TO ALL PARTICIPATING EMPLOYEES

The Machinists Retirement and Savings Plan has been developed by labor and management representatives to assist you in providing for your financial security in retirement. This plan description contains important information concerning the determination of your benefits, the administration of the Plan, and your rights under federal law. We urge you to read this plan description carefully and to refer to it from time to time so that you will be fully aware of your rights and benefits. If you have any questions, you should call the Administration Office at (206) 282-3205, or 1-800-524-4852.

Sincerely,
The Board of Trustees

Name of Plan

Your Plan is known as the Machinists Retirement and Savings Plan.

Description of Plan

Depending on the terms of the collective bargaining agreement or special agreement you are working under, the Plan includes a program of employer contributions to the Plan for your benefit and optional 401(k) and Roth contribution programs under which you save through pre-tax or after-tax wage deferral.

Employer Contribution Program

The employer contribution program provides an individual account for each participant. Into this individual account are deposited all of the contributions made on your behalf by your employer as required by your collective bargaining agreement or special agreement. These contributions grow with investment earnings each year. Your benefit under this program, which is the balance in your account, is available to you upon retirement, death, disability, or termination of employment. The benefit payable after termination of employment prior to retirement is subject to a 30 day waiting period.

Employer matching contributions are employer contributions based on your salary or wage reduction contributions made under the 401(k) or Roth program. The employer contribution program may include employer matching contributions if permitted or required by your collective bargaining agreement or special agreement. You must participate in the 401(k) or Roth program in order to receive any employer matching contribution.

401(k) Program

The 401(k) program is a tax deferred retirement plan in which you do not pay current federal or state income tax on the amount of your salary or wages that is deferred and contributed to the Plan. You can elect to reduce your salary or wages by a certain amount, have that amount put into the Plan, and then pay federal and state income tax on those funds only when you receive them. This has the effect of immediately increasing the amount you can save for retirement as compared to saving with after-tax money.

The following chart illustrates the advantages of making deposits into the 401(k) plan (saving on a tax-deferred basis) rather than saving on an after-tax basis such as a bank passbook savings account or a money market fund.

	401(k) Savings	**Passbook Savings**
Gross Wages	$20,000	$20,000
401(k) Deposit	1,000	N/A
Taxable Wages	19,000	20,000
Estimated Taxes (25%)	4,750	5,000
Passbook Deposit	N/A	1,000
Net Take-home Pay	14,250	14,000

In this example, net take-home pay (after paying taxes and after saving $1000) is $250 greater when the savings are deposited in the 401(k) plan rather than an after-tax savings program.

Another big advantage of this 401(k) plan is that all the money you contribute to your account earns interest or other investment gains tax free while in the plan. You pay taxes on this money only when you take a distribution. Distributions are available to you upon retirement, death, disability, or termination of employment.

Roth Program

The Roth program is an after-tax retirement plan in which you pay current federal and state income tax on the amount of your salary or wages that is deferred and contributed to the Plan. You can only elect to contribute through payroll deduction after-tax of a certain amount, have that amount put into the Plan, and you do not pay federal or state income tax on a distribution of contributions or investment earnings when you receive it if certain qualifications are met.

You can make both pre-tax and Roth contributions at the same time, if allowed by your employer and your collective bargaining agreement and subject to the IRS limits on contributions.

Eligibility-Employer Contribution Program

You are eligible to participate in this part of the Plan if you work under a collective bargaining agreement or special agreement that requires your employer to make a contribution on your behalf to the Plan. There are no age, years of service, or hours of service requirements in the Plan. Your collective bargaining agreement may require a waiting period.

If you leave covered employment you will begin to participate again immediately upon returning to work under a collective bargaining agreement or special agreement that requires your employer to make a contribution on your behalf to this Plan.

Eligibility-401(k) and Roth Programs

You are eligible to participate in the 401(k) and Roth programs under this Plan upon employment under a collective bargaining agreement or special agreement that permits you to make salary or wage reduction contributions to the Plan. If you are a new hire, you can enroll at any time following your date of hire, or, upon satisfying the terms of your collective bargaining agreement or special agreement, if it requires a later date for participation. After you have initially enrolled, you can re-enroll at any time. Such enrollment or re-enrollment will be effective as of the first day of the following month.

You may stop your contributions to the Plan at any time. A revocation of your election to make salary or wage reduction contributions will be effective as soon as it can be processed by your payroll office. You may take a distribution once Eligibility for Benefits have been satisfied.

Investment Options for Your 401(k), Roth, Employer and Matching Contribution Accounts

Under this Plan, you have the opportunity to select from several different investment options for your contributions. You can obtain information about the investment options by calling the Administration Office. You may put any percentage of your contributions into one or more of the investment funds. If you do not select an investment option, or if your selection does not cover 100% of your contributions, the undirected portion will be invested in the target date fund appropriate for your age.

You may switch your investment selection at any time using the Plan's website at: www.firsthilltrust.com.

Eligibility to Participate

You are eligible to participate in the Plan if you work under a collective bargaining agreement or special agreement, which requires your employer to make a contribution on your behalf to the Plan. You begin to participate immediately upon performing covered employment. There are no age or years of service requirements for participation.

If you leave covered employment you will begin to participate again immediately upon returning to covered employment regardless of whether you receive all of your benefits from the Plan.

Vesting

Your benefits are always 100% vested and non-forfeitable.

Eligibility for Benefits

You will be eligible for benefits when you satisfy one of the following conditions:

a. You attain the normal retirement age of 60. You do not need to terminate covered employment to receive a distribution of benefits at age 60.
b. You attain the early retirement age of 55 and terminate covered employment for Employer and Match contributions. Termination is not required for 401(k) and Roth contributions.
c. You become totally and permanently disabled as determined by the Trustees.
d. You terminate employment with all employer(s) maintaining this Plan prior to the dates described in (a), (b), and (c) above and complete a 30-day waiting period following the termination.

A written application for benefits is required to be completed and submitted to the Trustees before any benefits are payable under this Plan.

Amount of Benefits

The amount of your benefits, at any time, is the balance in your account. The amount is equal to the total of all employer, 401(k), Roth and matching contributions made on your behalf plus any investment earnings credited to the accounts less any investment losses and administrative expenses charged to your account. As a participant in this Plan, your right to your benefits from your accounts is 100% vested and non-forfeitable at all times.

Limits on Amount of Contributions

The total amount of salary or wage deferral contribution, matching contributions and employer contributions that can be contributed to your account each year is the lesser of 100% of your wages or $69,000 in 2024. The maximum annual dollar amount for your salary or wage deferral contribution is $23,000 for 2024 and $7,500 catch-up contribution limit if you are over 50 years of age in 2024. These dollar amounts are adjusted annually for cost of living increases. This contribution is 100% vested and non-forfeitable at all times.

Form of Benefits

Your benefits may be paid either as a single lump sum payment or as a series of two or more payments over a period of years not exceeding your life expectancy. Also, you may rollover your benefits to an IRA or another qualified retirement plan. If you are married, your spouse must sign the application form and their signature must be witnessed by a notary public. If your benefit is $5,000 or less, it will be paid only in the form of a single lump sum payment unless transferred to another tax qualified retirement plan or an IRA. You may elect any form of benefits or revoke a prior election at any time prior to distribution.

Payment of Benefits

Benefit payments will commence no later than 60 days following the end of the plan year in which you attain early, normal, or disability retirement or satisfy the 30-day waiting period following termination of employment or in which your death occurs and receipt by the Administration Office of a properly completed application for benefits form. Generally, benefit payments will be made as soon as administratively feasible after a participant has qualified for payment and has submitted an application.

If you are over 73 and are retired or are a 5% or more owner of your employer, payment of your benefit must commence even though you are still working. If you are over 73 and not retired or a 5% owner, you can continue to work and not receive your benefits until you retire. If you are 60 or older, you may continue or return to covered work and receive your benefits at the same time.

Death Benefits - Designation of Beneficiary

You may designate, on a form provided by the Administration Office, one or more persons to receive your benefits in the event of your death prior to payment of your benefits. If you are married and you wish to designate someone other than your spouse as beneficiary, your spouse must agree in writing to the designation. If you do not designate a beneficiary, or if the designation is ineffective, the death benefit will be paid in the following order of priority:

a. surviving lawful spouse;
b. surviving children (including adopted children);
c. surviving parents;
d. surviving grandchildren;
e. surviving brothers and sisters;
f. surviving grandparents;
g. surviving uncles and aunts.

If no benefit is payable because of your failure to designate a beneficiary, or because none of the individuals described above survives you, the benefit will revert to the Plan.

If you have not completed a beneficiary designation form, please obtain the form from the Union or by calling the Administration Office at 1-800-524-4852. When completed, send the form to the Administration Office.

Plan Loans

You may borrow from your 401(k), Roth or Matching Contribution accounts if you are an Active participant. Loans from the Plan must be in the minimum amount of $1,000 and cannot exceed the lesser of $50,000 or 50% of your account balance under the Plan. You will be charged interest on your loan based on current interest rates. Your loan must be repaid monthly over no more than 5 years (unless you use it to acquire your principal residence). Repayments of the principal and interest on your loan will go directly into your own account. If you default on your loan, the remaining amount owing will reduce your account under the Plan at the time your account is distributed to you or your beneficiary. If you default, any remaining unpaid amount will be treated as a taxable distribution to you and may be subject to an early withdrawal penalty tax in the year of default. Also, if you default you will not be eligible for another loan in the future. You can have only two outstanding loans at a time. For more information on Plan loans contact the Administration Office.

Hardship Distributions

You may receive a hardship distribution from your salary or wage deferral and matching contribution accounts if you have an immediate and heavy financial need and don't have other resources available. Hardship distributions are subject to federal and state taxes and the Plan's spousal consent requirements. For more information on hardship distributions contact the Administration Office.

The Board of Trustees

Your Plan is sponsored and administered by a joint labor management Board of Trustees. You may contact the Board of Trustees at:

Board of Trustees of the Machinists
Retirement and Savings Plan
601 Union Street, Suite 1450
Seattle, WA 98101
Telephone: (206) 282-3205, 1-800-524-4852

A list of participating employers and labor organizations may be obtained by participants and beneficiaries upon written request to the Trustees. The Trustees may impose a reasonable charge to cover the costs of providing this information. Participants and beneficiaries may wish to inquire as to the amount of the charges before requesting such information. The list is available for examination at the Administration Office.

Identification Numbers

The employer identification number assigned to the Plan by the Internal Revenue Service is: EIN 93-0396511. The Plan Number is 001.

Type of Administration

Your Plan is administered by The Board of Trustees, with the assistance of personnel at the Plan's Administration Office.

Agent for Service of Process

The Board of Trustees has designated as agent for the purpose of accepting service of legal process on behalf of the Plan, Barlow Coughran Morales & Josephson, P.S.,1325 Fourth Avenue, Suite 910, Seattle, WA 98101. Each member of the Board of Trustees is also an agent for the purpose of accepting service of legal process on behalf of the Plan. The names and addresses of the Trustees are listed below.

The Trustees

The names and principal places of business of the Trustees of the Machinists Retirement and Savings Plan are:

Employer Trustees:
Richard Kafer
PO Box 161
Edmonds, WA 98020

Adam Davis, SSA Marine
1131 S.W. Klickitat Way
Seattle, WA 98134

Union Trustees:
Jon Holden, IAM 751
9125 15th Pl. South
Seattle, WA 98108

Steve Miller, IAM 160
9135 15th Pl. South, 2nd Floor
Seattle, WA 98108

David Brewer, IAM 725
2749 Sunrise Blvd
Rancho Cordova, CA 95742

Brandon Bryant, IAM W24
25 Cornell Avenue
Gladstone, OR 97027

Type of Plan

This Plan is a defined contribution individual account retirement plan, qualified under Section 401(a) and 401(k) and 401(m) of the Internal Revenue Code.

Source of Contributions

Your benefits are funded by employer contributions including employer matching contributions, and your own salary or wage deferral contributions to the Plan. The amount of contributions is determined by the collective bargaining between your employer and your participating labor organization or your special agreement between your employer and the Board of Trustee and by your own election to defer from your salary or wages.

Accumulation of Assets and Payment of Benefits

Contributions to the Plan are received, held, and invested by the Trustees pending the payment of benefits and administrative expenses. The Trustees pay benefits directly from the Plan.

Plan Year

The financial records of the Plan and participant accounts are kept on the basis of the calendar year beginning January 1 and ending December 31.

Appeals Procedure

In the event an application for benefits is denied in whole or in part or in the event the Trustees take action which affects your benefits, you or your beneficiaries have available the following remedies:

a. Review - As a participant or beneficiary, you have the right to request the Trustees to review the adverse benefit determination or other action, provided that you make a request in writing, within 60 days after being notified of the adverse benefit determination or other action. The Trustees shall then conduct a review at which you may be represented by an attorney or by any other representative of your choosing. Thereafter, the Trustees shall issue a written decision affirming, modifying, or setting aside the adverse benefit determination or other action. In making their decision, the Trustees have full authority to interpret and apply the terms of the Plan document, the Trust Agreement, this Summary Plan Description, and any other documents or instruments governing the operation of this Plan and Trust.

b. Appeal - If you are dissatisfied with the written decision of the Trustees, you shall have the right to appeal the matter to state or federal court in accordance with Section 502 of the Employee Retirement Income Security Act of 1974.

The procedures specified in this Section shall be the sole and exclusive procedures available to you or your beneficiary in the event of an adverse benefit determination, or if otherwise adversely affected by any action of the Trustees.

Statement of ERISA Rights

As a participant in the Machinists Retirement and Savings Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants are entitled to:

- Receive Information about Your Plan and Benefits
- Examine, without charge, at the Administration Office and at local union offices, all documents governing the Plan including insurance contracts and collective bargaining agreements and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefit Security Administration.
- Obtain, upon written request to the Administration Office, copies of all documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series), the Plan's Qualified Domestic Relations Order (QDRO) procedures, updated summary plan description. The plan administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age, which is 65 under the Plan, and, if so, what your benefits would be at normal retirement age if you stop working under the Plan now. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

Prudent Action by Plan Fiduciaries

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to act prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

Enforcing Your Rights

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules. Under ERISA, there are steps you can take to enforce the above rights, For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or Federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay those costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest Office of the Employee Benefits Security Administration, U.S. Department of Labor listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

Termination of Plan and Insurance

This Plan may be terminated by action of the Board of Trustees. If terminated, the assets of the Trust will be distributed to all participants in the Plan in proportion to their account balances as of the date of distribution.

The benefits provided by this Plan are not insured by the Pension Benefit Guaranty Corporation because federal law does not require plan termination insurance coverage for defined contribution individual account plans.

Additional Information

This Summary Plan Description is required by federal law. Of necessity, many of the Plan's provisions have been set forth in summary form. For a complete and detailed description, the official plan document is available for your inspection.

All questions with respect to participation, eligibility for benefits, or the nature and amount of benefits or with respect to any matter of plan administration should be referred to the Administration Office.

Machinists Retirement and Savings Plan
601 Union Street, Suite 1450
Seattle, WA 98101
(206) 282-3205 or 1-800-524-4852

The only party authorized by the Board of Trustees to answer questions concerning the Plan is the administrative agent. No participating employer, employer association, or labor organization, nor any individual employed thereby, has any authority in this regard.