

SEAFARERS MONEY PURCHASE PENSION PLAN

5201 Auth Way
Camp Springs, Maryland 20746-4275
(301) 899-0675

Margaret R. Bowen
Administrator

June 12, 2013

Dear Plan Participant:

The Board of Trustees of the Seafarers Money Purchase Pension Plan (SMPPP) would like to notify you of a number of positive changes to this Plan. The Plan is making these changes to improve your benefits and expedite the payment of benefits.

As you are aware, Basil Castrovinci Associates (BCA) has been acting as a Third Party Administrator for this Plan. Their office in New Jersey receives all phone calls in relation to SMPPP, processes the applications, and mails the yearly statements. We are happy to announce that effective July 1, 2013, these administrative functions will be performed by the Plan's office in Camp Springs, Maryland. Basil Castrovinci Associates will continue with their duties until June 30, 2013.

As of July 1, 2013, participants will be able to call the Plan's toll-free number, 1-800-252-4674, to speak with a Plan representative (choose prompt #6). The processing of applications and the payment of benefits will be handled from Camp Springs.

The Plan would also like to advise you of a new benefit option. The Trustees recently amended the provisions of the In Service Distribution benefit effective January 1, 2013. This benefit allows Active Employees age 70 and over to receive their entire balance from the SMPPP in the form of a lump sum distribution. Accordingly, employees over the age of 70 can withdraw their full account balance even though they continue to work in covered employment. Married employees with account balances over \$5,000 must obtain spousal consent for the distribution. Any monies remaining in the accounts will be subject to the mandatory minimum distribution provisions.

The Trustees have also adopted a less restrictive one-year waiting period for purposes of eligibility for the withdrawal benefit. Accordingly, a participant is now eligible for a withdrawal benefit if he or she intends to leave the industry and has not worked for a signatory employer for a period of at least one year. This change, in effect, negates the need for hardship distributions and the hardship pilot program has been discontinued.

In considering these new benefit options, please be mindful that there may be tax consequences. You should discuss these potential tax implications with your tax advisor.

The Summary Plan Description Booklet (SPD), which describes your benefits from this Plan, and the application process, has been recently revised. It is now available on-line at www.seafarers.org. The direct link is: <http://www.seafarers.org/memberbenefits/benefitplans/smpppg.asp>. Benefit applications are available at: <http://www.seafarers.org/memberbenefits/benefitplans/applications.asp>. **You may also request that this booklet or benefit application be mailed to you free of charge. Please call the Plan office or write to: SMPPP, Attn: Administrator, 5201 Auth Way, Camp Springs, MD 20746.**

Please complete and return the enclosed Participant Enrollment Form and Designation of Beneficiary. If you have any questions, contact the Plan office at 301-899-0675 or 1-800-252-4674 (after July 1st).

Sincerely,

Margaret R. Bowen
Administrator

