

**STA-ILA VACATION AND HOLIDAY FUND**

**SUMMARY PLAN DESCRIPTION**

**Date: December 1, 2016**

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## **I. INTRODUCTION**

The STA-ILA Vacation and Holiday Fund has been established to provide you with the vacation and holiday benefits described in this booklet. The Agreement and Declaration of Trust of STA-ILA Vacation and Holiday Fund establishes a trust fund for this purpose.

You should read this booklet carefully to obtain a clear understanding of the benefits to which you may be entitled, as well as the circumstances that affect the availability of those benefits. However, where a specific interpretation of the Plan is involved, or if you have a question about its applicability to a specific situation, you should consult the Plan Administrator.

In reading the Summary Plan Description, please pay careful attention to words that start with capital letters (for example, the term "Plan Year") even though they are not in a title or the beginning of a sentence. The capital letters indicate that the words have a special meaning, which is explained under the heading "KEY DEFINITIONS."

Plan benefits are based on service with the employer-members of the STA who are signatories to the collective bargaining agreement with the International Longshoremen's Association (AFL-CIO). For further details, please see the definition of "Employer" under the heading "KEY DEFINITIONS".

## **II. PLAN MANAGEMENT**

Responsibility and authority for general administration of the Plan rests with the Joint Board of Trustees composed of an equal number of Employer and Union Trustees. This includes the authority to make rules and regulations as may be necessary, to appoint a Plan Administrator and to settle any questions regarding eligibility, benefits, distribution methods or other matters involving the Plan. The Plan Administrator administers the Plan on behalf of the Joint Board for the benefit of the Participants.

Financial management of the Plan lies in the administration and investment of the assets accumulated in the trust fund established under the Plan. The responsibility for managing the trust fund lies with the Joint Board.

## **III. WHO PARTICIPATES AND WHEN**

Participation in the Plan is open to all hourly employees who are covered by the collective bargaining agreements for Locals 333, 953, 1429 and 2066. Your participation begins on the date you have met these requirements. If, once you become a Participant, you then fail to meet the eligibility requirements for future vacation and holiday benefits, you will remain in the Plan so long as you are entitled to benefits, but no future benefits will be earned during such time that you have not met the eligibility requirements.

## **IV. FUNDING**

The Fund shall be funded in accordance with the Memorandum of Agreement and any other applicable collective bargaining agreements, and funding shall include any CR5 funds or other funds allocated by the Master Contract and/or other written agreement.

## **V. TRUST FUND EARNINGS AND EXPENSES**

The Plan provides that all expenses incurred in administering and operating the Plan, and investing Plan assets, will be paid by the Trust established by the STA and ILA Locals 333, 953, 1429 and 2066. Your benefits may not be affected by annual trust fund earnings (interest, dividends and other earnings, gains and increases in value, less losses and decreases in value), if any. Earnings may be used to provide benefits and/or offset the administrative expenses noted above.

## **VI. HOW YOUR BENEFITS ARE DETERMINED**

You are eligible for the Vacation Benefits and/or Holiday Benefits discussed below for each Contract Year in which you satisfy the requirements listed below. Your eligibility is re-determined each Contract Year, October 1 – September 30. In other words, earning a benefit in one Contract Year does not mean that you necessarily will be entitled to benefits in any other year.

**Holiday Benefits.** You will be eligible to receive holiday benefits for the Holidays that occur during the Contract Year that ends within the current Plan Year if you receive credit for at least 800 Hours of Service during the Contract Year. Holiday benefits are calculated by multiplying eight hours, times the number of Holidays, times your straight time rate of pay determined under the collective bargaining agreement at the time of distribution of holiday benefits.

**Vacation Benefits.** You will be eligible to receive vacation benefits in accordance with the following rules. Vacation benefits are calculated by multiplying the number of Vacation Benefit Hours awarded under the schedule below, times your straight time rate of pay determined under the collective bargaining agreement at the time of distribution of vacation benefits.

Hours of Service During Contract Year Ending Within Current Plan Year	Required Qualifying Years	Vacation Benefit Hours
675 or more, but less than 1,100	Zero	40
1,100 or more, but less than 1,300	Zero	80
At least 1,300	Two of the immediately preceding three Contract Years	120
At least 1,300	Five of the immediately preceding six Contract Years	160
At least 1,500	Ten of the immediately preceding twelve Contract Years	240

**Qualifying Years.** A “Qualifying Year” is a Contract Year during which you are credited with at least 675 Qualifying Hours. A “Qualifying Hour” is any hour that is either: (1) an Hour of Service; or (2) credited to you under one or more of the following Special Crediting Rules:

**Special Crediting Rules**

(a) Employees who are unable to work in all or part of the qualifying years by reason of (1) sickness, injury, or disability which qualifies them for workmen’s compensation, and (2) whose absence from the industry as unable to work has been certified by the standards established by the Steamship Trade Association, shall receive credit toward computation of vacation eligibility at the rate of twenty (20) hours per week during such sickness, injury, or disability, or during the period workmen’s compensation is received up to 400 Qualifying Hours for the applicable Contract; however, you will be credited with Qualifying Hours only to the extent necessary to receive 675 Qualifying Hours. In accordance with the above, Employees shall receive credit toward vacation eligibility for the periods during which benefits are received from the STA-ILA Benefits Fund up to a maximum of 675 hours.

(b) You will receive credit at the rate of 20 Qualifying Hours per week during the period of time you are actually serving in the Armed Services of the United States in a Contract Year provided that: (i) you established initial participation by earning at least 250 Hours of service in the Contract Year in which you are seeking military service credit in accordance with USERRA. (ii) you had Qualifying Hours in each of the Contract Years used for computation of vacation eligibility preceding your induction into the Armed Services; (iii) you were unable to qualify for vacation pay benefits by reason of such service in the Armed Forces; (iv) you were not dishonorably discharged from the Armed Services; and (v) you returned to the longshore industry within the federally-required time period following your release from active duty.

(c) Full-time Union officers for whom the Union makes contributions to the Jointly Administered Plans and Union members or former members who are employees of the Jointly Administered Plans will be given credit at the rate of one Qualifying Year for each year that they have such status.

## VII. PAYMENT OF BENEFITS

**Holiday Benefits.** Holiday benefits will be payable as soon as practicable following the end of each Plan Year.

**Vacation Benefits.** Vacation benefits will be payable as soon as practicable following the end of each Calendar Quarter.

## VIII. DISTRIBUTION

**Cash Payments.** All benefits that you earn under the Plan will be paid to you in one or more cash lump-sum payments.

**Benefit Information.** It is important to keep the Plan Administrator constantly informed as to the current addresses of you and your beneficiaries, because only in that way can the Plan Administrator be sure of proper distribution of any amounts which may become payable under the Plan.

**Designation of Beneficiary.** Each Participant shall name in writing the beneficiary who shall receive the Participant's benefits upon his death. The form may be the Vacation and Holiday Fund's own form or may be the beneficiary named by the Participant on the form used by the STA-ILA Benefits Fund.

**Change in Beneficiary.** The Participant may change a beneficiary at any time by signing and filing a new designation with the Trustees. If no beneficiary is named or the beneficiary so named is deceased, distribution will be made to the Estate of the deceased Participant. Any beneficiary claiming a payment shall file a signed application for the payment together with proof of the death of the Participant.

## IX. KEY DEFINITIONS

At various points in this Summary Plan Description, you have come across certain specifically defined terms which are critically important in determining your entitlement to Plan benefits.

**Joint Board of Trustees or Board.** The Joint Board of Trustees is the named fiduciary of the Plan. The contact information for the Board is provided below under the heading "PLAN INFORMATION".

**Contract Year.** The 12-month period beginning on October 1 and ending on September 30.

**Employers.** Each time the word "Employer" is used in the Summary Plan Description, you should take it to mean your employer(s) that are subject to the collective bargaining agreement. You receive equal credit for service without regard to which of the Employers you work for, and a shift from one Employer within the group to another does not result in a termination of employment.

**Holidays.** The sixteen holidays listed in the Appendix.

**Hours of Service.** Each hour of paid working time or paid non-working time, as provided under the collective bargaining agreement. Overtime hours are counted as one hour, regardless of rate of pay. Hours of Service are determined from payroll records.

**Jointly Administered Plans.** Each of the following plans which cover Union members: (1) the STA-ILA Pension Fund, (2) the STA-ILA Benefits Fund, (3) the STA-ILA Severance and Annuity Fund and (4) the STA-ILA Container Royalty Fund.

**Plan.** The STA-ILA Vacation and Holiday Fund.

**Plan Year.** A "Plan Year" is the twelve month period beginning January 1 and ending December 31.

**Qualifying Hour.** Defined under the heading "HOW YOUR BENEFITS ARE DETERMINED".

**Qualifying Year.** Defined under the heading "HOW YOUR BENEFITS ARE DETERMINED".

**STA.** Defined in the INTRODUCTION.

**Union.** The International Longshoremen’s Association (AFL-CIO) and its affiliated Locals 953, 333, 1429 and 2066.

**Vacation Benefit Hours.** The number of hours provided in the column labeled “Vacation Benefit Hours” under the heading “HOW YOUR BENEFITS ARE DETERMINED”.

## **X. CLAIMS PROCEDURE**

### **Initial Claim**

If you think you have a problem regarding your Plan benefits, you may file a written claim under the Plan’s claims procedure. For example, you may feel that you are entitled to a benefit that has not been paid, or that the benefit you are receiving has not been paid under terms or in an amount with which you are in agreement. Your claim must state the specific reason(s) why you believe you are entitled to the benefit, or why you disagree with the terms or amount of the benefit, and must be delivered to the Plan Administrator (at the address shown under the heading “PLAN INFORMATION” unless a different address is provided).

Your claim will be given full and fair consideration, and the decision will be made in accordance with governing Plan documents and after taking steps to assure that the Plan provisions are applied in a manner that is consistent with the way other similar claims (if any) have been treated in the past.

Unless it is determined that your claim is to be resolved in accordance with your wishes as set forth in the claim, the Plan Administrator will provide you with a written or electronic notice of the adverse determination, setting forth: (i) the specific reason(s) for the denial, (ii) specific reference to pertinent Plan provisions on which the denial is based, (iii) a description of any material or information necessary for you to perfect your claim and an explanation of why such material or information is necessary, and (iv) an explanation of the Plan’s appeal procedure (including applicable time limits and a statement that, if your claim is adversely decided on appeal, you may bring a civil action under Section 502(a) of ERISA).

The adverse determination notice will normally be provided to you within a reasonable time (but not more than 90 days) after your claim has been received. However, in special circumstances requiring an extension, the 90-day period may be extended (for not more than an additional 90 days unless you agree), if the Plan Administrator gives you written notice before the end of the initial 90-day period, setting forth the reason(s) for the extension and the estimated decision date. If the extension notice indicates that the extension is needed because you have not provided information necessary to decide your claim, and the notice asks for that information, the time limit on the extension does not begin to run until you have provided the requested information.

### **Appeal**

If you have received an adverse determination notice, and you still feel that your claim has not been properly decided, then, for a period of 180 days following the date on which you received the notice, you may appeal the denial by submitting to the Plan Administrator a written request for review. You may submit written comments, documents, records and other information relating to your claim (regardless of whether such information was submitted or considered in arriving at the initial adverse determination). Upon request, you will be provided (free of charge) with reasonable access to, and copies of, all documents, records and other information *relevant* to your claim. (An item is relevant only if: (i) it was relied upon in making the initial claim determination, or (ii) it was submitted, considered or generated in the course of actually making the initial claim determination, or (iii) it demonstrates compliance with the requirement that claim determinations be made in accordance with the applicable Plan provisions consistently applied).

Your appeal will be given full and fair consideration, taking into account all comments, documents, records and other information you submitted. The Board of Trustees will consider your appeal at the next regular meeting following receipt of the appeal, unless there are special circumstances, such as the need to hold a hearing, in which case the Board of Trustees will decide the case at its next regular meeting. If your appeal is received less than 30 days before

the next scheduled Board of Trustees meeting, the Board of Trustees will decide the case at the second scheduled meeting, or, if there are special circumstances, the third meeting after the appeal is received. If the Board of Trustees requires an extension of time to make its decision, you will receive a notice describing the reason(s) for the extension and an expected date of decision.

If the extension notice indicates that the extension is needed because you have not provided information necessary to decide your appeal, and the notice asks for that information, the time limit on the extension does not begin to run until you have provided the requested information.

Regardless of whether or not the decision on appeal is in your favor, you will be given written or electronic notice of the decision within 5 days of the decision. If the decision is adverse to you (*i.e.*, not what you asked for), the notice will: (i) state the specific reason(s) for the adverse determination, (ii) reference the specific plan provisions on which the determination is based, (iii) advise you of your right to bring a civil action under Section 502(a) of ERISA, and (iv) state that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to your claim. A decision by the Board of Trustees is final and binding.

If the Board's decision on appeal is not in your favor, you have the right to bring a civil lawsuit against the Plan under Section 502(a) of ERISA. Under the terms of the Plan, any such civil lawsuit must be commenced no later than one year from the date of a written notification of the Board's decision on appeal.

### **General**

The Board of Trustees has the power, in its sole and absolute discretion, to interpret the Plan, resolve inconsistencies and ambiguities in the Plan and determine, among other things, questions of eligibility and participation. The Board of Trustees may delegate its authority to make initial determinations on claims for benefits to the Plan Administrator (as identified under the heading "PLAN INFORMATION"). You will be informed if that is the case. Upon such a delegation, the Plan Administrator will make the initial decision on your claim. If the Plan Administrator approves your claim, it will be presented to the Board of Trustees for ratification. If the Plan Administrator does not approve your claim, you will receive written notification of the denial and your right to appeal such denial in accordance with the rules provided above.

## **XI. CHANGES IN THE PLAN**

Conditions could require that the Plan be modified, suspended or terminated, and the Joint Board of Trustees reserves the right to do so. The Board also reserves the right to amend the Plan in any manner.

All benefits and other provisions of the Plan (and everything contained in this Summary Plan Description) are subject to, and to any change in, ERISA, the Internal Revenue Code and other federal laws and regulations. It frequently happens that there is a delay between the effective date of a change in the law or regulations and the date the Plan or this Summary Plan Description is amended to comply with the change; in such event, the amendment will be retroactive to the effective date of the change and the Plan will be operated in conformity with the change during the interim period. For this reason, you should ask whether there are any recent changes before you make any important decision or election involving your participation in the Plan.

## **XII. TAX EXEMPT STATUS**

The Plan has been established for the benefit of the Participants under section 501(c)(9) of the Internal Revenue Code. By the same token, however, the Trust Fund is the sole source to which Participants may look for Plan benefits. The Joint Board of Trustees do not guarantee the Trust Fund against losses, or the payment of benefits by the Trust Fund, nor can the Board of Trustees guarantee qualified, tax-exempt status of the Plan and trust or that contributions or benefits will be subject to any particular tax consequences, or that the laws and regulations upon which the Plan is structured will not be changed in a manner that adversely affects Participants or their benefits under the Plan.

Although, in general, your benefits under the Plan are not subject to the claims of your creditors, there are exceptions such as federal tax claims and certain court orders for alimony, child support, and similar obligations. Participants and beneficiaries can obtain, without charge, a copy of procedures governing qualified medical child support order (QMCSO) determinations from the Plan Administrator.

### **XIII. SUMMARY PLAN DESCRIPTION**

This booklet - the Summary Plan Description - provides the Plan of Benefits under the Vacation and Holiday Fund. There are other plan documents, such as the Agreement and Declaration of Trust governing the Vacation and Holiday Fund. If you have any questions regarding provisions of this Summary Plan Description or other governing documents, please contact the Plan Administrator.

### **XIV. ERISA RIGHTS**

As a Participant in this 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 shall be entitled to:

**Receive Information About Your Plan and Benefits** - Examine, without charge, at the Plan Administrator's office and at other specified locations 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 Benefits Security Administration.

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and 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.

**Prudent Actions 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 Plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so 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 benefit under the Plan or exercising your rights under ERISA.

**Enforce Your Rights** - If your claim for a benefit under the Plan 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. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in 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 these costs and fees. If you lose, the court may order you to pay these costs and fees if, for example, it finds your claim was 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.

**XV. PLAN INFORMATION**

Plan Sponsor:

Joint Board of Trustees of the STA-ILA Locals Vacation and Holiday Fund  
6610 Tributary Street  
Baltimore, MD 21224

Federal Employer Identification Number: 27-3004934

Plan Number: 501

Plan Administrator:

Joint Board of Trustees  
c/o Stephen Lukiewski, Administrator  
6610 Tributary Street  
Baltimore, MD 21224  
Phone: 410-633-9330

Union Trustees

Scott Cowan  
Michael Coe  
Richard P. Krueger, Jr  
John Leichling  
Charles Markowski

Employer Trustees

Michael Angelos  
Morgan "Trip" Bailey  
Michael Curran  
Bayard Hogans  
Doug Wolfe

Agent for Service of Legal Process:

Stephen Lukiewski, Administrator  
STA-ILA Vacation and Holiday Fund  
6610 Tributary Street  
Baltimore, MD 21224

Plan Year: January 1 - December 31

## Appendix

New Year's Day  
Martin Luther King, Jr.'s Birthday  
Lincoln's Birthday  
Washington's Birthday  
Thomas W. Gleason's Birthday  
Good Friday  
Decoration Day  
Fourth of July  
Labor Day  
Defenders Day  
Columbus Day  
Veterans Day  
Thanksgiving Day  
Christmas Eve  
Christmas Day  
New Year's Eve