

**Steamship Trade Association of
Baltimore, Incorporated**

**International Longshoremen's
Association**

Severance and Annuity Fund

Summary Plan Description

Amended and Restated

July 1, 2021

STA-ILA SEVERANCE AND ANNUITY FUND
Holabird Business Park
6610 Tributary Street
Baltimore, Maryland 21224-6514
(410) 633-9311
www.stailafunds.com

BOARD OF TRUSTEES

Union Trustees

Michael Coe
Scott Cowan
Michael Cross
Christopher Kimble
David Konig
Richard P. Krueger, Jr.
Timothy Krajewski
Troy Nilson
John Shade

Employer Trustees

Morgan Bailey
Mauro Dal Bo
Bayard Hogans
David P. Hartman
Mark Schmidt
Bill Wade
Gregory Waidlich
Douglas Wolfe

Co-Administrators

Richard P. Wohlfort, Jr.
Richard P. Krueger, III

Legal Counsel

Abato, Rubenstein & Abato, P.A.
The Law Offices of Michael J. Collins, P.C.

Consultants and Actuaries

Segal

STA-ILA SEVERANCE AND ANNUITY FUND
Holabird Business Park
6610 Tributary Street
Baltimore, Maryland 21224-6514
(410) 633-9311
www.stailafunds.com

July 1, 2021

TO ALL PARTICIPANTS:

We are pleased to provide this Summary Plan Description (“SPD”) describing the provisions of the Steamship Trade Association of Baltimore, Incorporated - International Longshoremen’s Association Severance and Annuity Fund (“STA-ILA Severance and Annuity Plan” or “Severance and Annuity Plan” or “Plan”). This SPD is intended to describe the benefits in effect as of July 1, 2021. For retirements, withdrawals, or terminations of employment, and deaths prior to July 1, 2021 please refer to the SPD then in effect.

As Trustees of your Plan, we are charged with overseeing the operation of the Plan and for keeping its provisions up to date with current laws as well as the needs of Plan Participants. This SPD reflects such changes. The Plan is operated and maintained in order to continue to qualify for favorable tax treatment with the Internal Revenue Service (IRS).

We urge you to read this SPD carefully. It summarizes the main features of your Plan. Please understand, however, that no general explanation can give you every detail of the Plan. In all cases where a conflict or doubt occurs regarding Plan provisions, the official STA-ILA Severance and Annuity Plan Document is the final authority.

We suggest that you share this SPD with your spouse or beneficiary and keep it in a safe place for future reference. You can also download a copy of this SPD at the Plan’s website at www.stailafunds.com. We encourage you to visit the Severance and Annuity Plan website where you can find information about your benefits, forms (such as applications, change of address forms, and beneficiary designation forms), and important contact numbers.

If you have any questions about the Plan or desire any additional information, please contact the Co-Administrators at (410) 633-9311 or visit www.stailafunds.com.

Sincerely,

BOARD OF TRUSTEES

Table of Contents

	PAGE
Important to Remember	4
Introduction	5
Life Events.....	6
If You Marry	6
If You Divorce or Legally Separate	6
If You Stop Working in Covered Employment.....	7
If You Retire	7
If You Continue Working Beyond Normal Retirement Age.....	7
If You Enter the Armed Forces	8
If You Die Before Retirement.....	8
If You Die After Retirement	9
How the Plan Works	10
Employer Contributions.....	10
Rollover Contributions.....	10
Individual Accounts	11
Trust Fund.....	11
Investments	11
Value of Individual Account.....	11
Investment Yield of Individual Account.....	11
Eligibility, Participation, and Vesting	13
Eligibility and Participation	13
Vesting	13
Service in the Uniformed Services.....	13
Payment of the Accumulated Share.....	14
Distribution of Your Accumulated Share upon Termination of Employment or Death.....	14
Automatic Payment Form	14
In-Service Distribution of Your Accumulated Share	14
Death Benefit	15
Your Beneficiary.....	15
Taxes	15
Mandatory Commencement of Benefits.....	15
Applying For Benefits	17
Filing a Claim/Making Application	17
Board of Trustees Discretion	17
Claim and Appeal Procedures.....	18
Filing A Claim For Benefits.....	18
Board of Trustees Discretion	18
Decision of Board of Trustees on Appeal Final and Binding, Subject Only to Judicial Review	18
One Year to Bring Civil Lawsuit if Appeal Denied	18
Calculating Time Periods.....	18
Right to an Authorized Representative in Filing a Claim or Appeal.....	19
Notice of Denied Claim	19
Extensions	19
Appeal.....	19
Notice of Decision on Appeal	20
Miscellaneous Information	21

Selling, Assigning or Pledging Benefits.....	21
Rights of a Former Spouse.....	21
Direct Rollovers.....	21
Contribution Limitations.....	22
General Information	23
Name of Plan.....	23
Plan ID Numbers and.....	23
Plan Year.....	23
Type of Plan.....	23
Agent for Service of Legal Process.....	24
Plan Administration, Sources of Contributions, and Funding.....	24
Collective Bargaining Agreements	24
Plan Termination.....	24
Named Fiduciary Under ERISA	25
No Assignment of Benefits	25
Governing Law	25
Savings Clause	25
Titles	25
Construction of Words	25
Pension Benefit Guaranty Corporation	25
YOUR ERISA RIGHTS.....	26
Board of Trustees	28

Important to Remember

- Save this SPD. Put it in a safe place.
- Tell your family, particularly your spouse, about this SPD and where you keep it filed.
- You can download a copy of this SPD at www.stailafunds.com.
- If you leave employment covered by the Plan to go into military service, you may be entitled to credit for that time, provided you meet the requirements of the applicable federal laws.

Introduction

The STA-ILA Severance and Annuity Plan was established as the result of the collective bargaining agreements between the Steamship Trade Association of Baltimore, Incorporated (“STA”) and the International Longshoremen’s Association (“ILA”). It is financed solely by employer contributions. Employees do not contribute to the Plan.

The STA-ILA Severance and Annuity Plan is administered by a Board of Trustees, half of which are designated by the Union and half by the Employers. They serve without compensation. The Severance and Annuity Plan is a separate trust fund for the purpose of paying the benefits provided under the Plan, which is a multiemployer defined contribution pension plan. The Internal Revenue Service has determined that the Plan meets the requirements of the Internal Revenue Code.

Please note that the information presented is for informational purposes only and does not constitute legal, tax, or investment advice. You should discuss any issues you may have with your legal, tax, and other advisors before making determinations and decisions about your specific situation.

Life Events

The STA-ILA Severance and Annuity Plan has been designed to adapt to the different stages of your life. However, your benefit may be affected when certain “life events” occur. You or one of your dependents should contact the Fund Office by calling 410-633-9311 if you experience any of the following life events:

- You get married
- You get divorced or legally separated
- You stop working in covered employment
- You retire
- You continue working beyond Normal Retirement Age
- You enter the armed forces
- You die before retirement
- You die after retirement

If You Marry

If you get married, your spouse is automatically your beneficiary for your Severance and Annuity Plan benefits. That means that if you die before receiving a distribution of your Individual Account balance, your spouse will be eligible to receive your balance (if any) as a lump-sum payment.

The Plan defines spouse as a same or opposite-sex person to whom you are legally married.

If you want to designate a beneficiary (or beneficiaries) other than your spouse, your spouse must consent to the new beneficiary designation in writing. Contact the Fund Office for the proper form.

If you do not name a beneficiary or if your designated beneficiary or beneficiaries die before you, the death benefit will be made to your spouse. If there is no spouse, the benefit will be paid to your estate.

If You Divorce or Legally Separate

If you divorce or legally separate, you should contact the Fund Office. You may wish to change your designated beneficiary in the event of a divorce.

QDROs

The Plan may be required to pay benefits to your ex-spouse or children if you divorce. This can happen if directed by a Qualified Domestic Relations Order (QDRO). A QDRO is a legal

judgment, decree, or order that may give another party a right to all or some of your Individual Account balance. You may obtain a copy of the Plan's QDRO procedures from the Fund Office.

If You Stop Working in Covered Employment

If you stop working for an employer who contributes to the Severance and Annuity Plan on your behalf for six (or more) consecutive months and you have permanently withdrawn from employment within the jurisdiction of the Union, you are eligible to receive a distribution of your Individual Account balance. Contact the Fund Office for an application.

If You Retire

You are eligible to receive a distribution of your Individual Account when you retire. You are eligible for retirement under the Plan if you:

- Stop working on or after you reach age 62; or
- You begin receiving your pension from the STA-ILA Pension Plan.

To apply for your benefit, contact the Fund Office for an application. Once the Trustees have the information they need, you will be eligible to receive a lump-sum distribution of your Individual Account balance. If your balance is \$1,000 or less, you may receive a distribution without having to apply.

If you apply for a distribution of your Individual Account but your claim is denied, you will have an opportunity to appeal the decision. Refer to the Claim and Appeal Procedures section beginning on page 18 of this Summary Plan Description for details.

Paying Taxes on Your Distribution

When you receive a distribution, the amount you receive will be subject to federal income tax and possibly state income tax. You may be able to elect special favorable tax treatment for the distribution or to postpone taxes on the distribution by making a rollover to an individual retirement account ("IRA") or another qualified plan.

If You Continue Working Beyond Normal Retirement Age

You may request a distribution of all or part of your Individual Account balance in a lump-sum payment even if you are still working if:

- you are at least 65 years of age; and
- you have not reached your "Required Beginning Date."

Your "Required Beginning Date" is the date upon which you must receive distributions of your Individual Account balance.

If you reached age 70½ before January 1, 2020 (that is, you were born before July 1, 1949), your Required Beginning Date is the April 1 following the calendar year in which you reach age 70½. If you reach age 70½ on or after January 1, 2020 (that is, you were born on or after July 1, 1949),

your Required Beginning Date is the April 1 following the calendar year in which you reach age 72.

To apply for a distribution, contact the Fund Office. You may request an in-service distribution no more than once in a Plan Year and may receive no more than one in-service distribution from your Individual Account balance in a Plan Year.

If you have reached your Required Beginning Date and have not retired, you are required under federal law to receive at least a portion of your Individual Account balance, which is referred to as a “minimum required distribution” or “MRD.” The MRD is not eligible for rollover into an individual retirement account. You will have the option to receive your entire Individual Account balance at this time, if you choose. You will continue receiving a MRD each year you remain in employment. Any such year you may elect to receive an amount greater than the MRD amount. Any amount that you receive that is in excess of the MRD is eligible to be rolled over to another eligible plan. Once you terminate employment after reaching your required beginning date, you must continue to receive your MRDs.

If you move, keep in touch! Be sure to contact the Fund Office at (410) 633-9311 to make sure the address information on file is accurate.

If You Enter the Armed Forces

If you leave covered employment to go into military service, you may be entitled to credit for that time, provided you meet the requirements of the applicable federal laws. Contact the Fund Office for information.

If You Die Before Retirement

The Plan provides a death benefit for your beneficiary if you die before receiving a distribution.

If you die before you have received a distribution, your Individual Account balance (if any) will be paid to your beneficiary in the form of a lump-sum payment. If your Individual Account balance equals \$1,000 or less, the death benefit may be paid automatically to your beneficiary in a lump sum even if your beneficiary does not file an application for benefits.

If You Die While Serving in the Military

If you die while performing qualified military service, your beneficiary (or, if no designated beneficiary is on file, your estate) is entitled to any pre-retirement death benefits or additional benefits (other than additional accruals) provided under the Plan as if you had resumed employment immediately prior to your death and then terminated employment on account of death.

If Your Beneficiary Dies

If your beneficiary dies before you retire, be sure to contact the Fund Office for a new Beneficiary form so that you may elect a new beneficiary for your death benefit.

If You Die After Retirement

If you die after having received a full distribution of your Individual Account, no further benefits are payable to your beneficiary from the Severance and Annuity Plan.

How the Plan Works

The Severance and Annuity Plan is a collectively bargained multiemployer profit sharing defined contribution plan.

Employer Contributions

Benefits under the Severance and Annuity Plan are funded by contributions from Contributing Employers who are obligated to make such contributions to the Plan pursuant to a Collective Bargaining Agreement (“Collective Bargaining Agreement”) by and between the Steamship Trade Association of Baltimore, Incorporated (“STA”) and the International Longshoremen’s Association (“ILA” or “Union”) or pursuant to a Participation Agreement (“Participation Agreement”).

Contributions may be made by an Employer for time during which you receive temporary total or temporary partial disability due to an occupational injury or disease.

Rollover Contributions

Except for rollover contributions, employee contributions to the Severance and Annuity Plan are not permitted. You can make a rollover contribution by either your contributing the amount of any eligible rollover distribution you receive from another qualified plan or by a direct rollover of any eligible rollover distribution from the trustee of another qualified plan. If you contribute an eligible rollover distribution yourself, you must do so within 60 days following the distribution. The Plan will only accept rollover contributions of pre-tax amounts; after-tax contributions will not be accepted. An “eligible rollover distribution” is any distribution from a qualified retirement plan except:

- any of a series of substantially equal distributions paid at least once a year over:
 - your lifetime or life expectancy;
 - the joint lives or life expectancies of you and your beneficiary; or
 - a period of 10 years or more;
- a required minimum distribution;
- hardship distributions;
- corrective distributions of excess contributions or excess deferrals, and any income allocable to the excess, or of excess annual additions and any allocable gains;
- a loan treated as a distribution because it does not satisfy certain requirements either when made or later (such as upon default), unless the participant's accrued benefits are reduced (offset) to repay the loan;
- dividends on employer securities; and
- the cost of life insurance coverage.

Individual Accounts

An Individual Account is established for each Participant as of the beginning of the Plan Year in which the Plan first receives at least \$2,500 in contributions on your behalf. Contributions received for a Participant are credited to the Participant's Individual Account.

Trust Fund

The assets of the Plan, including the assets allocated to Individual Accounts, and the investment earnings on such assets, are held in a separate trust fund ("Trust Fund" or "Fund") established pursuant to the STA-ILA Annuity Fund Agreement and Declaration of Trust.

Investments

The Trust Fund assets, including the amounts credited to the Individual Accounts, are invested by, and in the sole discretion of, the Trustees (or their designees). Any gain or loss from investments are credited to, or charged against, the Individual Accounts (*see* "Investment Yield of Individual Account" on page 11).

Value of Individual Account

The value of your Individual Account is determined on an annual basis on the last day of the Plan Year (September 30). The date on which your Individual Account is valued is known as the "Valuation Date." The value of your Individual Account on the Valuation Date is the total of the following:

- the balance of your Individual Account as of the previous Valuation Date; plus
- the amount of any investment earnings and losses allocated to your Individual Account as of the previous Valuation Date; plus
- any contributions received from Contributing Employers by the Plan on your behalf since the previous Valuation Date; minus
- the amount of any Plan benefit payments to you since the previous Valuation Date; and minus
- any operating expenses allocated to your Individual Account since the previous Valuation Date.

Any Employer Contributions made on your behalf are credited to your Individual Account as soon as practicable following their receipt.

Investment Yield of Individual Account

The amount of investment earnings and losses allocated to your Individual Account on an annual basis is your proportionate share of investment earnings and losses based on the value of your Individual Account as of the previous Valuation Date, Employer Contributions made to your

Individual Account since the previous Valuation Date, and any withdrawals from your Individual Account since the previous Valuation Date.

Eligibility, Participation, and Vesting

Eligibility and Participation

You are eligible for participation in this Plan as of the beginning of the Plan Year in which \$2,500 has first been contributed to the Plan for your work with a Contributing Employer(s) whose Collective Bargaining Agreement or Participation Agreement requires contributions to the Plan on the basis of your employment with such Employer(s). Once you have become eligible to participate, an Individual Account will be established.

Vesting

The amount of money credited to your Individual Account is known as your Accumulated Share. Once you begin participation in the Severance and Annuity Plan and have an Individual Account, you have a non-forfeitable right to your Accumulated Share. However, if the value of your Accumulated Share is less than \$25 as of any Valuation Date following your termination of employment or otherwise becoming eligible for a distribution, your Accumulated Share shall be forfeited and returned to the Trust.

Service in the Uniformed Services

You will receive contributions to the Plan on your behalf for periods of qualified military service as required under the Uniformed Services Employment and Reemployment Rights Act of 1994 and Internal Revenue Code Section 414(u). If you die while performing qualified military service, your beneficiary is entitled to any pre-retirement death benefits or additional benefits (other than additional accruals) provided under the Plan as if you had resumed employment immediately prior to your death and then terminated employment on account of death.

Payment of the Accumulated Share

The amount of any benefit payable to you under the Plan is your Accumulated Share.

The value of your Accumulated Share is equal to the value of your Individual Account as of the last Valuation Date credited with any additional contributions since the last Valuation Date and reduced by any operating expenses assessed but not yet charged to your Individual Account.

Your Accumulated Share may be paid to you only after the Trustees approve your application for benefits. Distribution of your Accumulated Share will be made as provided below.

Distribution of Your Accumulated Share upon Termination of Employment or Death

Your Accumulated Share is payable when you retire under the Plan. You are eligible for retirement under the Plan upon:

- termination of employment on or after attainment of age 62, or
- receipt of any pension from the Steamship Trade Association of Baltimore, Incorporated - International Longshoremen's Association Pension Plan.

In addition, your benefit becomes payable under any of the following circumstances:

- your death (*see* page 15, "Death Benefit")
- termination of employment from a Contributing Employer for a period of six (6) or more consecutive months and permanent withdrawal from employment within the jurisdiction of the Union. If you are an Employee not covered by a Collective Bargaining Agreement, your benefit becomes payable at the conclusion of the calendar quarter in which you terminate employment with your Employer who is required to contribute.
- your Minimum Required Distribution (*see* page 15, "Mandatory Commencement of Benefits").

Automatic Payment Form

Your Individual Account balance will be paid in the form of a lump sum payment. Note also, if your Individual Account equals \$1,000 or less for a period of three years, that amount may be paid to you automatically in a lump sum even if you or your beneficiary do not file an application for benefits. (*See* "Direct Rollovers" on page 21.)

In-Service Distribution of Your Accumulated Share

If you are vested and have not terminated employment with your Employer, you may request an in-service distribution of all or part of your Accumulated Share in a lump sum payment provided you are at least 65 years of age and have not reached the April 1st of the calendar year next

following year in which you attain age 70½ if you were born before July 1, 1949 or 72 if you were born after June 30, 1949. You may make the request for the in-service distribution by filing a written application with the Fund Office. You may request an in-service distribution no more than once in a Plan Year and may receive no more than one in-service distribution from your Accumulated Share in a Plan Year.

Death Benefit

In the event of your death, your Accumulated Share (if any) will be paid to your beneficiary in the form of a lump sum payment. If your Accumulated Share equals \$1,000 or less, the death benefit may be paid automatically to your beneficiary in a lump sum even if your beneficiary does not file an application for benefits. (See “Direct Rollovers page21).

Your Beneficiary

You may designate a beneficiary or beneficiaries to receive a death benefit (as described above) on a form provided by the Trustees and delivered to the Trustees before your death.

If you are married and wish to designate a beneficiary or beneficiaries other than your spouse, such designation is not effective unless your spouse consents to such election in writing and consents in writing to any change you make in your designated beneficiary or beneficiaries. If you fail to name a beneficiary or if your designated beneficiary or beneficiaries die before you, the death benefit will be made in the following order: your spouse on your date of death or if none, to your estate.

Taxes

The money in your Individual Account is not considered taxable income to you until you actually receive a distribution of your benefit. When you receive a distribution of the money in your Individual Account, such payment(s) must be reported as taxable income. To actually determine the tax consequences of any payments you receive, discuss your particular circumstances with your tax advisor.

Mandatory Commencement of Benefits

You must begin to receive distributions of your Individual Account balance by your “Required Beginning Date,” even if you are still working. This is referred to as a Minimum Required Distribution.

If you reach 70½ before January 1, 2020 (that is, you were born before July 1, 1949), your Required Beginning Date is the April 1 of the year following the year in which you reach age 70½. If you reach 70½ on or after January 1, 2020 (that is, you were born on or after July 1, 1949), your Required Beginning Date is the April 1 of the year following the year in which you reach age 72.

If you have reached your Required Beginning Date and have not retired, federal law requires that you receive at least a portion of your Individual Account balance, which is not eligible for a rollover into an individual retirement account or other plan. (See “Distribution of Your Accumulated Share” on page 14.) You will have the option to receive your entire balance or any amount in your account in excess of the required amount at this time. You will continue to receive a Minimum Required Distribution each year you remain in employment.

Applying For Benefits

Filing a Claim/Making Application

If you retire or terminate participation in the Plan, you should request an application from the Fund Office to request payment of your Individual Account balance. Payment cannot be made until an application is received by the Fund Office (along with any information or proof requested and reasonably required for processing of the claim) and approved by the Trustees, unless the value of your Individual Account is \$1,000 or less, in which case it may be automatically distributed in a lump sum without any application for benefits (*see* above).

Your written application constitutes a claim for benefits. See the Claim and Appeal Procedures below at page 18.

Board of Trustees Discretion

The Board of Trustees has the full and exclusive authority and discretion to determine all questions of coverage, eligibility for and entitlement to benefits, methods of providing or arranging for benefits, and other related matters.

Claim and Appeal Procedures

Filing A Claim For Benefits

You must file a written application for benefits with the Fund Office on an application form that will be provided to you by the Fund Office upon your request.

Board of Trustees Discretion

The Board of Trustees has full and exclusive authority and discretion to determine all questions of coverage, eligibility, and entitlement to benefits, methods of providing or arranging for benefits, and other related matters. The Board of Trustees has delegated its authority to make the initial determination on claims for benefits to the Co-Administrators. As such, the Co-Administrators will make the initial decision on your claim. If the Co-Administrators approve your claim, your claim will be presented to the Board of Trustees for them to ratify and affirm the favorable decision of the Co-Administrators. If the Co-Administrators do not approve your claims, you will receive written notification of the denial and your right to appeal such denial to the Board of Trustees. For a description of the appeal process, *see* “Claim and Appeal Procedures” below.

Decision of Board of Trustees on Appeal Final and Binding, Subject Only to Judicial Review

The decision of the Board of Trustees or its delegate on your appeal (or of the Co-Administrators on your claim if you have waived your right to appeal) is final and binding upon all parties, including you and any other person claiming under your application, claim, or appeal, subject only to judicial review. The provisions of this section of the SPD apply to and include any and every claim to benefits from the Plan or Fund, and any claim or right asserted under the Plan or against the Fund, regardless of the basis asserted for the claim, regardless of when the act or omission upon which the claim is based occurred, and regardless of whether or not the claimant is a “Participant” or “Beneficiary” of the Plan within the meaning of those terms as defined in the Employees Retirement Income Security Act of 1974 (ERISA).

One Year to Bring Civil Lawsuit if Appeal Denied

If the Trustees deny your appeal, 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 civil action brought under Section 502(a) of ERISA against the Plan in connection with the denial of your claim or appeal must be commenced no later than one year from the date of a written notification that the Trustees have denied your appeal.

Calculating Time Periods

The period of time within which a decision on a claim or an appeal is required to be made begins at the time your claim or appeal is filed in accordance with the Plan’s procedures, without regard

to whether all relevant information necessary to make a claim or appeal decision accompanies the filing. In the event that the Plan extends the decision-making process on your claim or appeal due to your failure to submit information necessary to decide your claim or appeal, the period for deciding your claim or appeal will be suspended from the date on which the extension notification is sent to you until the date on which you respond to the request for additional information.

Right to an Authorized Representative in Filing a Claim or Appeal

If you wish, you can appoint an authorized representative to act on your behalf for the purposes of filing a claim and/or an appeal of a denied claim. You also can simply choose to represent yourself. If you wish to use an authorized representative, you must notify the Fund Office in advance in writing of the name, address, and phone number of the authorized representative.

Notice of Denied Claim

If your claim for benefits is denied, in whole or in part, the Co-Administrators will give you written notice of the denial within 90 days after they receive your claim. This notice will specify the reason(s) for the denial, the sections of the Plan on which the denial is based; any additional material or information needed to perfect your claim and an explanation why such material or information is necessary; a general description of the Plan's appeals procedures and the time limits applicable to such procedures; and a statement of your right to bring a civil action under Section 502(a) of ERISA following a denial of your claim on appeal.

Extensions

The decision-making process on your claim may be extended by the Plan for up to an additional 90 days from the end of the initial 90-day period, provided that the Co-Administrators determine that special circumstances require the extension and provide you, prior to the end of the initial 90-day period, with a written notice of the extension, the special circumstances requiring an extension, and the date by which they expect to render a decision on your claim.

Appeal

If your claim is denied in whole or part, you may file a written appeal with the Co-Administrators. If you wish to file an appeal, you must file it in writing with the Fund Office no later than 60 days after you receive notice of a denial of your claim for benefits. Your appeal must state in clear and concise terms your reason(s) for disputing the denial and must be accompanied by any pertinent documents not already furnished to the Plan. You may submit as part of your appeal written comments, documents, records, and other information relating to your claim for benefits.

Upon request to the Fund Office, you will be provided with reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits free of charge. A document, record, or other information is "relevant" if it: (1) was relied upon in deciding your claim; (2) was submitted, considered, or generated in the course of deciding your claim, without regard to whether it was relied upon in deciding your claim; or (3) demonstrates compliance with the administrative processes and safeguards required under federal law.

The Board of Trustees decides all appeals. In considering your appeal, the Board of Trustees will provide an impartial review that takes into account all comments, documents, records, and other

information that you submitted relating to the claim, without regard to whether such information was submitted or considered in the Co-Administrators' initial decision of your claim.

The Board of Trustees will decide your appeal at the next Board of Trustees' meeting after your appeal is received. If your appeal is received within 30 days of the next meeting, the Trustees may delay making a decision until the second meeting after your appeal is received. Under certain circumstances, an additional extension may be given until the third meeting after your appeal is received. If special circumstances warrant this additional extension, you will be notified of the extension in writing describing the special circumstances and the date when the decision will be made.

Notice of Decision on Appeal

You will be notified of the Trustees' decision on your appeal in writing within five days after they make their decision. If your appeal is denied, the notification will include the specific reason(s) for the denial, specific references to the Plan provisions on which the denial was based; a statement that you are entitled to receive, upon request and free of charge, reasonable access to and copies of all relevant documents and information regarding your claim; and a statement describing your right to bring a civil action under Section 502(a) of ERISA following a denial of your claim on appeal.

Miscellaneous Information

Selling, Assigning or Pledging Benefits

Benefits cannot be sold, assigned, or pledged as a security for a loan. Furthermore, benefits are not subject to attachment or execution for the payment of a debt under any judgment or decree of a court or otherwise except as provided for in the following section. If you also serve as a fiduciary of the Plan, your benefits may be offset, within certain limits, to pay damages resulting to the Plan from your breach of fiduciary duty or for damages caused to the Plan by certain other actions.

Rights of a Former Spouse

Any rights of a former spouse or other alternate payee under a Qualified Domestic Relations Order (“QDRO”), with respect to a Participant’s pension, will take precedence over those of any later spouse of the Participant in compliance with a court order. Generally, a domestic relations order is defined as a court decree or order that relates to child support, alimony, or marital property. A domestic relations order may allocate a portion of your assets in the Plan to one or more alternate payees, which could be your spouse, former spouse, child, or other dependent. The term “alternate payee” includes the Participant’s spouse, former spouse, child, or other dependents. The determination of whether a judgment, decree, or order is a “Qualified Domestic Relations Order” is determined by the Board of Trustees in accordance with Section 206(d)(3)(B) of ERISA. If a domestic relations order is received by the Co-Administrators and determined to be a QDRO, all or a portion of your benefits may be used to satisfy the obligation. You may obtain a copy of the Plan’s Qualified Domestic Relations Order procedure from the Plan Co-Administrators upon written request.

Direct Rollovers

If you, your spouse, or other beneficiary receive payment of a pension benefit or a portion of a pension benefit in a single lump sum, you, your spouse, or other beneficiary will be given the opportunity to elect “direct rollover” of such pension amount. You, or your spouse, or other beneficiary, may make such rollover to another eligible employer retirement plan that accepts such rollovers or individual retirement account (IRA) or Roth IRA. Your non-spouse beneficiary may rollover such amount only to an inherited IRA or Roth IRA. You, your spouse, or other beneficiary, if applicable, must complete the appropriate forms and provide the information necessary to transfer the benefit amount. You should contact the Fund Office to elect a direct rollover.

If you, your spouse, or other beneficiary, if applicable, are eligible to make a direct rollover and elect not to do so, the Plan must withhold 20% Federal income tax from your single lump sum payment. The Plan will notify you of your right to make such a direct rollover within the 30 to 180-day period before your benefit payment begins.

Contribution Limitations

The law limits the total annual amount of contributions that may be made to this Plan and any other defined contribution plans maintained by a Contributing Employer on your behalf. The limit for 2021 is the lesser of \$58,000 or 100% of your annual Compensation. This limit may be adjusted periodically by the IRS to reflect changes in the cost of living. If the amount of contributions made on your behalf to your Individual Account exceeds this limit, you will be notified.

General Information

This Section gives you information that you may find useful whenever you have questions about your Plan. It contains names and addresses of people and organizations you may need to contact.

Name of Plan

STA-ILA Severance and Annuity Fund

Plan ID Numbers and

EIN: 52-2035147

Plan number: 001

Plan Year

October 1 through September 30

Type of Plan

The Plan is a collectively bargained multiemployer profit sharing defined contribution plan.

Plan Sponsor

The Board of Trustees of the STA-ILA Severance and Annuity Fund. All communications to the Plan Sponsor should be sent to:

Board of Trustees
STA-ILA Severance and Annuity Fund
Holabird Business Park
6610 Tributary Street
Baltimore, MD 21224-6514

Plan Administrator/Fund Office

Richard P. Wohlfort, Jr., Co-Administrator
Richard P. Krueger, III, Co-Administrator
STA-ILA Severance and Annuity Fund
Holabird Business Park
6610 Tributary Street
Baltimore, MD 21224-6514
Telephone: (410) 633-9311
Fax: (410) 633-9347
www.stailafunds.com

Agent for Service of Legal Process

The Co-Administrators of the Fund, Richard P. Wohlfort, Jr., or Richard P. Krueger, III, have been designated as the agent for the service of legal process and may be served at the Fund Office. Service of legal process may be upon either of the Co-Administrators or upon a Plan Trustee.

Plan Administration, Sources of Contributions, and Funding

The Board of Trustees of the STA-ILA Severance and Annuity Fund administers the day-to-day operations of the Plan.

The Board of Trustees is made up of members designated by the Steamship Trade Association of Baltimore, Inc., whose Employer-members contribute to the Fund, and members designated by the Union. The Employer and Union Board members, as entities, have an equal vote on all matters regardless of the number of members in attendance at a particular Trustees' meeting. The Board of Trustees retains the exclusive discretion and authority to alter the terms, conditions, or benefits of the Plan, and make all decisions regarding interpretations and the application of all Plan provisions.

Employers make all contributions to the Severance and Annuity Fund in accordance with their collective bargaining agreements with the Union. The collective bargaining agreements require contributions to the Severance and Annuity Fund at fixed rates per hour worked. The Administrative Office shall provide you, upon written request, with information as to whether a particular Employer is contributing to this Plan on behalf of employees working under the collective bargaining agreement. In addition, you may obtain a complete list of the Employer and Employee Organizations sponsoring the Plan, which is also available for examination at the Administrative Office.

Benefits are provided from the Fund's assets, which are accumulated under the provisions of the trust agreement and held in a trust fund for the purpose of providing benefits to covered participants and defraying reasonable administrative expenses.

The qualified investment managers chosen by the Trustees of the Plan hold the Fund's assets in custody.

Collective Bargaining Agreements

The Plan is maintained pursuant to one or more Collective Bargaining Agreements. Copies of the Agreements may be obtained upon written request to the Plan Co-Administrator and are available within 30 calendar days after written request is received and directed to the Plan Co-Administrator.

Plan Termination

This Plan is intended to be a permanent program and the Board of Trustees intends to continue the Plan described in this SPD indefinitely. However, the Board reserves the right to terminate, suspend, amend, or modify the Plan in whole or in part at any time. For example, the Trustees may terminate the Plan when there is no longer in effect an agreement between Employers and the Union requiring payments to the Fund. Upon termination of the Plan, the Trustees may apply the assets of the Fund to provide benefits and to defray reasonable expenses or otherwise to carry

out the purposes of the Plan in an equitable manner until the entire remainder of the Fund has been disbursed.

Named Fiduciary Under ERISA

The named fiduciary under the Plan is the Board of Trustees.

No Assignment of Benefits

Benefits cannot be sold, assigned, or pledged as a security for a loan. Furthermore, benefits are not subject to attachment or execution for the payment of a debt under any judgment or decree of a court or otherwise except as provided for in the following section. If you also serve as a fiduciary of the Plan, your benefits may be offset, within certain limits, to pay damages resulting to the Plan from your breach of fiduciary duty or for damages caused to the Plan by certain other actions.

Governing Law

This Plan is created and accepted in the State of Maryland and all questions pertaining to the validity or construction of this Plan and of the acts and transactions of the parties hereto shall be determined in accordance with the laws of the State of Maryland except to the extent preempted by federal law.

Savings Clause

Should any provision of this Plan be held to be unlawful, or unlawful as to any person or instance, such fact shall not adversely affect other provisions of this Plan or the application of any provisions to any other person or instance unless such illegality shall make impossible the functioning of this Plan.

Titles

The title of any Article, Section, or provision of this Plan is for convenience and reference only and is not to be considered in interpreting the terms and conditions of this Plan.

Construction of Words

Any words used in this Plan in the masculine gender shall be construed as though they also are used in the feminine gender in all situations where they would so apply. Any words used in this Plan in the singular form shall be construed as though they also are used in the plural form in all situations where they would so apply, and vice-versa.

Pension Benefit Guaranty Corporation

Because this Plan is a defined contribution plan with individual accounts, your benefits under this Plan are not insured by the Pension Benefit Guaranty Corporation ("PBGC").

YOUR ERISA RIGHTS

As a Participant in the STA-ILA Severance and Annuity Plan, you are entitled to:

Receive Information About Your Plan and Benefits

Examine, without charge, at the Fund Office, 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 Co-Administrators, 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 Co-Administrators may make a reasonable charge for the copies.

Receive a summary of the Plan's annual financial report. The Plan Co-Administrators are 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 (age 62) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve months. The Plan must provide the statement free of charge.

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 employee benefit 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 pension benefit or exercising your rights under ERISA.

Enforce 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 Co-Administrators 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 Co-Administrators. 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. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support 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, 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 Co-Administrators. 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 Co-Administrators, 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.

Board of Trustees

STA-ILA PENSION FUND
Holabird Business Park
6610 Tributary Street
Baltimore, Maryland 21224-6514
(410) 633-9311
www.stailafunds.com

Union Trustees

Richard P. Krueger, Jr.
ILA-ACD Vice President
6610-B Tributary Street
Suite 209
Baltimore, MD 21224-6514

Scott Cowan
ILA Vice President
6610-B Tributary Street
Suite 209
Baltimore, MD 21224-6514

John Shade
ILA Local 953
1521 E. Fort Avenue
Baltimore, MD 21230-5217

Michael Coe
ILA Local 333
6610-B Tributary Street
Suite 300
Baltimore, MD 21224-6514

David Konig
ILA Local 953
1521 E. Fort Avenue
Baltimore, MD 21230-5217

Timothy Krajewski
ILA Local 333
6610-B Tributary Street
Suite 300
Baltimore, MD 21224-6514

Troy Nilson
ILA Local 1429
1128 Hull Street
Baltimore, MD 21230-5237

Michael Cross
ILA Local 333
6610-B Tributary Street
Suite 300
Baltimore, MD 21224-6514

Christopher Kimble
ILA Local 1429
1128 Hull Street
Baltimore, MD 21230-5237

Employer Trustees

Morgan Bailey
Tartan Terminals, Inc.
South Locust Point Terminal
2001 E. McComas Street
South Locust Point Terminal
Baltimore, MD 21230-5018

Mark Schmidt
Ports America Chesapeake, LLC
2200 Broening Highway
Suite 100
Baltimore, MD 21224-6620

Mauro Dal Bo
Mediterranean Shipping Co. (USA) Inc.
2200 Broening Highway
Suite 260

Bill Wade
Ceres Marine Terminals, Inc.
2908 Childs Street
Second Floor
Baltimore, MD 21226-1020

Baltimore, MD 21224-6620
David P. Hartman
STA of Baltimore, Inc.
8615 Ridgelys Choice Drive
Suite 202
Baltimore, MD 21236-3028

Gregory Waidlich
Atlantic Container Lines
2700 Broening Highway
Dunmar Building South
Suite 200b
Baltimore, MD 21222-7388

Bayard Hogans
Ports America Chesapeake, LLC
2200 Broening Highway
Suite 100
Baltimore, MD 21224-6620

Douglas Wolfe
Ceres Marine Terminals, Inc.
2908 Childs Street
Second Floor
Baltimore, MD 21226-1020