Steamship Trade Association of Baltimore, Incorporated

International Longshoremen's Association

Pension Fund

Summary Plan Description

Amended and Restated
October 1, 2021

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

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TO ALL PARTICIPANTS:

We are pleased to present you with this Summary Plan Description ("SPD") describing the most important features of the STA-ILA Pension Plan ("Plan"). This SPD applies only to Participants who retire from employment covered by the STA-ILA Pension Plan on or after October 1, 2021. Except as may be otherwise provided in this SPD, if you retired before October 1, 2021, or if the person to whom you are a beneficiary retired before that date, please refer to the booklet that was effective at the time of retirement.

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 intended to be operated and maintained in order to continue to qualify for favorable tax treatment with the Internal Revenue Service ("IRS").

Please understand that no general explanation can give you all of the details of your Pension Plan. This SPD is intended as a summary only. The Plan Document, not the SPD, is the governing document of the STA-ILA Pension Plan. If there is any conflict or ambiguity between the provisions of this SPD and the provisions of the Plan Document, the provisions of the Plan Document will always control. As such, any numeric examples presented in this SPD are intended to clarify applicable provisions of the Plan, and should not be in any manner construed as a promise or guarantee of a benefit. The Steamship Trade Association of Baltimore, Inc. – Waterfront Guard Association Pension Plan ("STA-WGA Pension Plan") merged into the STA-ILA Pension Fund. Post-merger benefits for former STA-WGA Pension Plan participants will continue to be determined as previously provided under the STA-WGA Pension Plan before the merger, except as may be subsequently modified by the Board of Trustees. A summary of these STA-WGA Pension Plan provisions will be provided as a separate insert to applicable Participants.

Please read this SPD carefully to be certain that you understand all of your rights and obligations under the Plan. You should also share this SPD with your family and keep it in a safe place where they will know where to find it. From time to time, this SPD may be revised, so you should be certain that you have the version that is applicable to your situation.

We believe that this Pension Plan plays an important role in your retirement security and we are proud to be involved in its continued operation. You can also download a copy of this SPD at the Plan's website at www.stailafunds.com. We encourage you to visit the Pension 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

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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.
- If you are leaving the industry after completing five or more years of service, and have worked at least one hour after October 1, 1989, remember that you may be entitled to a Vested Pension, payable when you reach retirement age. In such case, arrangements shall be made to furnish you with a statement of your benefit rights and the Fund shall file a notice with the government so that the Social Security Administration can remind you at a future time of your deferred pension rights under this Plan.
- While this SPD applies only to Participants who retire from employment covered by the STA-ILA Pension Plan on or after October 1, 2021, the eligibility rules for a Disability Pension shall be the Pension eligibility rules in effect at the onset of the qualifying disability as defined in this SPD, while the Pension amount shall be in accordance with the Plan in effect on the date Covered Employment terminated.
- 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 Pension Fund 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 Pension Fund 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 Pension Fund is a separate trust fund for the purpose of paying the benefits provided under the Plan, which is a multiemployer defined benefit pension plan. The IRS has determined that the Plan meets the requirements of the Internal Revenue Code.

LIFE EVENTS

The STA-ILA Pension 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 return to work after retirement
- You enter the armed forces
- You become disabled
- You die before retirement
- You die after retirement

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.

If You Marry

If you get married, contact the Fund Office to name your spouse as your beneficiary. You will need to provide an updated beneficiary form. By law, your spouse is automatically your beneficiary for Pension Plan benefits.

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

Spousal Pension

If you are married when you are eligible to receive a pension, your pension will automatically be paid as a "Spousal Pension" unless you and your spouse decline this option. A Spousal Pension pays you a fixed monthly amount over your lifetime and, if you die before your spouse, your spouse will receive each month 50% (or a higher amount, depending on your election when you applied for a benefit) of the amount you were receiving prior to your death.

To be eligible, you must be married to your spouse throughout the one-year period ending on the date your pension benefits begin or the date of your death, whichever is earlier.

You may instead elect a payment option that provides a 75% benefit or a 100% benefit for your spouse in the event of your death. Certain individuals may elect a lump-sum benefit equal to either 5%, 10%, or 15% of the present value of your lifetime benefit. When you apply for a pension, you will be given an explanation of all of the payment forms that are available to you.

If you elect to receive any payment form other than a Spousal Pension or a 75% or 100% Surviving Spouse Pension, you will need your spouse's written consent to do it. The formal rejection of a spousal pension must be witnessed by a notary public or a Plan representative.

If You Divorce or Legally Separate

Qualified Domestic Relations Orders ("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 pension benefit. You may obtain a copy of the Plan's QDRO procedures from the Fund Office.

If you divorce or legally separate after you begin receiving your pension, your ex-spouse may be entitled to receive a portion of your benefit. If you remarry after your divorce and your benefit commenced before your divorce, you cannot change your pension payment form.

If You Stop Working in Covered Employment

Breaks in Service

If do not earn at least 501 hours of service in any Plan Year *before* you are vested in the Pension Plan, you may incur a "one-year break-in-service." A one-year break-in-service means that you will temporarily lose the vesting service and pension credits you have earned. If you return to work and earn at least 1,000 hours of service in a plan year, you can "repair" your break (restore your service and credits) before incurring a permanent break in service.

You can *permanently* lose all of the vesting service and pension credits you have earned if:

- If you have five consecutive one-year breaks in service; and
- You are not vested in the Plan.

However, even if you incur a permanent break-in-service, your pension credits can be restored if you subsequently return to work and earn a total of 15 pension credits (including credit you earned prior to your break-in-service).

Vested Pension

If you stop working in covered employment but you are vested in the Pension Plan when you leave, you are eligible for a Vested Pension when you reach age 62. The amount you will receive depends on the number of the pension credits you have earned and the rates in effect when you left covered employment.

The Pension Plan's "Normal Retirement Age" is the *later* of age 62 or your age on your fifth anniversary of Plan participation.

If You Retire

When you are ready to retire, contact the Fund Office for an application form. Your form must be filed at least 30 days but not more than 180 days in advance of the date you want your pension payments to begin.

There are three things that need to happen before you are eligible to start your pension benefit:

- You must apply for your benefits;
- The Co-Administrators must approve your application, subject to ratification by the Board of Trustees; and
- You must stop working in covered employment, unless you have reached age 70½.

Prior to 2016, participants were not permitted to begin benefits while they were still working before their "required beginning date."

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 of the year following the year in which you reach age 70 ½. As required by applicable federal law, you must begin receiving your pension benefits on your required beginning date, even if you are still working in covered employment.

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 of the year following the year in which you reach age 72. As required by applicable federal law, you must begin receiving your pension benefits on your required beginning date, even if you are still working in covered employment.

If your application is approved, you will receive a notice describing your pension benefits, survivor benefits and payment options. Your pension begins on the first day of the first month after you meet all the requirements for entitlement to benefits.

If you apply for a pension but your claim is denied, you will have an opportunity to appeal the decision. Refer to the Benefit Application and Claim and Appeal Procedures Section of this SPD for details.

If You Return To Work After Retirement

There are certain limits to the type of work you may do after you retire from the longshore industry. Working outside of the industry does not affect your pension benefit, but your benefit may be suspended if you work 40 or more hours per calendar month in work that is considered "Unauthorized Employment." Unauthorized Employment is defined as work:

- in an industry covered by the Plan when you reached Normal Retirement Age or, if earlier, become a pensioner;
- in the trade or craft in which you were employed and covered by the Plan at any time; and
- in the State of Maryland.

If you intend on working in a job that may be considered Unauthorized Employment after your pension has started, you must request that the Board of Trustees or its delegate determine whether the employment would result in the suspension of your benefit.

If you begin working in a job that is not allowed after your pension has started, please contact the Fund Office in writing within 15 days of the date you started working. The Board of Trustees or its delegate may suspend your pension benefits while you engage in Unauthorized Employment. When you stop working in Unauthorized Employment, notify the Fund Office in writing again to resume your pension benefits.

It is a good idea to notify the Fund Office if you decide to engage in *any* employment after you have started receiving your pension benefit.

If You Enter the Armed Forces

If you stop working to enter the Armed Forces, you may be eligible to receive credit for your service when you return to covered employment. You must satisfy the requirements of the Uniformed Services Employment and Reemployment Rights Act ("USERRA") to receive credit.

If You Become Disabled

If you have at least 15 Pension Credits and become totally and permanently disabled (according to the Plan's definition) before you retire, you may be eligible to receive a Disability Pension. Contact the Fund Office for a Disability Pension application. The Board of Trustees will need to approve the application before benefits can begin.

To be eligible for a Disability Pension, you must have earned at least 150 hours of service in the 24 months immediately preceding the date you filed your Disability Pension application or the date of the onset of your total and permanent disability, whichever is later.

The monthly amount of the Disability Pension is determined the same as the Normal Pension. The pension credits you have earned multiplied by the benefit rate in effect when you earned them.

The Disability Pension continues for as long as you remain totally and permanently disabled. If you recover from your total disability, your Disability Pension stops and you may re-enter covered employment and earn additional Pension Credits towards a future retirement benefit.

Auxiliary Disability Benefit

You may be eligible for an Auxiliary Disability Benefit—a supplemental lump-sum payment designed to compensate you for the period of time between the date your disability occurs and the date you receive your first pension payment.

The amount of the Auxiliary Disability Benefit is equal to your monthly Disability Pension amount multiplied by the number of months delay (not to exceed 36) between the effective date of your total and permanent disability and your Disability Pension start date.

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 Die Before Retirement

The Plan provides a death benefit to your beneficiary if you are vested in the Pension Plan and you die before you retire.

If You Are Married

If you have been married for at least one year when you die, your surviving spouse is eligible for a pre-retirement Death Benefit. Your spouse should contact the Fund Office to apply for this benefit upon your death.

The Death Benefit is payable in the form of a survivor annuity under the Spousal Pension. Your spouse may elect another form of payment that would have been available to you if you had retired on the day before your death. Although normally payable over your spouse's lifetime, if the value of the Death Benefit is $1,000 or less, your spouse will receive a single lump-sum payment.

In some instances, an additional Pension Credit may be awarded for the Plan Year during which you die.

Your spouse can begin receiving a benefit immediately upon your death or delay benefit payments until your "required beginning date" (*see* page 5). For more information about calculating the Death Benefit, refer to the "Death Benefits" Section of this SPD.

If You Are Single/Married Less than One Year

Your designated beneficiary may be eligible for a death benefit if you die:

- If you are single or have been married less than a year at the time of your death;
- You are vested in the Pension Plan;
- Prior to your death, you completed the appropriate form, available from the Fund Office; and
- You have not begun receiving your Pension benefits.

The Death Benefit is paid as a survivor annuity under the 50% Surviving Beneficiary Pension, unless your beneficiary elects a different option.

The amount of the benefit is based on the Pension Credits you earned prior to the date of your death. In some instances, an additional Pension Credit may be awarded for the Plan Year during which you die. For more information about calculating the Death Benefit, refer to the "Death Benefits" Section of this SPD.

If You Die While Serving in the Military

If you die while in qualified military service, the Plan will provide any additional death benefits that would have been payable to your beneficiary as if you had returned to covered employment and were an active employee before your death; and your period of qualified military service will be counted for purposes of determining your vesting service under the Plan.

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 pension benefit.

If your *spouse* beneficiary dies after your payments in the form of a Spousal Pension have begun, your Spousal Pension will remain in effect for the rest of your life. If you elected the 75% or 100% Surviving Spouse option at retirement instead of the standard form of payment, your reduced benefit will be increased going forward to the amount it would have been if you had elected a Single Life Annuity. This increase is not automatic; you must submit an application to the Fund Office.

If You Die After Retirement

If you are married and you retired with the Spousal Pension, your surviving spouse will be eligible to continue receiving a percentage of the benefit you were receiving prior to your death. If you elected the automatic form of payment, that percentage is 50%. However, the Plan offers optional forms of payment to allow for a 100% benefit or a 75% benefit, or for guaranteed payments for a period of either five or ten years. Refer to the relevant Sections in this SPD for details about your payment options and providing a benefit for your spouse.

If you and your spouse formally rejected the Spousal Pension at retirement and you instead elected the Single Life Annuity, your spouse beneficiary may still be eligible for a death benefit from this Plan.

If you were married to your spouse for at least 10 years at the time of your death, your surviving spouse will receive a monthly benefit equal to $30.00 times the number of Full and Reduced Pension Credits plus $15.00 times the number of Half Pension Credits you earned, to a maximum monthly benefit of $600.00.

If your spouse is under age 50 at the time of your death, this benefit does not become effective until the month following your spouse's 50th birthday.

If you are single and you die after your pension payments have begun, your beneficiary's right to a benefit depends on the Pension payment form you elected upon retirement. The Plan offers payment options that provide post-retirement death benefits for a non-spouse beneficiary. Refer to the relevant Sections of this SPD for more information.

PARTICIPATION IN THE PLAN

You are covered by the STA-ILA Pension Plan if you are an employee working under a collective bargaining or similar agreement between an Employer and the Union providing for contributions to the Fund. You are also covered if you are an employee of the Union or Fund as specified in the Agreement and the Declaration of Trust.

If you began your employment on or after April 1, 1976, you became a Participant in the Plan on the earliest October 1st or April 1st following the first period of 12 consecutive months during which you worked at least 1,000 Hours of Service. If you began your employment prior to April 1, 1976, you became a Participant in the Plan on the earliest October 1st following the first period of 12 consecutive months during which you worked at least 700 Hours of Service. The term "Hour of Service" means each hour for which you are paid or entitled to payment for the performance or non-performance of work for which back pay is awarded, including, but not limited to, payments for Weekly Accident and Sickness benefits from the STA-ILA Benefits Fund, and any time you are paid compensation for temporary total and/or temporary partial disability under a workers' compensation law. Once you become a Participant, credit under the Plan is granted retroactive to your date of hire (*see* page 12 for "Credit for Time Spent Outside of Covered Employment").

Once you become vested (*see* page 12), you will be a Participant until you are paid all benefits that you are eligible for under the Plan. Before you become vested, you lose your Participant status as of the end of a one-year break-in-service (*see* page 14). You can become a Participant again after you complete the Hours of Service requirements (and your Employer makes contributions on your behalf) in accordance with the paragraph above. If you have not experienced a permanent break-in-service, you regain Participant status after completing at least 1,000 Hours of Service in a 12 consecutive month period.

In addition, the STA-WGA Pension Plan merged into this Plan. Post-merger benefits for former STA-WGA Pension Plan participants will continue to be determined as previously provided under the STA-WGA Pension Plan before the merger, except as may be subsequently modified by the Board of Trustees.

PENSION CREDITS AND VESTING SERVICE

Earning Credit for a Pension

Your years in Covered Employment determine your eligibility for and the amount of your pension benefit at retirement.

Covered Employment is work for an Employer who has agreed to make contributions to the Pension Fund on your behalf. Hours in Covered Employment include all time that you are entitled to receive pay from a Contributing Employer. Although the Plan was not established until December 1950, you can earn credit for Covered Employment that began on or after October 1945.

Pension Credits

The total number of Pension Credits you earn while working determines the amount of your pension benefit at retirement. There are three types of Pension Credits you can earn under the Plan: Full Pension Credits, Reduced Pension Credits, and Half Pension Credits. Full Pension Credits count towards credit for a Normal, Service, Early, Disability, or Vested Pension benefit, while Reduced Pension Credits and Half Pension Credits count only towards credit for a Normal or Disability Pension benefit. Where applicable for certain eligibility purposes (but not for benefit accrual purposes), two Half Pension Credits equal one Full Pension Credit, and a Reduced Pension Credit is equal to a Full Pension Credit.

Full Pension Credits

For each Plan Year beginning on or after October 1, 1945 and prior to October 1, 1976, you receive one Full Pension Credit for each Plan Year you are credited with at least 700 hours in Covered Employment. For each Plan Year beginning on or after October 1, 1976, you receive one Full Pension Credit for each Plan Year you are credited with at least 1,000 hours in Covered Employment.

Reduced Pension Credits

For each Plan Year beginning on or after October 1, 1945 and prior to October 1, 1976, you receive one Reduced Pension Credit for each Plan Year you are credited with at least 400 but less than 700 hours in Covered Employment. You cannot earn a Reduced Pension Credit for any Plan Year beginning on or after October 1, 1976.

Half Pension Credits

For each Plan Year beginning on or after October 1, 1988 and prior to October 1, 1993, you receive one Half Pension Credit for each Plan Year you are credited with at least 700 but less than 1,000 hours in Covered Employment. You cannot earn a Half Pension Credit for any Plan Year beginning on or after October 1, 1993.

Vesting Service

Vesting Service is a measure of time spent covered under the Plan that is used to determine your eligibility for pension benefits. You earn one year of Vesting Service for each Plan Year beginning on or after October 1, 1945 and prior to October 1, 1976, during which you work at least 400 Hours of Service in Covered Employment. However, credit is granted for Plan Years beginning before October 1, 1970, only if you earn at least three years of Vesting Service after September 30, 1970. For Plan Years starting on or after October 1, 1976, you receive one year of Vesting Service for each Plan Year in which you work at least 1,000 hours in Covered Employment.

If you work for a Contributing Employer in a job not covered by this Plan after January 1, 1976, and that non-covered employment is continuous with (immediately before or after) employment with the same employer in Covered Employment, your hours in that non-covered job after January 1, 1976, are counted towards your years of Vesting Service.

Becoming Vested Under the Plan

You become Vested under the Plan when you earn your fifth year of Vesting Service. Once you are Vested under the Plan, you are entitled to a pension under the Plan whether or not you continue in Covered Employment until retirement. In addition, your earned Pension Credits and Vesting Service cannot be taken away from you under the break-in-service rules (*see* page 14). If you have no service after September 30, 1989, you become Vested under the Plan once you earn your tenth year of Vesting Service.

For a description of the pension benefit to which you could be entitled if you achieve vested status and leave Covered Employment prior to reaching retirement age, please refer to the Section entitled "Vested Pension" (*see* page 18).

Credit for Time Spent Outside of Covered Employment

Years of Vesting Service and Pension Credits are granted for certain periods during which you are not working in Covered Employment. These periods are:

- **Certain Military Service.** Time during which you are in the military, as prescribed by law. The Plan will count qualified service in a uniformed service of the United States as service under this Plan for all purposes including benefit accruals, vesting, and participation, as required in USERRA and Internal Revenue Code Section 414(u) or a prior veterans' rights law. You must meet all of the requirements of the applicable federal law to receive credit under the Plan. Notify the Fund Office before any leave of absence due to qualified service in a uniformed service of the United States. In addition, if you die on or after October 1, 2007 while in qualified military service, the Plan will provide any additional death benefits that would have been payable to your beneficiary as if you had returned to Covered Employment and were an active employee before your death; and your period of qualified military service will be counted for purposes of determining your Vesting Service under the Plan.

- **<u>Occupational Injury or Disease</u>.** Time during which you receive either:

    1. temporary total or temporary partial disability due to an occupational injury or disease (subject to proper proof), or
    2. weekly accident and sickness benefits from the STA-ILA Benefits Fund.

  The credited time is as follows, depending on when the disability, accident, or sickness occurred or occurs:

    1. For Plan Years beginning prior to October 1, 1976, two hours per day up to a maximum of 14 hours in a calendar week and 700 hours in a Plan Year. NOTE: This limitation does not apply to weekly accident and sickness benefits.
    2. For Plan Years beginning on or after October 1, 1976 and prior to October 1, 1989, three hours per day up to a maximum of 20 hours in a calendar week and 1,000 hours in a Plan Year.
    3. For Plan Years beginning on or after October 1, 1989 and prior to October 1, 1991, four hours per day up to a maximum of 22 hours in a calendar week and 1,000 hours in a Plan Year.
    4. For Plan Years beginning on or after October 1, 1991, eight hours per day up to a maximum of 40 hours in a calendar week and 1,000 hours in a Plan Year.

- **<u>Training Time.</u>** Time during which you are conducting or receiving training for which those hours are either paid or reported by the Association is credited as Hours of Service.

- **<u>Vacation and Holiday Benefits.</u>** Eight hours of vacation or holiday time per day of such benefits, as reported by the Association, shall be credited as Hours of Service.

- **<u>Maternity and Paternity Leave</u>.** Time during which you are away from Covered Employment by reason of (a) your pregnancy, (b) the birth of your child, (c) the placement of a child with you in connection with adoption, or (d) the care of such child for a period beginning immediately after such birth or placement is credited as Hours of Service solely for purposes of preventing a one-year break-in-service. However, no more than 501 hours shall be granted for each pregnancy, childbirth, or placement.

- **<u>Family and Medical Leave</u>.** Solely for purposes of avoiding a one-year break-in-service, you may be credited with Hours of Service for any qualifying period under the Family and Medical Leave Act of 1993 (“FMLA”), provided you return to work within the prescribed period required for reemployment rights.

Losing Pension Credits and Years of Vesting Service

Once you have achieved vested status, your Pension Credits or years of Vesting Service cannot be taken away regardless of how long you are away from Covered Employment. However, before you achieve vested status all Pension Credits and years of Vesting Service can be temporarily or permanently lost if you are away from Plan coverage and incur a break-in-service. The break-in-service rules applicable if you have not achieved vested status are as follows:

- Temporary (One-Year) Break-in-Service.

    1. **For Plan Years Beginning on or after October 1, 1976.** You have a one-year break-in-service if, in any Plan Year, you fail to earn 501 or more Hours of Service. A one-year break-in-service results in the loss of all of your Pension Credits and years of Vesting Service. All of your Pension Credits and years of Vesting Service are restored if, before suffering a permanent break-in-service, you return to Covered Employment and earn a year of Vesting Service (1,000 Hours of Service in a Plan Year).
    2. **For Plan Years Beginning before October 1, 1976.** You have a one-year break-in-service if you fail to earn 400 or more Hours of Service in a Plan Year.

- Permanent Break-in-Service.

    1. **If You Have Service After September 30, 1985.** You have a permanent break-in-service when you have five consecutive one-year breaks-in-service.
    2. **If You Do Not Have Service After September 30, 1985.** If you have earned five or fewer years of Vesting Service, you have a permanent break-in-service when you have five consecutive one-year breaks-in-service. If you have six but less than ten years of Vesting Service, you incur a permanent break-in-service if the number of your consecutive one-year breaks-in-service equals or exceeds your previously earned years of Vesting Service.
    3. **For Plan Years Beginning on or after October 1, 1976 and Prior to October 1, 1985.** You have a permanent break-in-service if you had consecutive one-year breaks-in-service, including at least one beginning after September 30, 1976, that equaled or exceeded your previously earned years of Vesting Service. For example, suppose you began participation in the Plan and earned a total of three years of Vesting Service, then you were inactive and incurred three consecutive one-year breaks-in-service. At that point, all of your previously earned Pension Credits and years of Vesting Service would have been permanently cancelled.
    4. **For Plan Years Beginning Prior to October 1, 1976.** You have a permanent break-in-service if, before October 1, 1976, you failed in each of six or more Plan Years to work at least 400 hours. If you have a permanent break-in-service before January 1, 1976, you are granted credit

under the Plan only from the time you returned to work after that break-in-service.

- Waiver of Permanent Break-in-Service Rules.

  1. **Retirements On or After October 1, 1999.** The Plan's permanent break-in-service rules are waived if you have 15 or more total Pension Credits, including those Pension Credits that otherwise would have been lost under the permanent break-in-service rule.
  2. **Retirements On or After October 1, 1990 but Prior to October 1, 1999.** The Plan's permanent break-in-service rules are waived if you have 25 or more total Pension Credits, including those Pension Credits for years which would have been lost if the break-in-service rules were applied.
  3. **Retirements On or After January 1, 1985 but Prior to October 1, 1990.** The Plan's permanent break-in-service rules are waived if you have 30 or more Pension Credits, including those Pension Credits for years which would have been lost if the break-in-service rules were applied.

As noted above, keep in mind that once you are Vested, you cannot suffer a break-in-service of any type and your credit under the Plan cannot be cancelled.

PENSIONS

Types of Pensions

Five types of Pensions are provided under the Plan:

- Normal Pension
- Early Pension
- Service Pension
- Vested Pension
- Disability Pension

If the calculation of a pension benefit due under this Plan results in an amount which is not a whole dollar amount, the benefit is rounded up to the next higher whole dollar amount.

The annual amount of your monthly pension benefits cannot be more than the maximum amount allowed under federal law. This amount is determined according to the guidelines contained in Section 415(b) of the Internal Revenue Code of 1986. The Board of Trustees has a legal responsibility to adhere to these federal guidelines.

Normal Pension

Eligibility - You are eligible to retire with a Normal Pension if you are age 62 or older and have at least 20 Pension Credits (Full, Reduced, or Half).

Amount – For retirements on or after October 1, 2018, the amount of the Normal Pension is $190.00 per month for each Full Pension Credit you earn prior to October 1, 2021, $98.00 per month for each Full Pension Credit you earn on or after October 1, 2021, and $95.00 per month for each Reduced or Half Pension Credit you earn.

For example: Suppose you are age 62 and retire with 21 Pension Credits, consisting of 14 Full Pension Credits earned before October 1, 2021, five Reduced Pension Credits and two Half Pension Credits. Your monthly Normal Pension is calculated as follows:

14 Full Pension Credits	x	$190.00	=	$2,660.00
5 Reduced Pension Credits	x	95.00	=	475.00
2 Half Pension Credits	x	95.00	=	190.00
		Normal Pension	=	**$3,325.00**

Because the benefit is a whole dollar amount, no rounding is required.

Early Pension

Eligibility

You are eligible to retire on an Early Pension if you are at least age 50 and have at least 20 Full Pension Credits.

Amount

The amount of the Early Pension is calculated the same as the Normal Pension except the amount is reduced to account for the longer period of time over which benefits are expected to be paid. The reduction is ½ of 1% for each month you are younger than age 62 when your early Pension begins. This is equivalent to a reduction of 6% per year.

For example: Suppose you earn 24 Full Pension Credits before October 1, 2021 and then decide to retire. If you retire at age 62, your monthly Pension is not reduced. Calculated as a Normal Pension, your monthly Pension amount is $4,560.00 (24 x $190.00). However, if you instead decide to retire at age 59, your Normal Pension amount is reduced as follows:

Normal Pension	=	$4,560.00
½% x 36 (months younger than 62)	=	18%
$4,560.00 x 18%	=	$820.80
$4,560.00 – 820.80	=	$3,739.20

Because benefits are rounded up to the next higher whole dollar amount, the amount of benefit payable is $3,740.00.

Service Pension

Eligibility

You are eligible to retire on a Service Pension if you have earned at least 25 Full Pension Credits, regardless of your age.

Amount

The amount of the Service Pension is determined in the same manner as the Normal Pension. There is no reduction in your benefits for retirement before age 62. Due to the methodology used by the IRS to determine the maximum pension benefits payable to you from the Plan, there is a greater chance your Pension benefits may be reduced due to IRS rules if you begin your Pension at a younger age. You will be notified if the maximum benefit guidelines result in a reduction of your Pension benefits.

Vested Pension

Eligibility

You are eligible for a Vested Pension, payable at Normal Retirement Age, if you have at least five years of Vesting Service or if you attain Normal Retirement Age before you have a permanent break-in-service. If you last worked prior to October 1, 1989, you need at least 10 years of Vesting Service to be eligible for a Vested Pension.

Your Normal Retirement Age is age 62, or, if later, your age on the fifth anniversary of your participation in the Plan.

Amount

The monthly amount of the Vested Pension is calculated the same as a Normal Pension. Generally, the value of your Pension Credits is based on the accrual rates in effect at the time you left Covered Employment (*see* "Freezing of Benefit Rates" on page 20).

Disability Pension

Eligibility

You are eligible for a Disability Pension if:

- you have at least 15 Pension Credits (Full, Reduced, or Half);
- you are totally and permanently disabled (as defined below); and
- you earned at least 150 Hours of Service in the 24 months immediately preceding the later of the date you filed your Disability Pension application or the date of the onset of your total and permanent disability.

Amount

The monthly amount of the Disability Pension is determined the same as the Normal Pension based upon the number of Pension Credits earned to the date of disability.

Start Date

Your Disability Pension will begin on the later of:

- the first day of the month following the effective date of your total and permanent disability, or
- the first day of the month following approval of your application for Disability Pension by the Board of Trustees.

Auxiliary Disability Benefit

You are entitled to an Auxiliary Disability Benefit if your Disability Pension begins at least one month after the effective date of your total and permanent disability. The Auxiliary Disability Benefit is a lump sum payment equal to your monthly Disability Pension amount multiplied by the number of months delay (not to exceed 36) between the effective date of your total and permanent disability and your Disability Pension start date.

For example, suppose you become totally and permanently disabled on September 1st and apply for a Disability Pension two weeks later. Further, suppose the Board of Trustees determines on December 20th that there is sufficient medical data to prove that you became totally and permanently disabled on September 1st.. You are entitled to an Auxiliary Disability Benefit, payable as a lump sum, equal to your monthly Disability Pension amount multiplied by the number of months between the month you began receiving a Disability Pension (January 1st after the December 20th determination) and the effective date of your total and permanent disability (September 1st), not to exceed 36 months. Therefore, in this example, your Auxiliary Disability Benefit would be the amount of your monthly pension multiplied by three (to account for the three months after your effective date of total and permanent disability and before your Disability Pension actually started).

The Disability Pension continues for life, provided you remain totally and permanently disabled. If you recover from your total disability, your Disability Pension stops and you may re-enter Covered Employment and earn additional Pension Credits towards a future retirement benefit.

Total and Permanent Disability Defined

You are considered totally and permanently disabled only if the Board of Trustees, in its sole discretion, finds on the basis of medical evidence, that you are permanently prevented from engaging in any further employment in the longshore industry.

If you apply for a Disability Pension, you may be required to submit to an examination by one or more physicians selected by the Board of Trustees or its delegate. Also, you may be required to submit to re-examination, at periodic intervals, as is determined necessary by the Board of Trustees or its delegate to evaluate your physical or mental condition.

Freezing of Benefit Rates

If you are vested, but fail to earn at least 501 hours in each of two consecutive Plan Years, your benefit at retirement is calculated according to the benefit rates in effect at the end of the Plan Year during which you last worked at least 501 hours. Any Pension Credit you may earn after these two consecutive Plan Years will accrue according to the benefit rates in effect at the time you subsequently retire or otherwise fail to earn at least 501 hours in two consecutive Plan Years. If you return to work after your benefit rate on prior service is frozen and earn at least 1,000 hours in a number of consecutive Plan Years which equals or exceeds the number of years during which you failed to earn at least 501 hours, the benefit rates in effect when you subsequently retire or otherwise fail to earn at least 501 hours in two consecutive Plan Years will be used to determine your retirement benefit.

For example, suppose you are retiring now with 22 Full Pension Credits, but your last day of work was on June 30, 1992. Your monthly pension is calculated based on the $55.50 per month for each Full Pension Credit (22 x $55.50 = $1,221 per month) that was in effect at the end of the Plan Year ending September 30, 1992, rather than based on the current $190.00 per month benefit rate. However, suppose instead that you returned to work on October 1, 1994 after failing to work at least 501 hours during the Plan Years ending September 30, 1993 and September 30, 1994, and retired now after earning a Full Pension Credit in each Plan Year between October 1, 1994 and September 30, 2021 your monthly pension is calculated based on the $190.00 per month for each of the 49 full Pension Credits (49 x $190.00 = $9,310.00 per month) that is in effect now because you returned to work and earned more than 1,000 hours for more than the number of Plan Years you failed to earn at least 501 hours.

Minimum Monthly Pension

The Plan provides a guarantee that your monthly pension benefit will not be less than a certain minimum amount. This minimum guarantee is calculated by first (a) multiplying the number of Full and Reduced Pension Credits times $40.00, and then (b) multiplying the number of Half Pension Credits times $20.00. The sum of (a) and (b) above (but not greater than $800.00) is your guaranteed minimum monthly pension benefit.

This minimum monthly guarantee is then compared to the amount of your benefit as calculated under the rules of the Plan as usual, before any reduction for optional forms of payments (such as a partial lump sum payment). If your monthly benefit, as calculated under the Plan rules, is less than the guaranteed minimum monthly pension benefit (the sum of (a) and (b) above, up to $800.00), you receive the guaranteed minimum benefit each month for the remainder of your lifetime. If your monthly benefit, as calculated under Plan rules, is more than the guaranteed minimum benefit, you receive the regular benefit amount each month for the remainder of your lifetime.

For example: Suppose you are age 62, are retiring with 11 Pension Credits (4 Full Pension Credits and 7 Reduced Pension Credits), and are entitled to a monthly Normal Pension of $1,425.00. To determine if this amount is less than the guaranteed minimum monthly amount, we multiply $40.00 x 11 Pension Credits, which equals $440.00, and compare this amount to $800.00. Because we use the lesser of these two amounts, we compare $440.00 to your Normal Pension benefit of $1,425.00 per month. Since your Normal Pension benefit is greater than your guaranteed minimum of $440.00, you receive $1,425.00 per month.

As another example, suppose now that you are age 50, retiring with 20 Pension Credits (10 Full Pension Credits and 10 Reduced Pension Credits), and are entitled to a monthly Early Pension of $798.00. To determine if this amount is less than the guaranteed monthly amount, we multiply $40.00 x 20 Pension Credits, which equals $800.00, and compare this amount to $800.00. We compare $800.00 to your Early Pension of $798.00 per month. Since your guaranteed minimum benefit is greater than your Early Pension benefit, you will receive $800.00 per month.

There is also a minimum monthly pension guarantee for surviving spouses receiving pension benefits from this Plan (*see* Spousal Pension starting on page 23).

PAYMENT OPTIONS

When Benefits Begin

Your pension begins on the first day of the first month after you meet all the requirements for entitlement to benefits. Remember that such requirements include filing a pension application in advance of the date you want your pension payments to begin. In certain circumstances, your pension benefit may be actuarially adjusted for months beyond your Normal Retirement Age when your benefits were not suspended under Department of Labor regulations, but during which time you did not collect pension benefits. You will be notified if your benefit is subject to adjustment due to the application of these rules.

You may not delay the commencement of your benefit beyond your "Required Beginning Date," even if you are still working in Covered Employment. If you reach 70½ before January 1, 2020 (i.e., you were born before July 1, 1949), your Required Beginning Date is 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 April 1 of the year following the year in which you reach age 72.

Beginning in 2016, you may elect to begin receiving your benefits as soon as the month after you reach age 70½, even if you are still working. If you continue working in covered employment, your benefit will be re-determined at the end of the calendar year in which your Annuity Starting Date occurs, and at the end of each subsequent calendar year as long as you continue to work until you retire. Any additional benefits earned will be offset by the value of the monthly benefits you receive during the redetermination period.

If you continue to work after you reach age 70½, your monthly benefit payments will be increased each year after by an actuarial adjustment unless the benefits that you accrue during the year are greater, in which case you will receive your accrued benefit rather than the actuarial increase. You will not receive both additional benefit accruals and this actuarial adjustment.

Normal Form of Payment

The Normal Form of Payment under the Plan depends on whether you are single or married. If you are single, the normal form of payment is the Single Life Annuity, unless you choose another option (*see* "Other Options" on page 24). If you are married, the normal form of payment is the Spousal Pension, unless you and your spouse formally reject this payment form in writing and choose another option. Effective June 26, 2013, your spouse includes a same or opposite sex spouse to whom you are legally married.

Single Life Annuity

If you are unmarried, the normal form of payment of your pension is a Single Life Annuity. If you are married and you and your spouse formally reject the Spousal Pension, the Single Life Annuity is an optional form of payment. Under this form, you receive your full pension benefit during your lifetime. After your death, all payments cease except if your spouse qualifies for a Post-Retirement Death Benefit (*see* page 31).

Spousal Pension

If you are married at the time benefits begin, your pension is automatically payable in the form of Spousal Pension unless you and your spouse formally reject it. Your rejection, along with your spouse's consent to your rejection, must be in writing and must be witnessed by a notary public or a Plan representative. You may reject the Spousal Pension at any time prior to the effective date of your Pension, but your rejection (or your decision to change a prior rejection) must be submitted to the Fund Office within the 90-day period before your benefit payments are scheduled to begin. You can name someone other than your spouse as a beneficiary only if your spouse consents in writing.

Under the Spousal Pension, you receive a fixed monthly amount for life. After your death, your spouse receives a monthly benefit equal to 50% of the amount you were receiving, but not less than a certain minimum amount. This minimum guarantee is calculated by first (a) multiplying the number of Full and Reduced Pension Credits times $30.00, and then (b) multiplying the number of Half Pension Credits times $15.00. The sum of (a) and (b) above (but not greater than $600.00) is your spouse's guaranteed minimum monthly survivor's benefit.

This minimum monthly guarantee is then compared to the amount of benefit as calculated under the rules of the Plan as usual, before any reduction for optional forms of payments (such as a partial lump sum payment). If your survivor's monthly benefit, as calculated under the Plan, is less than the guaranteed minimum (the sum of (a) and (b) above, up to $600.00), your spouse receives the minimum benefit amount each month for the remainder of his/her lifetime. If it is more, your spouse receives the regular benefit amount each month for the remainder of his/her lifetime.

The Plan does not adjust the benefit amount payable for any age differential between you and your spouse. For example: Assume you are age 62, are retiring with 21 Full Pension Credits, and are eligible for a monthly Normal Pension of $3,990.00. This amount would be payable irrespective of your spouse's age, assuming that you and your spouse do not reject the Spousal Pension.

Should your spouse survive you, the amount of your spouse's lifetime pension would be 50% of $3,990.00, or $1,995.00. To determine if this amount is less than your surviving spouse's guaranteed minimum monthly benefit, your 21 Full Pension Credits are multiplied by $30.00 ($630.00), and this amount is compared to a monthly benefit of $600.00. Because the lesser of these two amounts is used, the $600.00 minimum monthly benefit is compared to your surviving spouse's benefit of $1,995.00. Since the surviving spouse's benefit is greater than the guaranteed minimum benefit, your surviving spouse would receive $1,995.00 per month. It is payable to your spouse for life after your death, should he or she survive you.

For the Spousal Pension to be effective, you and your spouse must be married to each other throughout the one-year period ending on the earlier of the date your pension benefits begin or the date of your death. However, if you marry within one year before the date pension payments begin, and you and your spouse have been married for at least a one-year period ending on or before your date of death, then you and your spouse are treated as though you were married throughout the one-year period ending on the effective date of your pension.

Once your Spousal Pension becomes effective, it cannot be changed nor can the amount of your benefit be changed even if you and your spouse later divorce or if your spouse dies before you. However, any rights of a former spouse established in a QDRO as defined in the Pension Plan, must be honored (*see* "Rights of a Former Spouse" on page 40).

Please remember that if you are married, the Spousal Pension takes effect automatically unless you and your spouse formally reject it.

Other Options

If you are eligible for any type of pension, and you are unmarried or you and your spouse formally reject the Spousal Pension in writing on the form provided by the Fund Office, you may choose one of the following options. These options cannot be changed or revoked after the effective date of your pension.

You should designate a beneficiary to receive the benefits provided by any one of the following options. Your beneficiary does not have to be your spouse; it can be anyone you choose, as long as your spouse acknowledges the beneficiary designation or waives the right to do so in writing on the form provided by the Fund Office. Please note that if your non-spouse beneficiary dies before you but after your pension begins, you will continue to receive your reduced benefit for the rest of your life.

If you should die prior to cashing or depositing your last pension payment, such payment shall then be issued to your beneficiary. If your beneficiary has predeceased you, such payment shall be issued to your surviving spouse. If your spouse has predeceased you, your last pension payment shall be issued to your estate.

Partial Lump Sum Payment

You can choose to receive a portion of your pension in a single lump sum payment when your pension benefit payment begins. Beginning October 1, 2020, you must have reached at least age 50 and have at least 20 Pension Credits, including at least one Pension Credit earned during the Plan Year in which you retire or the preceding Plan Year, to be eligible to elect a lump sum based on the full number of Pension Credits. If you retire before age 50 or with fewer than 20 Pension Credits, a lump sum may be elected only for the Pension Credits earned through September 30, 2020.

For example, let's say you retire on a Disability Pension on October 1, 2025 at age 47 with 18 Pension Credits; 13 Pension credits were earned prior to October 1, 2020. Assume your pension benefit would be $3,420.00 and that the portion of your benefit earned prior to October 1, 2020 would be $2,470.00.

Under the old rule, you could elect a lump sum of 5%, 10%, or 15% of the actuarial value of your entire monthly pension benefit of $3,420.00.

Under the new rule, you could elect a lump sum of 5%, 10%, or 15% of the actuarial value of your monthly benefit earned through September 30, 2020 of $2,470.00.

If you retire on October 1, 2025 at age 50 with 20 Pension Credits rather than 18 Pension Credits, having earned a Pension Credit during the Plan Year ending September 30, 2024, your Early Pension would be $1,064.00 and you could elect a lump sum of 5%, 10%, or 15% of the actuarial value of your monthly Early Pension.

You can elect to receive a lump sum payment of 5%, 10%, or 15% of the value of your total pension benefit before the application of any other optional form. If you are married, you must obtain your spouse's written consent before making this election. Your monthly pension amount will be reduced by the percentage of the lump sum payment you select. The reduced monthly pension amount will be paid as a Single Life Annuity over your lifetime or in one of the other optional forms (explained below) available under the Plan.

You may be able to roll over the partial lump sum into another qualified retirement plan, IRA, or Roth IRA (*see* page 40).

Additionally, if you choose to have a portion of your pension benefit paid as a lump sum, and you die before the lump sum payment is made, your beneficiary has the right to reject the partial lump sum and receive the entire survivor's pension in the form elected.

100% Surviving Spouse Option

The 100% Surviving Spouse Option is an optional form of payment that provides you with a reduced pension and your spouse with 100% of the pension you were receiving during your lifetime for the rest of his or her life. The amount of your pension is reduced because it is payable over the period of two lives instead of just yours. The amount of the reduction depends on the age difference between you and your spouse.

If you choose the 100% Surviving Spouse Option, the amount of your pension is multiplied by 92.5% (a Disability Pension is multiplied by 85.3%). If you and your spouse are the same age, there is no further adjustment. For each full year your spouse is older than you are, the multiplier is increased by 0.30% (0.31% for a Disability Pension). For each full year your beneficiary is younger than you are, the multiplier is decreased by 0.27% (0.20% for a Disability Pension). The resulting multiplier, after adjustment, must not be more than 98% for a non-Disability Pension or 92% for a Disability Pension.

Under the 100% Surviving Spouse Option if your spouse dies before you, your monthly pension benefit is increased to the unreduced monthly amount that you would have been receiving had you elected a Single Life Annuity at retirement. This increase is not automatic; you must submit an application. The increase takes effect with your first payment in the first month after your spouse's death and you submit an application. In addition, your monthly pension once it becomes payable will not be increased if you and your spouse subsequently divorce.

For example: Suppose you retire at age 65 on a regular (non-Disability) Pension with 25 Full Pension Credits and your monthly benefit amount is $4,750.00. You are married and elect the 100% Surviving Spouse Option. Your spouse is 5 years younger than you are.

.925	-	(0.0027 x 5)	=	.9115
.9115	x	$4,750.00	=	$4,329.63

You will receive $4,329.63, rounded up to $4,330.00, per month for your lifetime If you predecease your spouse, your spouse will receive the same monthly benefit ($4,330.00) as you did. If your spouse dies first, once you notify the Fund Office, your benefit will be increased to the original amount ($4,750.00).

75% Surviving Spouse Option

The 75% Surviving Spouse Option is an optional form of payment that provides you with a reduced pension and your spouse with 75% of the pension you were receiving during your lifetime for the rest of his or her life. The amount of your pension is reduced because it is payable over the period of two lives instead of just yours. The amount of the reduction depends on the age difference between you and your spouse.

If you choose the 75% Surviving Spouse Option, the amount of your pension is multiplied by 96.1% (a Disability Pension is multiplied by 92.1%). If you and your spouse are the same age, there is no further adjustment. For each full year your spouse is older than you are, the multiplier is increased by 0.16% (0.17% for a Disability Pension). For each full year your beneficiary is younger than you are, the multiplier is decreased by 0.15% (0.13% for a Disability Pension). The resulting multiplier, after adjustment, must not be more than 99% for a non-Disability Pension or 96% for a Disability Pension.

Under the 75% Surviving Spouse Option if your spouse dies before you, your monthly pension benefit is increased to the unreduced monthly amount that you would have been receiving had you elected a Single Life Annuity at retirement. This increase is not automatic; you must submit an application. The increase takes effect with your first payment in the first month after your spouse's death and you submit an application. In addition, your monthly pension once it becomes payable will not be increased if you and your spouse subsequently divorce.

For example: Suppose you retire at age 65 on a regular (non-Disability) Pension with 25 Full Pension Credits and your monthly benefit amount is $4,750.00. You are married and elect the 75% Surviving Spouse Option. Your spouse is 5 years younger than you are.

.961	-	(0.0015 x 5)	=	.9535
.9535	x	$4,750.00	=	$4,529.13

You will receive $4,529.13, rounded up to $4,530.00, per month for your lifetime If you predecease your spouse, your spouse will receive the 75% of the monthly benefit that you did ($4,530.00 x .75 = $3,397.50 rounded up to $3,398.00). If your spouse dies first, once you notify the Fund Office, your benefit will be increased to the original amount ($4,750.00).

100% Surviving Beneficiary Option

The 100% Surviving Beneficiary Option is an optional form of payment that provides you with a reduced pension and your beneficiary with 100% of the pension you were receiving during your lifetime for the rest of his or her life. The amount of your pension is reduced because it is payable over the period of two lives instead of just yours. The amount of the reduction depends on the age difference between you and your beneficiary.

If you choose the 100% Surviving Beneficiary Option, the amount of your pension is multiplied by 79% (a Disability Pension is multiplied by 63%). If you and your beneficiary are the same age, there is no further adjustment. For each full year your beneficiary is older than you are, the multiplier is increased by 0.6%. For each full year your beneficiary is younger than you are, the multiplier is decreased by 0.6%. The resulting multiplier, after adjustment, must not be more than 96% for a non-Disability Pension or 80% for a Disability Pension. In addition, if your beneficiary is more than 10 years younger than you, the percentage of your benefit that is payable to your beneficiary will be further reduced as required under federal regulations (for more information, contact the Plan Co-Administrators).

75% Surviving Beneficiary Option

The 75% Surviving Beneficiary Option is an optional form of payment that provides you with a reduced pension and your beneficiary with 75% of the pension you were receiving during your lifetime for the rest of his or her life. The amount of your pension is reduced because it is payable over the period of two lives instead of just yours. The amount of the reduction depends on the age difference between you and your beneficiary.

If you choose the 75% Surviving Beneficiary Option, the amount of your pension is multiplied by 83% (a Disability Pension is multiplied by 69%). If you and your beneficiary are the same age, there is no further adjustment. For each full year your beneficiary is older than you are, the multiplier is increased by 0.5%. For each full year your beneficiary is younger than you are, the multiplier is decreased by 0.5%. The resulting multiplier, after adjustment, shall not be more than 97% for a non-Disability Pension or 83% for a Disability Pension. In addition, if your beneficiary is more than 19 years younger than you, the percentage of your benefit that is payable to your beneficiary will be further reduced as required under federal regulations (for more information, contact the Plan Co-Administrators).

50% Surviving Beneficiary Option

The 50% Surviving Beneficiary Option is an optional form of payment that provides you with a reduced pension and your beneficiary with 50% of the pension you were receiving during your lifetime for the rest of his or her life. The amount of your pension is reduced because it is payable over the period of two lives instead of just yours. The amount of the reduction depends on the age difference between you and your beneficiary.

If you choose the 50% Surviving Beneficiary Option, the amount of your pension is multiplied by 88% (a Disability Pension is multiplied by 77.5%). If you and your beneficiary are the same age, there is no further adjustment. For each full year your beneficiary is older than you are, the multiplier is increased by 0.4%. For each full year your beneficiary is younger than you are, the multiplier is decreased by 0.4%. The resulting multiplier, after adjustment, shall not be more than 99% for a non-Disability Pension or 88% for a Disability Pension.

Ten Years Certain Option

The Ten Years Certain Option is an optional form of payment that provides payments during your lifetime and guarantees 120 monthly payments. If you die before receiving 120 monthly payments, the same payment you were receiving will continue to be paid to your beneficiary until a total of 120 monthly payments have been made. The amount of your pension is reduced to provide for this guarantee. If your beneficiary dies while receiving payments but before a total of 120 payments have been made, the remaining payments due shall be paid to your beneficiary's estate. However, a claim for the remaining payments must be made within five years of your death.

If you choose the Ten Years Certain Option, the amount of your pension (if it is not a Disability Pension) is multiplied by 91%. For each full year you are younger than 65 when payments begin, the multiplier is increased by 0.6%, subject to a maximum of 97%. For each full year you are older than 65 when payments begin, the multiplier is decreased by 1.2%.

If you are eligible for a Disability Pension and choose this option, the amount of your pension is multiplied by 78%. For each full year you are younger than 65 when payments begin, the multiplier is increased by 0.6%, subject to a maximum of 84%. For each full year you are older than 65 when payments begin, the multiplier is decreased by 1.2%.

For example: Suppose you retire at age 59 on an Early Pension with 25 Full Pension Credits and your monthly benefit amount is $4,750.00. If you elect the Ten Years Certain Option, your Early Pension is adjusted as follows:

.91	+	(0.006 x 6)	=	.946
.946	x	$4,750.00	=	$4,493.50

You will receive $4,493.50, rounded up to $4,494.00, per month for your lifetime with the guarantee that, if you die before you receive 120 monthly benefit payments, your designated beneficiary will receive the remaining payment. If you die after you receive 120 payments, no payments will be made to your designated beneficiary.

Five Years Certain Option

The Five Years Certain Option is an optional form of payment that provides payments during your lifetime and guarantees 60 monthly payments. If you die before receiving 60 monthly payments, the same payment you were receiving will continue to be paid to your beneficiary until a total of 60 monthly payments have been made. The amount of your pension is reduced to provide for this guarantee. If your beneficiary dies while receiving payments but before a total of 60 payments have been made, the remaining payments due shall be paid to your beneficiary's estate. However, a claim for the remaining payments must be made within five years of your death.

If you choose the Five Years Certain Option, the amount of your pension (if it is not a Disability Pension) is multiplied by 97%. For each full year you are younger than 65 when payments begin, the multiplier is increased by 0.2%, subject to a maximum of 99%. For each full year you are older than 65 when payments begin, the multiplier is decreased by 0.4%.

If you are eligible for a Disability Pension and choose this option, the amount of your pension is multiplied by 92%. For each full year you are younger than 65 when payments begin, the multiplier is increased by 0.3%, subject to a maximum of 95%. For each full year you are older than 65 when payments begin, the multiplier is decreased by 0.6%.

Small Benefit Cashouts

Although normally payable over your lifetime, if the present value of the entire benefit payable at retirement under this Plan is $1,000 or less, you will receive that benefit in a lump sum regardless of any prior election or provisions to the contrary. The single lump sum amount is the actuarial equivalent present lump sum value of your Normal Pension. The single lump sum payment is made in lieu of any other benefit payable under the Plan and in full satisfaction of your interest under the Plan.

DEATH BENEFITS

Death Benefits Before Retirement

Spouse Beneficiary

If at the time of your death you were vested and had not yet retired, your surviving spouse is automatically paid a pre-retirement Death Benefit payable in the form of a survivor annuity payable under the Spousal Pension (*see* page 23) unless your surviving spouse elects another payment form that otherwise would have been available to your surviving spouse in accordance with the Plan, if you had retired on the day before your date of death..

The amount of your spouse's benefit is based on the Pension Credits you earned prior to the date of your death. For this purpose, you are credited with one Full Pension Credit for the Plan Year during which you die, in lieu of whatever credit actually accrued during that Plan Year (unless you actually accrued one Full Pension Credit), if you are receiving or are entitled to receive temporary total or temporary partial disability compensation under federal or state workers' compensation law at the time of your death.

The pre-retirement Death Benefit will commence on the first day of the month following the date of your death, irrespective of your age at death, unless your spouse beneficiary elects a later commencement.

When calculating the amount of the Death Benefit, if you were younger than age 50 at death and did not qualify for a Service Pension, the normal reduction for retirement at age 50 will be taken into account where the benefit commences prior to the date you would have reached age 50.

If you are age 50 or older or if you otherwise qualify for a Service Pension on the date of your death, the Death Benefit commences on the first day of the month following the date of your death. If you were under age 50 at the time of your death, your spouse beneficiary may opt to delay commencement of the Death Benefit until what would have been your age 50. When calculating the amount of the Death Benefit in circumstances described in this paragraph, the normal reduction for retirement before age 62 is not taken into account.

Although normally payable over your lifetime, if the present value of the survivor annuity payable to your surviving spouse under this Plan is $1,000 or less, the benefit will be paid as a lump sum regardless of any prior election or provisions to the contrary.

For the pre-retirement Death Benefit to be effective, you and your spouse must have been married to each other for at least a one-year period ending on or before your date of death.

Non-Spouse Beneficiary

If at the time of your death you were vested and had not yet retired, and if you were either not married or had been married for less than one year at the time of your death, and if you designated a beneficiary (a Designated Beneficiary) on a form approved by the Fund Office before your death, your Designated Beneficiary will be paid a pre-retirement Death Benefit. That Death Benefit will be paid in the form of a survivor annuity under the 50% Surviving Beneficiary Pension (*see* page 28) unless your Designated Beneficiary elects another payment form that otherwise would have been available to your Designated Beneficiary in accordance with the Plan, if you had retired on the day before your date of death.

The amount of your Designated Beneficiary's benefit is based on the Pension Credits you earned prior to the date of your death. For this purpose, you are credited with one Full Pension Credit for the Plan Year during which you die, in lieu of whatever credit actually accrued during that Plan Year (unless you actually accrued one Full Pension Credit), if you are receiving or are entitled to receive temporary total or temporary partial disability compensation under federal or state workers' compensation law at the time of your death.

When calculating the amount of the Death Benefit, the normal reduction for retirement before age 62 is taken into account, unless you were younger than age 50 at the time of death; under such circumstances, the Death Benefit will be calculated as if you were age 50 at the time of death.

The pre-retirement Death Benefit is payable to your Designated Beneficiary on the first day of the month following the date of your death. Although normally payable over your lifetime, if the present value of the survivor annuity payable to your Designated Beneficiary under this Plan is $1,000 or less, the benefit will be paid as a lump sum regardless of any prior election or provisions to the contrary.

For the pre-retirement Death Benefit to be effective, there must be a Designated Beneficiary properly listed with the Fund Office before your date of death.

Post-Retirement Death Benefits

If you are married and choose a Single Life Annuity form of payment, your surviving spouse may still be entitled to a death benefit from the Plan, provided you are entitled to receive a pension under the Plan other than a Vested Pension. If you were married to your spouse for at least 10 years at the time of your death, your surviving spouse will receive a monthly benefit equal to $30.00 times the number of Full and Reduced Pension Credits plus $15.00 times the number of Half Pension Credits you earned, to a maximum monthly benefit of $600.00. However, if your spouse is under age 50 at the time of your death, this benefit does not become effective until the month following your spouse's 50th birthday.

WORKING AFTER RETIREMENT – SUSPENSION OF BENEFITS

In general, you must retire from the longshore industry in order to receive a pension from the Plan. Working in other industries, regardless of the number of hours or how much you earn does not affect your pension benefits. However, if you commence receiving a pension benefit and then return to work for 40 or more hours in a month in Unauthorized Employment, your monthly pension benefits will be suspended for each month in which you are so employed. However, in no event will your monthly benefits be suspended for months you continue to work beyond age 70½.

Unauthorized Employment is defined as work:

- in an industry covered by the Plan when you reached Normal Retirement Age or, if earlier, become a pensioner;
- in the trade or craft in which you were employed and covered by the Plan at any time; and
- in the State of Maryland.

If, after your pension starts, you begin working in a job that is not allowed, you must notify the Fund Office in writing within 15 days. Retirees may be asked to sign a statement periodically that they are not engaged in Unauthorized Employment. The Fund Office will receive work information if you return to work covered by this Plan. If there is evidence provided from any source that you engaged in Unauthorized Employment, the Board of Trustees or its delegate will assume that you had worked for 40 or more hours that month and may suspend your pension. Any errors shall be corrected as soon as you provide satisfactory information concerning your actual employment.

If your pension is suspended, you will be notified of the decision to suspend your benefits by first class mail in the first month your benefits are withheld. The notification will explain why your benefits are suspended, including relevant descriptions of Sections of the Plan document and the Department of Labor regulations. If you believe the decision to suspend your benefits is in error, you may appeal the suspension (*see* page 34 for Claim and Appeal Procedures under the Plan).

If your pension is suspended for months for which you have already received a payment, the amount you owe the Fund shall be deducted from your pension when it starts again. No more than 25% of your pension check shall be deducted, except for the amount of the first check following suspension, which may be deducted in its entirety.

If you stop working in Unauthorized Employment and want to go back on retirement, you must notify the Fund Office in writing of the date you last worked in such employment. Your pension will start following any penalty or deduction periods that apply. If you are entitled to immediate and full resumption of benefits, there may still be a delay of up to three months before the first check arrives, but it will contain the full amount due.

If you plan on working in a job that may be considered Unauthorized Employment, you may make a written request that the Board of Trustees or its delegate consider in advance whether employment you are planning will result in the suspension of your benefit.

If you return to Covered Employment following the suspension of your benefit, the amount of your pension will be recalculated to take into consideration any Pension Credits you receive after you return to Covered Employment. Additionally, your new pension benefits may be actuarially adjusted if your pension re-commences after you have reached age 62.

BENEFIT APPLICATION AND CLAIM AND APPEAL PROCEDURES

Filing a Claim for Benefits/Making Application

You must file a written application with the Fund Office on an application form that will be provided to you by the Fund Office upon your request. An application for retirement must be filed in advance of the date you want your pension payments to begin. You are urged to file as soon as you decide on your retirement date, but such filing must be made at least 30 days but not more than 180 days in advance of the date your pension payments begin. In any event, early filing avoids delays in the processing of your application and the payment of benefits.

When you make written application for retirement benefits, the Fund Office will provide you with a notice that is designed to help you make an informed decision about when to begin receiving your pension and what form of payment you may wish to elect. In addition to an explanation regarding the Spousal Pension and other forms of payment the Plan offers, you will receive information that compares the value of each form of payment, as well as information about the effect on your benefit if you were to defer payment of your retirement benefits until you were older.

Your written application constitutes a claim for benefits.

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 of your claim and your right to appeal such denial to the Board of Trustees.

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 Employee 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

If you wish, you can appoint an authorized representative to act on your behalf for the purposes of filing a claim and seeking a review 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.

Claim and Appeal Procedures for Non-Disability Pensions

Notice of Denied Claim

If your claim for benefits is denied, in whole or 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 information needed to complete the claim, a general explanation of the Plan's claims procedure, and a statement of your right to bring a civil action under Section 502(a) of the ERISA.

Extensions

Should special circumstances require additional time to decide your claim, the Plan will provide you with a written notice of the extension within 90 days after receipt of your claim explaining the special circumstances and the date by which the Co-Administrators expect to render the benefit determination. This extended due date cannot exceed 180 days from the date on which your claim originally was filed (in other words, the extension itself cannot exceed 90 days).

Appeals

If your claim is denied in whole or part, you (or your authorized representative) 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 the reason or reasons for disputing the denial and must be accompanied by any pertinent documentary material not already furnished to the Fund. It may be filed by you or by your duly authorized representative.

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 decision will be made 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

Once your appeal has been decided, you will be notified of the decision, in writing, within five days of the meeting. 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.

Claim and Appeal Procedures for Disability Pensions

Notice of Denial

You will be notified in writing within 45 days after receipt of your claim if payment of the disability pension claim has been denied in whole or in part. Should the Co-Administrators deny your claim for disability pension benefits, the notice of denial will include the specific reason(s) for the denial, the specific reference to the appropriate Plan provision(s) on which the denial is based, a description of any additional material or information necessary for you to perfect the claim, and an explanation of why such material or information is necessary, information on your right to appeal the denied claim to the Board of Trustees, and a statement about your right to bring a civil action under Section 502(a) of ERISA if your benefits are denied after review by the Board of Trustees.

If the Co-Administrators relied on an internal rule, guideline, protocol, or similar criterion in making its decision to deny your claim, the notice will also include this information, or a statement of such, along with a notice of your right for a free copy of the internal rule, guideline, protocol, or similar criterion upon request.

If your claim was denied based on a medical necessity or experimental treatment or similar exclusion or limit, the notice of denial will provide an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances, or a statement that such an explanation will be provided to you free of charge should you request it.

The denial of your claim for disability pension benefits will include an explanation of whether or not the Co-Administrators agreed with the views presented by any health care professional or vocational professional who treated or worked with you or whose advice was obtained by the Plan in connection with your claim, and any Social Security Disability determination presented by you to the Plan.

Extensions

If the Plan needs more time to review your claim for reasons beyond its control, it may take an additional 30 days. Should additional time be required, you will be sent a notice of this extension before the initial 45 day period expires specifically explaining the circumstances requiring the extension, the date by which a final decision is expected to be rendered, the standards on which entitlement to a benefit is based, the unresolved issues that prevent a decision on the claim, and the additional information necessary to resolve those issues.

A second 30 day extension of time is also available to the Plan should it be determined that such an extension is necessary because a decision cannot be rendered within the extension period due to reasons beyond the Plan's control. If a second extension is necessary, the notice of the second extension will be sent to you before the first 30-day extension period expires, and will include the same notification requirements listed in the paragraph above. In no event will the Plan's extensions exceed 105 days from the date your original claim is made.

Appeals

You or your authorized representative may petition the Board of Trustees for a review of the disability pension benefit denial within 180 days after you receive the notice that your benefits have been denied. Your petition must be in writing and delivered or mailed to the STA-ILA Pension Fund, Holabird Business Park, 6610 Tributary Street, Baltimore, MD 21224-6514. The petition must state in clear and concise terms the reason(s) for disputing the denial, and include any pertinent documents not already furnished to the Plan, such as written comments, documents, records, and other information relating to the claim for benefits.

Upon request to the Board of Trustees, you will be provided reasonable access to, and copies of, all documents, records, and other information relevant to the claim for benefits free of charge. A document, record or other information is "relevant" if it: (1) was relied upon in making the benefit determination; (2) was submitted, considered, or generated in the course of making the benefit determination, without regard to whether it was relied upon in making the benefit determination; (3) demonstrates compliance with the administrative processes and safeguards required under federal law; or (4) constitutes a statement of policy or guidance with respect to the Plan concerning the denied treatment option or benefit for your diagnosis, without regard to whether such advice or statement was relied upon in making the benefit determination. The Board of Trustees will also provide the identification of medical or vocational experts whose advice was obtained in connection with your benefit denial, whether or not the advice was relied upon in making the adverse decision.

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 initial benefit determination. If the appeal is based in whole or in part on a medical judgment, including determinations with regard to whether a particular treatment, drug or other item is experimental or investigational, or not medically necessary or appropriate, the Board of Trustees will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment. Should it be necessary for the Board of Trustees to consult with a health care professional, the health care professional will be an individual who was not consulted in connection with the adverse benefit determination that is the subject of the appeal, nor a subordinate of such individual.

Before the Board of Trustees makes its decision on appeal, the Trustees will provide you, free of charge, with any new or additional evidence or rationale considered, relied upon, or generated by the Trustees in connection with your claim. This evidence or rationale will be provided as soon as possible and sufficiently in advance of the Board's decision on appeal to give you a reasonable opportunity to respond.

Notification of Decision on Appeal

The Board of Trustees will make a decision on the appeal no later than the date of the Board of Trustees meeting that immediately follows the Plan's receipt of the appeal, unless the appeal is filed within 30 days before the meeting. If that happens, your appeal will be decided no later than the date of the second meeting following the Plan's receipt of the appeal. If special circumstances (such as the need to hold a hearing) require a further extension of time, the Board of Trustees will rule on the appeal no later than the third meeting following the receipt of the appeal. If such an extension of time is required because of special circumstances, the Plan will provide you with written notice of the extension before the extension period begins, describing the special circumstances and the date on which the appeal will be decided.

The Plan will notify you of the Trustees' decision in writing as soon as possible, but not later than 5 days after the benefit determination is made. The notice will include: (1) the specific reason(s) for the decision; (2) the specific references to the pertinent Plan provisions on which the decision is based; (3) a statement 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 the claimant's claim for benefits; (4) a statement describing any additional voluntary appeal procedures offered by the Plan, if any, and your right to obtain the information about such procedures; and (5) a statement explaining your right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination upon appeal.

If the Board of Trustees relied on an internal rule, guideline, protocol, or similar criterion in making its decision to deny your claim, the notice will also include this information, or a statement of such, as well as a notice of your right for a free copy of the internal rule, guideline, protocol, or similar criterion upon request.

If your claim was denied based on a medical necessity or experimental treatment or similar exclusion or limit, the Board of Trustees will provide you with an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances, or a statement that such an explanation will be provided to you free of charge should you request it.

The notice will include an explanation of whether or not the Board of Trustees agreed with the views presented by any health care professional or vocational professional who treated or worked with you or whose advice was obtained by the Trustees in connection with your claim, and any Social Security Disability determination presented by you to the Trustees.

MISCELLANEOUS INFORMATION

Rights of a Former Spouse

Any rights of a former spouse or other alternate payee under a 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 QDRO 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 QDRO 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.

Maximum Benefit

There is a maximum annual amount that you may receive as a pension benefit, which is set by federal law and subject to adjustment from year to year. You will be notified if this maximum annual limit applies to your benefit.

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 Pension Fund

Plan Identification Numbers

EIN: 52-6177114
Plan Number: 001

Plan Year

October 1 through September 30

Type of Plan

The Plan is a collectively-bargained, multiemployer defined benefit pension plan

Plan Sponsor

The Board of Trustees of the STA-ILA Pension Plan. All communications to the Plan Sponsor should be sent to:

Board of Trustees
STA-ILA Pension Plan
Holabird Business Park
6610 Tributary Street
Baltimore, MD 21224-6514

Plan Administrator/Fund Office

Richard P. Krueger, III, Co-Administrator
Richard P. Wohlfort, Jr., Co-Administrator
STA-ILA Pension 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. Krueger, III, or Richard P. Wohlfort, Jr., 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 Pension 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 Pension Plan in accordance with their collective bargaining agreements with the Union. The collective bargaining agreements require contributions to the Pension Plan at fixed rates per hour worked. The Fund Office shall provide you, upon written request, with information as to whether a particular Employer is contributing to this Pension 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 Fund 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

Although the Pension Plan is intended to be permanent, the Board of Trustees may amend or terminate the Plan, in whole or in part, as it finds necessary. The nature and amount of Plan benefits always are subject to the actual terms of the Plan.

In the event of Plan termination, you will not accrue any additional benefits under the Plan. However, the benefits that you had already accrued become vested, that is, nonforfeitable, to the extent they can be funded by the Plan assets allocated to them.

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 otherwise provided. 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

Your pension benefits under this multiemployer plan are insured by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. A multiemployer plan is a collectively bargained pension arrangement involving two or more unrelated employers, usually in a common industry.

Under the multiemployer plan program, the PBGC provides financial assistance through loans to plans that are insolvent. A multiemployer plan is considered insolvent if the plan is unable to pay benefits (at least equal to the PBGC's guaranteed benefit limit) when due.

The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a participant's years of service multiplied by (1) 100% of the first $11 of the monthly benefit accrual rate and (2) 75% of the next $33. The PBGC's maximum guarantee limit is $35.75 per month times a participant's years of service. For example, the maximum annual guarantee for a retiree with 30 years of service would be $12,870.

The PBGC guarantee generally covers: (1) Normal and early retirement benefits; (2) disability benefits if you become disabled before the plan terminates; and (3) certain benefits for your survivors.

The PBGC guarantee generally does not cover: (1) Benefits greater than the maximum guaranteed amount set by law; (2) benefit increases and new benefits based on plan provisions that have been in place for fewer than 5 years at the earlier of: (i) The date the plan terminates or (ii) the time the plan becomes insolvent; (3) benefits that are not vested because you have not worked long enough; (4) benefits for which you have not met all of the requirements at the time the plan becomes insolvent; and (5) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

For more information about the PBGC and the benefits it guarantees, ask your plan administrator or contact the PBGC's Technical Assistance Division, PO Box 151750, Alexandria, VA 22315-1750, or call 1-800-400-7242. TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 1-800-400-7242. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at http://www.pbgc.gov.

YOUR ERISA RIGHTS

As a Participant in the STA-ILA Pension 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 Pension and Welfare Benefit 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 SPD. 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 or, if later, the fifth anniversary of your participation in the Plan) 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 Fund Office. 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 *see*k 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.

Employer Trustees

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