



**MACHINISTS  
RETIREMENT  
AND SAVINGS PLAN**

# **Machinists Retirement and Savings Plan**

**PLAN DESCRIPTION & ENROLLMENT INFORMATION**

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# Enroll in Three Easy Steps

Welcome to the Machinists Retirement and Savings Plan! Taking control of your financial future has never been easier. Follow these three simple steps to enroll and start building a secure retirement:

## 1 | Fill out the Enrollment Forms

### a. Designation of Beneficiary Form

Designate your beneficiary. It is very important that your plan administrator has this information on file, should something happen to you.

### b. Investment Selection Form

Decide how you wish to have your contributions invested. You may invest in as many or as few funds as you wish. If you do not choose how your contributions are to be invested or your investment selection does not equal 100%, the default investment fund is one of the Target Retirement Funds, based on your date of birth. Please contact Scott Capital Advisors, LLC for investment advice at 503-487-0860 or [info@scottcapitaladvisors.com](mailto:info@scottcapitaladvisors.com).

## 2 | Submit Your Enrollment Forms

Email or mail your completed forms to the Plan Administration Office:

**Email:** [benefits@firsthilltrust.com](mailto:benefits@firsthilltrust.com)

**Mail:** Machinists Retirement and Savings Plan, P.O. Box 550 - Seattle, WA 98111-0550

## 3 | Register Your Online Account Access at [www.firsthilltrust.com](http://www.firsthilltrust.com)

Enjoy the convenience of managing your account online by registering at [www.firsthilltrust.com](http://www.firsthilltrust.com). Scan the QR code and watch our video tutorial for a step-by-step guide on setting up your online account.



With these three easy steps, you're on your way to a financially secure future.

Take control of your retirement savings today!

For any assistance, reach out to us at [benefits@firsthilltrust.com](mailto:benefits@firsthilltrust.com).

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# **Plan Description and Enrollment Information**

**Plan highlights and frequently asked questions and answers, as well as other important information.**



# Highlights

## When am I eligible to participate?

You are eligible to participate under a collective bargaining agreement and or special agreement that permits contributions.

## Will there be an employer contribution?

Your employer will contribute to this Plan if a separate employer contribution is required by your collective bargaining agreement or special agreement.

## Can I lose my contribution?

No, your contribution is 100% vested and non-forfeitable at all times. However, depending upon the investment fund or funds you choose, the value of your account may, at any time, be more or less than the amount of your contributions. Also, your account is subject to administration expense charges which may reduce your account balance.

## When can I receive funds from my account?

Distributions from your deferred account are not permitted before age 60, except in the event of:

- (a) Death
- (b) Disability
- (c) Termination of employment with a 30 day waiting period
- (d) Retirement at 55 or older and termination of employment for the Employer account

Distributions are available after filing an application and when the Plan Administrator has received all your contributions. If you are over 73, the Plan must start paying benefits to you even though you have not applied for benefits.

### How and where are my funds invested?

You will have the opportunity to direct your funds to be invested in one or more of 28 different investment funds for all accounts. If you do not choose how your contributions are to be invested or your investment selection does not equal 100%, the default investment fund is one of the Target Retirement Funds, based on your date of birth. The investment funds are described in the material accompanying the enrollment forms. Please contact Scott Capital Advisors, LLC for investment advice at 503-487-0860 or [info@scottcapitaladvisors.com](mailto:info@scottcapitaladvisors.com).

### How do I access my account information?

You have the ability to access your account information over the Internet. As often as you like, subject to administrative limitations, you can change your investment elections, transfer funds, and rebalance your account by using the Internet site at: [www.firsthilltrust.com](http://www.firsthilltrust.com).

Important notice: Your correct email address and cell phone are necessary to access your account through the Internet system. If you cannot access your account, please contact our office to update your email and cell phone.

### Will I be charged any fees for participating in this plan?

Yes, your account will be charged \$2.50/month and a pro-rata share of the expenses of operating the Plan, which includes administration fees, legal fees, investment advisor fees and audit costs. Investment management fees for the various investment options vary according to the portfolio, and fees are disclosed in their prospectuses. These amounts will reduce the investment return you receive. Your Employer does not pay any of these costs.

### What are the advantages to me of participating in this plan?

- (a) Favorable tax treatment at retirement
- (b) No payroll tax on Employer Contributions

# **Risk/Return Pyramid**

**Ranks the funds currently available to your plan in order of aggressiveness, starting with the lower risk/lower return options at the bottom of the pyramid.**

# Investment Options

*Higher Risk/Higher Potential Return*

*Lower Risk/Lower Potential Return*

- Cohen & Steers Instl Realty Shares
- American Fds EuroPacific Growth R6
- Manning & Napier Rainer Int'l Discy I
- Fidelity International Index
- Vanguard Small Cap Index Inst.
- Blackrock Mid Cap Growth Equity K
- Victory Sycamore Established Value R6
- Vanguard Growth Index Inst.
- Vanguard Equity-Income
- Schwab S&P 500 Index Admiral
- Vanguard Target Retirement 2070 Inv
- Vanguard Target Retirement 2065 Inv
- Vanguard Target Retirement 2060 Inv
- Vanguard Target Retirement 2055 Inv
- Vanguard Target Retirement 2050 Inv
- Vanguard Target Retirement 2045 Inv
- Vanguard Target Retirement 2040 Inv
- Vanguard Target Retirement 2035 Inv
- Vanguard Target Retirement 2030 Inv
- Vanguard Target Retirement 2025 Inv
- Vanguard Target Retirement 2020 Inv
- Vanguard Target Retirement Income
- American Funds Balanced R6
- PGIM High Yield R6
- Dodge & Cox Income
- Loomis Sayles Investment Grade Bond N
- Lord Abbett Short Duration Income R6
- Morley Stable Value



12/31/2023

	Ticker	1 Year	3 Year	5 Year	Expense Ratio
Amer. Funds Balanced Fund	RLBGX	14.37%	5.40%	9.26%	0.25
Amer. Funds EuroPacific Growth	RERGX	16.05%	(2.66%)	8.04%	0.47
BlackRock Mid Cap Equity	BMGKX	28.34%	(2.66%)	12.94%	0.71
Dodge & Cox Income Fund X	DOXIX	7.76%	(1.60%)	2.73%	0.33
Fidelity International Index	FSPSX	18.31%	4.18%	8.34%	0.04
Loomis Sayles Inv Grade Bond	LGBNX	7.55%	(1.42%)	3.15%	0.44
Lord Abbet ShortDurationInc R6	LDLVX	5.75%	0.71%	2.19%	0.31
Manning&Napier Rainier Int D I	RAIIX	6.53%	(5.38%)	8.40%	1.12
MetropolitanWest TotalReturn P	MWTSX	6.08%	(3.63%)	1.31%	0.37
Morley Stable Value	SIBTZ	2.53%	1.91%	1.96%	0.25
PGIM High Yield Fund R6	PHYQX	12.31%	1.89%	5.39%	0.38
Schwab S&P 500 Index Fund	SWPPX	26.25%	9.97%	15.66%	0.02
Vanguard Equity Inc Fd Admiral	VEIRX	7.76%	10.63%	11.85%	0.19
Vanguard Growth Index Adm	VIGAX	46.77%	7.69%	19.16%	0.05
Vanguard REIT Index Adm	VGSLX	11.81%	5.02%	7.33%	0.12
Vanguard Small Cap Index	VSCIX	18.22%	4.67%	11.72%	0.04
Vanguard Target Retire 2020	VTWNX	12.51%	1.47%	6.61%	0.08
Vanguard Target Retire 2025	VTTVX	14.55%	2.03%	7.56%	0.08
Vanguard Target Retire 2030	VTHRXX	15.99%	2.65%	8.37%	0.08
Vanguard Target Retire 2035	VTTHX	17.14%	3.33%	9.17%	0.08
Vanguard Target Retire 2040	VFORX	18.34%	4.02%	9.99%	0.08
Vanguard Target Retire 2045	VTIVX	19.48%	4.68%	10.76%	0.08
Vanguard Target Retire 2050	VFIFX	20.17%	4.91%	10.93%	0.08
Vanguard Target Retire 2055	VFFVX	20.16%	4.92%	10.92%	0.08
Vanguard Target Retire 2060	VTTSX	20.18%	4.92%	10.92%	0.08
Vanguard Target Retire 2065	VLXVX	20.15%	4.95%	10.91%	0.08
Vanguard Target Retire 2070	VSVNX	20.24%	0.00%	0.00%	0.08
Vanguard Target Retire Income	VTINX	10.65%	0.54%	4.82%	0.08
Victory Syc Estab Val R6	VEVRX	10.35%	12.40%	14.62%	0.54



# **Participant Fees Annual Disclosures**

**Provides information regarding fees associated  
with your participation in the Plan.**

**To:** Plan Participants and Beneficiaries  
**From:** Board of Trustees of the Machinists Retirement and Savings Plan  
**Date:** March 1, 2024

This disclosure statement advises you of information regarding fees associated with your participation in the Plan. Part I provides general information regarding the operation of the Plan. Part II provides information regarding charges for administrative expenses the plan may incur. Part III provides information regarding individual expenses you may incur as a Plan Participant or Beneficiary. The Plan has also included a Comparative Chart of Plan Investment Options ("Comparative Chart") which will inform you about the Plan's investment alternatives.

## I. GENERAL PLAN INFORMATION

### 1. Giving investment instructions.

In order to direct your Plan investments, you must complete an investment direction form or make your election on the following website: [www.firsthilltrust.com](http://www.firsthilltrust.com)

You may direct the investment of all funds held in your plan account.

### 2. Limitations on instructions.

You may give investment instructions on any day the New York Stock Exchange is open for business.

### 3. Voting and other rights.

The trustee will exercise any voting or other rights associated with ownership of your investments held in your plan account.

### 4. Designated investment alternatives.

The Plan provides designated investment alternatives into which you can direct the investment of your plan funds. The Comparative Chart lists these designated investment alternatives and provides information regarding the alternatives.

### 5. Designated investment manager.

Scott Capital Advisors, LLC (1-503-487-0860) is the Plan's designated investment manager.

## II. ADMINISTRATIVE EXPENSES

The Plan pays outside service providers for Plan administrative services, such as legal, accounting and recordkeeping service. The cost for these services fluctuates each year based on a variety of factors. To the extent these expenses are not charged against forfeitures or reimbursed by a third party, the Plan charges these expenses pro rata (i.e., based on the relative size of each account) as certain expenses occur and a monthly \$2.50 per capita expense against participants' accounts.



### III. INDIVIDUAL EXPENSES

The Plan imposes certain charges against individual participants' accounts, rather than against the Plan as a whole, when individual participants incur the charges. These charges may arise based on your use of a feature available under the Plan (e.g., participant loans), or based on the application of applicable law (e.g., processing a domestic relations order in case of a divorce). In addition, buying or selling some investments may result in charges to your individual account, such as commissions or redemption fees. The Comparative Chart provides information regarding these expenses. The Plan imposes the following charges:

Reason	Amount
1. Distribution	\$50
2. Hardship Withdrawal	\$40
3. Loan set-up fee	\$100
4. Annual loan maintenance fee	\$6 per month
5. Annual Defaulted loan fee	\$50

## Comparative Chart

### Machinists Retirement and Savings Plan

#### Investment Options – 2024

This document includes important information to help you compare the investment options under your retirement plan. If you want additional information about your investment options, you can go to the specific Internet website address shown below or you can contact Scott Capital Advisors, LLC at 1-503-487-0860.

### Document Summary

This document has 2 parts. Part I consists of performance information for plan investment options. This part shows you how well the investments have performed in the past. Part II shows you the fees and expenses you will pay if you invest in an option.

### Part I. Performance Information

**Table 1** focuses on the performance of investment options that do not have a fixed or stated rate of return. Table 1 shows how these options have performed over time and allows you to compare them with an appropriate benchmark for the same time periods. Past performance does not guarantee how the investment option will perform in the future. Your investment in these options could lose money. Information about an option's principal risks is available on the website(s).

Table 1—Variable Return Investments							
Name / Type of Option	Average Annual Total Return as of 01/31/2024				Benchmark		
	1yr.	5yr.	10yr.	Since Inception	1yr.	5yr.	10yr.
<b>Equity Funds</b>							
Schwab S&P 500 Index Fund/ Large Blend <a href="https://schwabassetmanagement.com">https://schwabassetmanagement.com</a>	20.77%	14.27%	12.56%	8.27%	20.82%	14.30%	12.62%
					S&P 500 TR USD		
Vanguard Equity-Income Adm / Large Value <a href="https://institutional.vanguard.com">https://institutional.vanguard.com</a>	4.17%	10.39%	10.08%	8.33%	20.82%	14.30%	12.62%
					S&P 500 TR USD		
Vanguard Growth Index Adm / Large Growth <a href="https://www.institutional.vanguard.com">https://www.institutional.vanguard.com</a>	35.98%	17.58%	14.57%	8.28%	20.82%	14.30%	12.62%
					S&P 500 TR USD		
Victory Sycamore Established Value R6 / Mid-Cap Value <a href="https://www.vcm.com">https://www.vcm.com</a>	2.83%	12.45%	11.25%	10.78%	20.82%	14.30%	12.62%
					S&P 500 TR USD		
Fidelity International Index / Foreign Large Blend <a href="https://institutional.fidelity.com">https://institutional.fidelity.com</a>	8.65%	6.90%	4.86%	6.53%	5.88%	5.32%	4.41%
					MSCI ACWI Ex USA NR USD		
Blackrock Mid-Cap Equity / Mid-Cap Growth <a href="http://www.blackrock.com">www.blackrock.com</a>	14.97%	10.40%	11.67%	14.09%	20.82%	14.30%	12.62%
					S&P 500 TR USD		
Vanguard Small Cap Index Inst/ Small Blend <a href="https://institutional.vanguard.com">https://institutional.vanguard.com</a>	4.51%	8.66%	8.38%	8.74%	20.82%	14.30%	12.62%
					S&P 500 TR USD		
American Funds EuroPacific Growth R6 / Foreign Large Growth <a href="http://www.americanfundsretirement.com">www.americanfundsretirement.com</a>	6.30%	6.33%	5.32%	7.77%	5.88%	5.32%	4.41%
					MSCI ACWI Ex USA NR USD		
Manning & Napier Rainier Int D I / Foreign Small/Mid Growth <a href="http://www.manning-napier.com">www.manning-napier.com</a>	-1.11 %	6.83%	6.58%	9.18%	-5.07%	2.47%	4.17%
					MSCI ACWI Ex USA NR USD		
Cohen & Steers Instl Realty Shares/ Real Estate <a href="https://cohenandsteers.com">https://cohenandsteers.com</a>	-2.63 %	6.05%	8.01%	10.52%	5.88%	5.32%	4.41%
					MSCI ACWI NR USD		
<b>Bond Funds</b>							
Lord Abbett Short Duration Income R6 / Short-Term Bond <a href="http://www.lordabbett.com/en.html">www.lordabbett.com/en.html</a>	4.72%	2.11%	2.17%	2.21%	2.10%	0.83%	1.63%
					Bloomberg US Agg Bond TR USD		
Loomis Sayles Investment Grade Bond N / Intermediate Core-Plus Bond <a href="http://www.mwamllc.com">http://www.mwamllc.com</a>	4.43%	2.90%	2.83%	2.66%	2.10%	0.83%	1.63%
					Bloomberg US Agg Bond TR USD		
Dodge & Cox Income / Intermediate Core-Plus Bond <a href="http://www.dodgeandcox.com">http://www.dodgeandcox.com</a>	3.84%	2.41%	2.66%	3.01%	2.10%	0.83%	1.63%
					Bloomberg US Agg Bond TR USD		
PGIM High-Yield R6 / High Yield Bond <a href="http://www.investments.prudential.com">www.investments.prudential.com</a>	8.50%	4.46%	4.77%	5.74%	2.10%	0.83%	1.63%
					Bloomberg US Agg Bond TR USD		
<b>Other</b>							
Morley Stable Value CI 25 / Stable Value <a href="http://www.morley.com">http://www.morley.com</a>	2.53%	1.96%	1.71%	3.84%	4.63%	1.60%	1.01%
					iMoneyNet All Taxable*		
					4.32%	1.28%	1.05%
					Bloomberg 1-3 Year Govt*		



Table 1—Variable Return Investments							
Name / Type of Option	Average Annual Total Return as of 01/31/2024				Benchmark		
	1yr.	5yr.	10yr.	Since Inception	1yr.	5yr.	10yr.
<b>Other</b>							
American Funds Balanced R6 / Moderate Allocation www.americanfundsretirement.com	10.72%	8.40%	8.21%	10.43%	7.20%	6.21%	5.86%
					Morningstar Moderate Target Risk TR USD		
Vanguard Target Retirement Income Inv / Target Date Fund https://institutional.vanguard.com	6.40%	4.17%	4.10%	4.84%	7.20%	6.21%	5.86%
					Morningstar Moderate Target Risk TR USD		
Vanguard Target Retirement 2020 Inv / Target Date Fund https://institutional.vanguard.com	7.39%	4.61%	5.69%	5.87%	7.20%	6.21%	5.86%
					Morningstar Moderate Target Risk TR USD		
Vanguard Target Retirement 2025 Inv / Target Date Fund https://institutional.vanguard.com	8.56 %	6.41%	6.31%	6.50%	7.20%	6.21%	5.86%
					Morningstar Moderate Target Risk TR USD		
Vanguard Target Retirement 2030 Inv / Target Date Fund https://institutional.vanguard.com	9.44%	7.09%	6.83%	6.53%	7.20%	6.21%	5.86%
					Morningstar Moderate Target Risk TR USD		
Vanguard Target Retirement 2035 Inv / Target Date Fund https://institutional.vanguard.com	10.25%	7.80%	7.36%	7.29%	7.20%	6.21%	5.86%
					Morningstar Moderate Target Risk TR USD		
Vanguard Target Retirement 2040 Inv / Target Date Fund https://institutional.vanguard.com	11.00%	8.49%	7.85%	7.18%	7.20%	6.21%	5.86%
					Morningstar Moderate Target Risk TR USD		
Vanguard Target Retirement 2045 Inv / Target Date Fund https://institutional.vanguard.com	11.75 %	9.17%	8.24%	7.94%	7.20%	6.21%	5.86%
					Morningstar Moderate Target Risk TR USD		
Vanguard Target Retirement 2050 Inv / Target Date Fund https://institutional.vanguard.com	12.19%	9.34%	8.32%	7.47%	7.20%	6.21%	5.86%
					Morningstar Moderate Target Risk TR USD		
Vanguard Target Retirement 2055 Inv Target Date Fund https://institutional.vanguard.com	12.16%	9.32%	8.30%	9.70%	7.20%	6.21%	5.86%
					Morningstar Moderate Target Risk TR USD		
Vanguard Target Retirement 2060 Inv /Target Date Fund https://institutional.vanguard.com	12.19%	9.33%	8.30%	9.44%	7.20%	6.21%	5.86%
					Morningstar Moderate Target Risk TR USD		
Vanguard Target Retirement 2065 Inv / Target Date Fund https://institutional.vanguard.com	12.21%	9.32%	-	8.32%	7.20%	6.21%	5.86%
					Morningstar Moderate Target Risk TR USD		
Vanguard Target Retirement 2070 Inv / Target Date Fund https://institutional.vanguard.com	12.24%	-	-	12.92%	7.20%	6.21%	5.86%
					Morningstar Moderate Target Risk TR USD		

\*The iMoneyNet All Taxable Money Market Fund Index measures the equally weighted returns of over 1,600 of the largest taxable money market funds. The Barclay's 1-3 Year Government Bond Index measures the returns of investment grade, fixed rate dollar denominated bonds publicly issued by the U.S Government, with a maturity of over 1 year, and less than 3 years.



## Part II. Fee and Expense Information

**Table 2** shows fee and expense information for the investment options listed in Table 1. Table 2 shows the Total Annual Operating Expenses of the options in Table 1. Total Annual Operating Expenses are expenses that reduce the rate of return of the investment option. Table 2 also shows Shareholder-type Fees. These fees are in addition to Total Annual Operating Expenses.

Table 2—Fees and Expenses			
Name / Type of Option	Total Annual Operating Expenses		Shareholder-Type Fees
	As a %	Per \$1000	
<b>Equity Funds</b>			
Schwab S&P 500 Index Fund / Large Blend	0.02%	\$ 0.20	Exchanges into this fund will be blocked for 30 calendar days after the investor has exchanged out of fund account.
Vanguard Equity-Income Adm / Large Value	0.19%	\$1.90	Exchanges into this fund will be blocked for 30 calendar days after the investor has exchanged out of fund account.
Vanguard Growth Index Adm / Large Growth	0.05%	\$0.50	Exchanges into this fund will be blocked for 30 calendar days after the investor has exchanged out of fund account.
Victory Sycamore Established Value R6 / Mid-Cap Value	0.54%	\$5.40	Limit of three round trip transactions within 90 days.
Fidelity International Index / Foreign Large Blend	0.04%	\$0.35	N/A
Blackrock Mid-Cap Equity / Mid-Cap Growth	0.71%	\$7.10	N/A
Vanguard Small Cap Index Inst/ Small Blend	0.04%	\$0.40	Exchanges into this fund will be blocked for 30 calendar days after the investor has exchanged out of fund account.
American Funds EuroPacific Growth R6 / Foreign Large Growth	0.47%	\$4.70	Exchanges into this fund will be blocked for 30 calendar days after the investor has redeemed \$5,000 or more from this fund.
Manning & Napier Rainier Int D I / Foreign Small/Mid Growth	1.12%	\$11.20	N/A
Cohen & Steers Instl Realty Shares/Real Estate	0.75%	\$7.50	N/A
<b>Bond Funds</b>			
Lord Abbett Short Duration Income R6 / Short-Term Bond	0.31%	\$3.10	N/A
Loomis Sayles Invest Grade Bond N / Intermediate Core-Plus Bond	0.04%	\$0.40	N/A
Dodge & Cox Income / Intermediate-Term Bond	0.36%	\$3.60	N/A
PGIM High-Yield R6 / High Yield Bond	0.38%	\$3.80	Exchanges into fund account are limited for 30 calendar days after the investor has exchanged out of fund account.

Table 2—Fees and Expenses			
Name / Type of Option	Total Annual Operating Expenses		Shareholder-Type Fees
	As a %	Per \$1000	
<b>Other</b>			
Morley Stable Value CI 25 -I / Stable Value	0.25%	\$2.50	N/A
American Funds Balanced R6 / Moderate Allocation	0.25%	\$2.50	Exchanges into this fund will be blocked for 30 calendar days after the investor has redeemed \$5,000 or more from this fund.
Vanguard Target Retirement Income Inv / Target Date Fund	0.08%	\$0.80	Exchanges into this fund will be blocked for 30 calendar days after the investor has exchanged out of fund account.
Vanguard Target Retirement 2020 Inv / Target Date Fund	0.08%	\$0.80	Exchanges into this fund will be blocked for 30 calendar days after the investor has exchanged out of fund account.
Vanguard Target Retirement 2025 Inv / Target Date Fund	0.08%	\$0.80	Exchanges into this fund will be blocked for 30 calendar days after the investor has exchanged out of fund account.
Vanguard Target Retirement 2030 Inv / Target Date Fund	0.08%	\$0.80	Exchanges into this fund will be blocked for 30 calendar days after the investor has exchanged out of fund account.
Vanguard Target Retirement 2035 Inv / Target Date Fund	0.08%	\$0.80	Exchanges into this fund will be blocked for 30 calendar days after the investor has exchanged out of fund account..
Vanguard Target Retirement 2040 Inv / Target Date Fund	0.08%	\$0.80	Exchanges into this fund will be blocked for 30 calendar days after the investor has exchanged out of fund account.
Vanguard Target Retirement 2045 Inv / Target Date Fund	0.08%	\$0.80	Exchanges into this fund will be blocked for 30 calendar days after the investor has exchanged out of fund account.
Vanguard Target Retirement 2050 Inv / Target Date Fund	0.08%	\$0.80	Exchanges into this fund will be blocked for 30 calendar days after the investor has exchanged out of fund account.
Vanguard Target Retirement 2055 Inv / Target Date Fund	0.08%	\$0.80	Exchanges into this fund will be blocked for 30 calendar days after the investor has exchanged out of fund account.
Vanguard Target Retirement 2060 Inv / Target Date Fund	0.08%	\$0.80	Exchanges into this fund will be blocked for 30 calendar days after the investor has exchanged out of fund account.
Vanguard Target Retirement 2065 Inv / Target Date Fund	0.08%	\$0.80	Exchanges into this fund will be blocked for 30 calendar days after the investor has exchanged out of fund account.
Vanguard Target Retirement 2070 Inv / Target Date Fund	0.08%	\$0.80	Exchanges into this fund will be blocked for 30 calendar days after the investor has exchanged out of fund account.

The cumulative effect of fees and expenses can substantially reduce the growth of your retirement savings. Visit the Department of Labor's Web site for an example showing the long-term effect of fees and expenses at <https://www.dol.gov/agencies/ebsa/about-ebsa/our-activities/resource-center/publications/understanding-your-retirement-plan-fees>. Fees and expenses are only one of many factors to consider when you decide to invest in an option. You may also want to think about whether an investment in a particular option, along with your other investments, will help you achieve your financial goals. Please visit [www.firsthilltrust.com/investment-related-terms](http://www.firsthilltrust.com/investment-related-terms) for a glossary of investment terms relevant to the investment options under this plan. This glossary is intended to help you better understand the terms used in this document.



The background of the page features a light gray topographic contour map. The contours are irregular, wavy lines that represent elevation changes. A dashed gray line runs diagonally across the page from the top right towards the bottom left, intersecting the contour lines.

# **Summary Plan Description**

**Provides information regarding fees associated  
with your participation in the Plan.**

## 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.

	<b>401(k) Savings</b>	<b>Passbook Savings</b>
<b>Gross Wages</b>	\$20,000	\$20,000
<b>401(k) Deposit</b>	1,000	N/A
<b>Taxable Wages</b>	19,000	20,000
<b>Estimated Taxes (25%)</b>	4,750	5,000
<b>Passbook Deposit</b>	N/A	1,000
<b>Net Take-home Pay</b>	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](http://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 Trustees 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.

