800	1.0980	71.3691
66	12.4982	0.1800	2.2497	148.4786
67	10.1191	0.3300	3.3393	223.7323
68	7.6648	0.1500	1.1497	78.1810
69	6.4196	0.1000	0.6420	44.2956
70	5.6900	0.1500	0.8535	59.7447
71	4.7511	1.0000	<u>4.7511</u>	<u>337.3268</u>
Total			23.2079	1,530.5577
Weighted Average Retirement Age = 1530.5577 / 23.2079				65.95
Rounded Weighted Average Retirement Age				66

Note to Column 2: The Expected Active Headcount for each age includes persons who are eligible to retire and persons who are not eligible to retire at each age.

Note to Column 3: At each age, these retirement rates are a weighted average of the rates shown in Attachment to Part V for active participants eligible to retire at the age and zero for all other active participants.

General note: The table presents values rounded to fewer significant digits than used in the calculation.

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

**Schedule SB, Line 15 – Reconciliation of differences between valuation results and
amounts used to determine AFTAP**

The Enrolled Actuary signed an AFTAP Certification on 3/25/2020. That certification did not include the final contribution amount for plan year 2019 made on 12/30/2020 under the CARES Act. The certification also did not include a \$375,345 Prefunding Balance that was added due to an election made under the American Rescue Plan Act of 2021 (ARP) to implement the fresh start 15-year amortization provision of ARP in the plan year 2019. It showed an Adjusted Funding Target Attainment Percentage of 80.61% using these values:

Funding Target	\$	14,134,887
Actuarial Value of Assets	\$	11,394,342
Adjusted Funding Target	\$	14,134,887
Adjusted Actuarial Value of Assets	\$	11,394,342
Prefunding Balance	\$	0
Funding Standard Carryover Balance	\$	0

The 2020 AFTAP would have been 82.80% using assets on line 2b after contribution amount made on 12/30/2020. As this results in an immaterial change, the plan sponsor has not requested and the enrolled actuary has not signed a 2020 AFTAP Certification after contribution amount made on 12/30/2020 or ARP election.

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Part V - Summary of Plan Provisions

Effective Date

January 1, 2002. Amended and restated effective January 1, 2015. Plan amended December 30, 2019 for negotiated benefit improvements effective July 1, 2019 and later.

Eligibility to participate

Employees who have completed one Year of Service whose terms and conditions of employment are subject to or covered by the collective bargaining agreement with respect to maintenance shop or container yard employees between Hawaii Terminals, Inc. (Horizon Lines, LLC prior to May 29, 2015) and the ILWU Local 142. However, an eligible employee on January 1, 2002 who was a member of the Retirement Plan for Maintenance Shop Employees of Hawaii Stevedores, Inc. ("Former Plan") on December 2, 2001 became a member of this Plan on January 1, 2002.

Service

Year of Service

One Year of Service is earned for completion of 1,000 Hours of Service in the twelve-month period commencing on an employee's hire date and each anniversary thereof.

Credited Vesting Service

One year of Credited Vesting Service is earned for the twelve-month period commencing on an employee's hire date and each anniversary thereof. In addition, Credited Vesting Service includes all vesting service prior to January 1, 2002 credited under the Former Plan. Credited Vesting Service is also earned for eligible leaves of absence to serve as union officials or in the uniformed services.

Credited Benefit Service

One-twelfth of a year of Credited Benefit Service is earned for each month of employment in which the member is eligible to participate in the Plan and had at least one Hour of Service. In addition, all benefit service credited under the Former Plan is included, as well as the month of December 2001 in the case of a member who had at least one Hour of Service during that month and was eligible at January 1, 2002. Credited Benefit Service is also earned for eligible leaves of absence to serve in the uniformed services to the extent required by law.

Pension Plan for Maintenance Shop and Container Yard Employees of Hawaii Terminals, Inc.

EIN/PN: 99-0108338 / 003

Schedule SB, Part V - Summary of Plan Provisions (continued)

Normal Retirement

Eligibility

Age 62.

Amount of Benefit

The monthly benefit is equal to the greater of (1) and (2) below:

(1) Basic Retirement Income

1/12 of 1% of compensation during Credited Benefit Service prior to January 1, 2004.

(2) Minimum Retirement Income

Years of Credited Benefit Service (up to maximum amounts specified in the plan) times the benefit level in effect on the earlier of the employee's retirement or termination of covered employment.

For active members who retire on or after January 1, 2008 and prior to July 1, 2014:

Effective	Benefit Level	Max. Credited Benefit Service
July 1, 2008	\$160	37 years
July 1, 2009	\$165	37 years
July 1, 2012	\$170	37 years
July 1, 2013	\$180	37 years

For active members who retire on or after July 1, 2014:

Effective	Benefit Level	Max. Credited Benefit Service
July 1, 2014	\$180	37 years
July 1, 2017	\$187.50	37 years
July 1, 2018	\$200	37 years
July 1, 2019	\$205	37 years
July 1, 2020	\$210	37 years
July 1, 2021	\$215	37 years

Benefits are based on total service recognized by the bargaining agreement and are net of benefits payable from the Former Plan for any of that service. For Funding purposes in this valuation, Benefit Level increases effective after the Plan Year are not measured.

Members in payment status will receive monthly increases to their benefit shown in the table below. Beneficiaries will receive the applicable benefit percentage of the increased benefit. For Funding purposes in this valuation, additional monthly benefits effective after the Plan Year are not measured.

Date of Retirement	Additional Monthly Benefit Effective		
	7/1/2019	7/1/2020	7/1/2021
Before 7/1/1987	\$66/month	\$66/month	\$66/month
7/1/1987 – 6/30/1999	\$70/month	\$70/month	\$70/month
7/1/1999 – 6/30/2002	\$35/month	\$35/month	\$35/month

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Part V - Summary of Plan Provisions (continued)

Time and Form of Payment

The normal form of benefit is a single life annuity payable beginning on the first of the month coincident with or next following eligibility for normal retirement. The automatic form of payment for a married member is an unreduced 60% joint and survivor annuity. For normal retirements on or after July 1, 2015, the automatic form of payment for a married member is an unreduced 75% joint and survivor annuity.

Supplemental Normal Retirement Benefit ("Bridge")

Eligibility

Retirement from active service after age 55 and before Social Security full retirement age.

Amount of Benefit

If age 62 or over, \$300 per month. If under age 62, \$300 per month actuarially reduced for early retirement.

Time and Form of Payment

Payable from date of retirement to the earlier of Social Security full retirement age or death; if member retires with 25 or more years of Credited Benefit Service and dies prior to Social Security full retirement age, the benefit will continue to an eligible survivor.

Early Retirement

Eligibility

Age 55 and 5 years of Credited Vesting Service, or age 60.

Amount of Benefit

For employees who retire after age 60, or employees who retire after age 55 and completion of 5 or more years of Credited Vesting Service, benefits are the same as for Normal Retirement, but are reduced five-twelfths of 1% for each month by which the Early Retirement Date precedes the Normal Retirement Date. For employees who retire on or after age 55 and before age 60 and have completed at least 3 but less than 5 years of Credited Vesting Service, benefits are equal to the Basic Retirement Income only, reduced by five-twelfths of 1% for each month by which the Early Retirement Date precedes the Normal Retirement Date.

Time and Form of Payment

Normal form of payment is a single life annuity beginning on any first of the month coincident with or following eligibility for Early Retirement. As for Normal Retirement, the automatic form for married members is an unreduced 60% joint and survivor annuity. For retirements on or after July 1, 2015, the automatic form of payment for a married member is an unreduced 75% joint and survivor annuity.

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Part V - Summary of Plan Provisions (continued)

Early Retirement Window

Eligibility

Age 59 years and 6 months and 5 years of Credited Vesting Service.

Amount of Benefit

Benefits are the same as for Normal Retirement, without the reduction that would otherwise apply to benefits commencing at an Early Retirement Date.

Time and Form of Payment

Payable to employees who meet eligibility requirements during the period July 1, 2019 to June 30, 2022.

Normal form of payment is a single life annuity beginning on any first of the month coincident with or following eligibility for Early Retirement. As for Normal Retirement, the automatic form for married members is an unreduced 75% joint and survivor annuity.

Deferred Retirement

Eligibility

Any time after eligibility for Normal Retirement.

Amount of Benefit

Benefits are the same as for Normal Retirement, using Compensation and Credited Benefit Service earned up to the Deferred Retirement Date. If the retirement date is after the April 1 of the calendar year following the calendar year in which the employee attains age 70-1/2, the deferred retirement benefit is not less than the benefit as of such April 1 with actuarial adjustment for the period following such April 1.

Time and Form of Payment

Normal form of payment is a single life annuity beginning on any first of the month following eligibility for Normal Retirement. As for Normal Retirement, the automatic form for married members is an unreduced 60% joint and survivor annuity. For deferred retirements on or after July 1, 2015, the automatic form of payment for a married member is an unreduced 75% joint and survivor annuity.

Termination

Eligibility

5 years of Credited Vesting Service or attainment of age 60 while an eligible employee to be vested in Normal Retirement benefit; otherwise, 3 years of Credited Vesting Service or attainment of age 55 while an eligible employee to be vested in the Basic Retirement Income (if applicable).

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.**
EIN/PN: 99-0108338 / 003

Schedule SB, Part V - Summary of Plan Provisions (continued)

Amount of Benefit

If an employee completes at least 5 years of Credited Vesting Service or terminates after attainment of age 60, the amount of the termination benefit is the same as that earned under the Normal Retirement benefit; otherwise, the benefit is limited to the Basic Retirement Income (if applicable).

Time and Form of Payment

Normal form of payment for the termination benefit is a single life annuity beginning at Normal Retirement age. The automatic form for a married member who was not eligible for an immediate early, normal or deferred retirement at termination is a reduced 50% joint and survivor annuity. The member may elect to receive the termination benefit starting any time after eligibility for Early Retirement, but the benefit will be reduced 5/9% for each of the first 60 months by which early retirement precedes age 62 and 5/18% for each month over 60.

Pre-Retirement Surviving Spouse Death Benefit

Eligibility

Eligible for a vested benefit or retirement and married at least one year at time of death.

Amount of Benefit

- (1) If active and died before July 1, 2019:
the applicable percentage from Table 1 of the Normal Retirement Benefit.

Table 1			
Spouse's Benefit Percentage for Payments Effective			
Date of Death	7/1/2019	7/1/2020	7/1/2021
Before 7/1/1999	71.73%	73.39%	75.00%
7/1/1999 – 6/30/2002	68.39%	71.72%	75.00%
7/1/2002 – 6/30/2008	68.33%	71.72%	75.00%

- (2) If active, age 59 with 25 years of Credited Benefit Service, and not eligible for benefit (1) above:
the applicable percentage from Table 2 of the Normal Retirement Benefit.

Table 2		
Spouse's Benefit Percentage for Payments		
Date of Death	Before 7/1/2015	On or After 7/1/2015
Before 7/1/1999	50%	70%
7/1/1999 – 6/30/2008	50%	65%
7/1/2008 – 6/30/2011	50%	75%
7/1/2011 – 6/30/2015	60%	75%
7/1/2015 and later	75%	75%

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Part V - Summary of Plan Provisions (continued)

- (3) If active, not eligible for benefit in (1) or (2) above, and either
- (a) with at least 5 years of Credited Vesting Service and age 55, or
 - (b) with at least 5 years of Credited Vesting Service and with 25 years of Credited Benefit Service, or
 - (c) at least age 60:
- The applicable percentage from Table 2 of Normal Retirement Benefit, reduced 5/12 of 1% for each month before age 62, subject to a maximum 35% reduction.
- (4) If active, age 55 but not eligible for benefits in (1), (2) or (3) above:
The applicable percentage from Table 2 of Basic Retirement Income, reduced 5/12 of 1% for each month before age 62.
- (5) (a) If active, with at least 3 years of Credited Vesting Service, but not eligible for benefits in (1), (2), (3) or (4) above, or
- (b) if a terminated vested member:
50% of the reduced 50% Joint & Survivor Early Retirement Benefit that would have been in effect had the member terminated on the date of death (and, if under age 55, survived to age 55).

Time and Form of Payment

The death benefit will be paid for the life of the spouse. Payment will begin on the first of the month next following the employee's death, except in (5) where payments begin when the member would have reached age 55, if later.

Post-Retirement Surviving Spouse Death Benefit

Eligibility

Spouse of a Member who retired from active service and elected an Unreduced Joint and Survivor annuity (automatic form of payment).

Amount of Benefit

The applicable percentage of the Normal Retirement Benefit shown below.

Date of Retirement	Spouse's Benefit Percentage for Payments Effective		
	7/1/2019	7/1/2020	7/1/2021
Before 7/1/1999	71.73%	73.39%	75.00%
7/1/1999 – 6/30/2002	68.39%	71.72%	75.00%
7/1/2002 and later	68.33%	71.72%	75.00%

Time and Form of Payment

The death benefit will be paid for the life of the spouse.

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Part V - Summary of Plan Provisions (continued)

Pre-Retirement Supplemental Retirement Death Benefit

Eligibility

Dies on or after 7/1/08 in active service as an eligible employee after completion of 25 years of Credited Benefit Service and before Social Security full retirement age with a surviving spouse to whom he was married during the one-year preceding death or eligible dependent child(ren).

Time and Form of Payment

Monthly payments will begin on the later of first of the month next following the member's death or the date the member, if living, would have reached his earliest retirement date (age 55). Payments end at the date the member, if living, would have attained Social Security full retirement age. Payments are in the same amount that would have been paid as a Supplemental Retirement Benefit to the member, if living, and are paid to the eligible surviving spouse; if the eligible surviving spouse dies before the member's Social Security full retirement age or if there is no eligible surviving spouse, payments are shared equally to eligible dependent children as defined in the plan.

Disability

Eligibility

After six months of disability and determination that the employee is permanently and continuously disabled and unable to perform work for the Company within the Bargaining Unit and is not receiving any other disability benefits from the Company or any worker's compensation.

Amount of Benefit

The greater of the Normal Retirement Benefit earned to Disability Retirement Date, unreduced for early commencement of benefits, or \$125.00 per month.

Time and Form of Payment

Normal form of payment is a single life annuity commencing after six months of disability and a determination of eligibility. The automatic form for married members is an unreduced 60% joint and survivor annuity. For disability retirements after July 1, 2015, the automatic form for married members is an unreduced 75% joint and survivor annuity.

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.**
EIN/PN: 99-0108338 / 003

Schedule SB, Part V - Summary of Plan Provisions (continued)

Forms of Payment

- Single Life annuity for unmarried members
- Unreduced Joint and Survivor annuity for married members who retire from active service or terminate after retirement eligibility with the surviving spouse percentages shown below:

Retirement Date	Spouse's Benefit Percentage for Payments Before 7/1/15	Spouse's Benefit Percentage for Payments on or after 7/1/15
Before 7/1/99	50%	70%
7/1/99 – 6/30/08	50%	65%
7/1/08 – 6/30/11	50%	75%
7/1/11 – 6/30/15	60%	75%
7/1/15 and later	75%	75%

- Reduced 50% Joint and Survivor annuity for married members who terminate prior to retirement eligibility
- 50% Joint and Survivor annuity
- 75% Joint and Survivor annuity
- 100% Joint and Survivor annuity
- Lump sum payment for repatriating employees hired prior to January 1, 1950
- Lump sum payment or equal monthly installments for disability retirement
- Lump sum payment for employees laid off in certain reductions in workforce
- Lump sum payment if not greater than \$5,000 (optional at member's election)

Actuarial Equivalence

The member's 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 the present value of the accrued benefit payable at Normal Retirement Date (or actual retirement date, if later), using the Internal Revenue Code Section 417(e)(3) assumptions with a lookback month for the applicable interest rate of the November in the preceding plan year. The minimum lump sum payment under a Disability Retirement Benefit is the Basic Retirement Income monthly benefit multiplied by 90.

The Supplemental Retirement Benefit commencing before attainment of age 62 is determined using the 1971 Group Annuity Mortality Table set back one year and an interest rate of 6.0% per year.

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Part V - Summary of Plan Provisions (continued)

Summary of Changes from the January 1, 2019 Valuation

- Minimum Retirement Income Benefit Level for active members increased from \$205 to \$210
- Retiree benefits for eligible retired members and beneficiaries are increased effective 7/1/2020.

**Pension Plan for Maintenance Shop and Container Yard Employees of
Hawaii Terminals, Inc.
EIN/PN: 99-0108338 / 003**

Schedule SB, Line 32 - Schedule of Amortization Bases

Type of Base	Present Value of Remaining Installments as of January 1, 2020	Date Established	Remaining Installments	Shortfall Amortization Installment
Shortfall	(\$27,518)	1/1/2020	15	(\$2,584)
Shortfall	\$2,354,171	1/1/2019	14	\$231,287