

STA-ILA BENEFITS TRUST FUND FOR ACTIVE EMPLOYEES

SUMMARY OF MATERIAL MODIFICATIONS (Modification #2 to October 1, 2021, SPD Restatement)

The Trustees hereby announce the following changes to the calculation of credited hours towards eligibility under the **STA-ILA Benefits Trust Fund** (the “Plan”) for employees impacted by the Key Bridge collapse and the temporary closure of the Port of Baltimore. This notice explains the changes made to the information contained in your current Summary Plan Description (referred to as an “SPD”).

You should:

- Read this notice carefully, and if you have any questions, contact the Plan Administrator at (410) 633-9311.
 - Keep this notice in a safe place along with a copy of your Summary Plan Description for handy reference.
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Credited Hours Towards Eligibility During Port of Baltimore Closure

Effective for the 2023 Plan Year (October 1, 2023 through September 30, 2024), in response to the 77 days the Port of Baltimore was closed due to the Key Bridge collapse (“Port closure”), the following formula will be applied to calculate credited hours towards Plan eligibility in order to ensure the fair treatment of employees whose regular work hours were disrupted during such closure.

Credited Hours Formula

Workers who lost work during the Port closure will have credited hours applied towards their eligibility for Plan benefits. These credited hours will be calculated based on the following steps:

1. **Daily Work Average:** We determine your daily work average by taking your total credited hours (including hours worked, workers’ compensation, and Accident and Sickness benefits) from the 2023 Contract Year (October 1, 2022 to September 30, 2023) and dividing by 365 days.
2. **Maximum Credited Hours:** We multiply your daily work average by the 77-day period of the Port closure to determine your maximum credited hours.
3. **Adjustment for Work Performed During Closure:** Any hours you worked during the Port closure are deducted from your maximum credited hours. **Note:** these hours worked are still counted toward your total hours for the 2024 Contract Year.
4. **Additional Hours Not Needed:** If you worked more during the Port closure than your calculated maximum credited hours, no extra hours are added since your actual credited hours provides the larger benefit.

Example Calculation

Employee A

- Total hours for 2023 Contract Year: 2,000
- Daily work average: $2,000 / 365 = 5.48$ hours/day
- Maximum credited hours: $5.48 \times 77 = 421.96$
- Hours worked during Port closure: 100
- Credited hours available: $421.96 - 100 = \mathbf{321.96}$

For the 2024 Contract Year, Employee A's total hours would include:

- Credited hours available: 321.96
- Accident and Sickness hours: 78.04
- Hours worked *before* Port closure: 800 hours
- Hours worked *during* Port closure: 100 hours
- **Total hours: 1,300** ($321.96 + 78.04 + 800 + 100$)

For the 2024 Contract Year, Employee A's 1,300 total hours qualifies for benefits under the Plan.

The members of the Board of Trustees are on the following two pages.

Sincerely,

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February 2025**

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