

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2024 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2024 or fiscal plan year beginning 10/01/2024 and ending 09/30/2025	
A	This return/report is for: ☒ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.) ☐ a single-employer plan ☐ a DFE (specify) _____
B	This return/report is: ☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here.▶ ☒
D	Check box if filing under: ☐ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E	If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.▶ ☐

Part II	Basic Plan Information—enter all requested information
1a	Name of plan SOUTH ATLANTIC ILA EMPLOYERS VACATION & HOLIDAY FUND
1b	Three-digit plan number (PN) ▶ 502
1c	Effective date of plan 10/01/1980
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) SOUTH ATLANTIC ILA EMPLOYERS VACATION AND HOLIDAY FUND 1336 HAINES ST JACKSONVILLE, FL 32206-6036
2b	Employer Identification Number (EIN) 59-2126468
2c	Plan Sponsor's telephone number 904-353-3653
2d	Business code (see instructions) 488510

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	06/30/2026	ALICE F. GROVER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 5367
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1) 5367 6a(2) 5423 6b 0 6c 0 6d 5423 6e 6f 6g(1) 6g(2) 6h
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

4Q

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☐ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
- (4) ☐ **DCG** (Individual Plan Information) – Number Attached _____
- (5) ☐ **MEP** (Multiple-Employer Retirement Plan Information)

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ **A** (Insurance Information) – Number Attached _____
- (4) ☒ **C** (Service Provider Information)
- (5) ☐ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☒ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2024 Form M-1 annual report. If the plan was not required to file the 2024 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2024
		This Form is Open to Public Inspection.

For calendar plan year 2024 or fiscal plan year beginning 10/01/2024 and ending 09/30/2025

A Name of plan SOUTH ATLANTIC ILA EMPLOYERS VACATION & HOLIDAY FUND	B Three-digit plan number (PN) ▶ 502
C Plan sponsor's name as shown on line 2a of Form 5500 SOUTH ATLANTIC ILA EMPLOYERS VACATION AND HOLIDAY FUND	D Employer Identification Number (EIN) 59-2126468

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a

Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).....

Yes

☒

No
- b

If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

MARRINAN & MAZZOLA MARDON P.C.

26 BROADWAY, 17TH FLOOR
NEW YORK, NY 10004

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
	ATTORNEY	8903	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

ELLIS, PAINTER, RATTERREE & ADAMS

2 EAST BRYAN STREET, 10TH
SAVANNAH, GA 31401

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
	ATTORNEY	3949	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2024 This Form is Open to Public Inspection
	For calendar plan year 2024 or fiscal plan year beginning 10/01/2024 and ending 09/30/2025	
	A Name of plan SOUTH ATLANTIC ILA EMPLOYERS VACATION & HOLIDAY FUND	B Three-digit plan number (PN) 502
C Plan sponsor's name as shown on line 2a of Form 5500 SOUTH ATLANTIC ILA EMPLOYERS VACATION AND HOLIDAY FUND	D Employer Identification Number (EIN) 59-2126468	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	142264	49646
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions.....	1b(2)		
(3) Other	1b(3)	38155543	60166669
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	38297807	60216315
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h	13347	16559
i Acquisition indebtedness	1i		
j Other liabilities	1j	38284460	60199756
k Total liabilities (add all amounts in lines 1g through 1j)	1k	38297807	60216315
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l		0

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B), (C), and line 2a(2)	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B), and (C)	2b(2)(D)		
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		0

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	60198222	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		60198222
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)		
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)	21900	
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		21900
j Total expenses. Add all expense amounts in column (b) and enter total	2j		60220122

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-60220122
l Transfers of assets:			
(1) To this plan	2l(1)		60220122
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☐ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☒ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **CORNELIUS, LEONE & CAMPBELL**

(2) EIN: **20-2187832**

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) ☐ This form is filed for a CCT, PSA, DCG or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		☒	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		☒	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		☒	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		☒	
e Was this plan covered by a fidelity bond?	☒		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		☒	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		☒	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		☒	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)		☒	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		☒	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		☒	
l Has the plan failed to provide any benefit when due under the plan?		☒	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		☒	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

**Financial Statements,
Supporting Schedules, and Other Reports
South Atlantic ILA/Employers District
Escrow Fund and Vacation and Holiday Fund
*Years Ended September 30, 2025 and 2024***

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Independent Auditors' Report

To the Board of Trustees of
the South Atlantic ILA/Employers District
Escrow Fund and Vacation and Holiday Fund
Jacksonville, Florida

Opinion

We have audited the accompanying financial statements of South Atlantic ILA/Employers District Escrow Fund and Vacation and Holiday Fund, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for plan benefits as of September 30, 2025 and 2024, and the related statement of changes in net assets available for plan benefits for the year ended September 30, 2025 and 2024, and the statements of cash flows and related notes to the financial statements..

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the net assets available for plan benefits of the South Atlantic ILA/Employers District Escrow Fund and Vacation and Holiday Fund as of September 30, 2025 and 2024, and the changes in its net assets available for plan benefits, and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of South Atlantic ILA/Employers District Escrow Fund and Vacation and Holiday Fund and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.



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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about South Atlantic ILA/Employers District Escrow Fund and Vacation and Holiday Fund's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of South Atlantic ILA/Employers District Escrow Fund and Vacation and Holiday Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.



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- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about A South Atlantic ILA/Employers District Escrow Fund and Vacation and Holiday Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The additional information included in Schedules I, II, III and IV, together referred to as supplemental information are presented for the purpose of additional analysis and are not a required part of the basic financial statements, but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental information is the responsibility of the Plan's management and Board of Trustees. The supplemental information has been subjected to the auditing procedures applied in the audit of basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Cornelius, Leone & Campbell

Jacksonville, Florida
February 2, 2026

South Atlantic ILA/Employers District
Escrow Fund and Vacation and Holiday Fund
Combined Statements of Nets Assets Available for Plan Benefits
September 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Assets		
Current Assets:		
Cash & Money Market Funds	\$ 25,173,594	\$ 14,088,471
Assessments receivable	3,544,014	1,547,486
Due from Carriers Escrow Fund	-	7,535,968
Due under CR-5 Fund	31,897,361	9,570,248
Other receivables & prepaid expenses	29,288	26,268
Due under CCF Fund	<u>-</u>	<u>6,000,000</u>
Total Current Assets	<u>60,644,257</u>	<u>38,768,441</u>
Property and Equipment, Net	<u>100,583</u>	<u>67,952</u>
Total Assets	<u>60,744,840</u>	<u>38,836,393</u>
Liabilities		
Accounts payable and accrued expenses	<u>45,084</u>	<u>51,933</u>
Total Liabilities	<u>45,084</u>	<u>51,933</u>
Net Assets Available for Plan Benefits	<u><u>\$ 60,699,756</u></u>	<u><u>\$ 38,784,460</u></u>

*The accompanying notes are an integral
part of these combined financial statements.*

South Atlantic ILA/Employers District
Escrow Fund and Vacation and Holiday Fund
Combined Statements of Changes in Net Assets Available for Plan Benefits
September 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Additions to net assets attributed to:		
Interest	\$ 276,147	\$ 242,118
Rent and other income	9,713	19,917
	<u>285,860</u>	<u>262,035</u>
Employers' contributions:		
Tonnage	2,451,836	1,871,665
Man hours	9,976,096	5,894,214
1993 Dollar	9,278,286	8,608,663
CR-5 Fund	31,897,361	9,570,248
2025 Dollar	7,215,767	-
	<u>60,819,346</u>	<u>25,944,790</u>
CCF Fund	-	6,000,000
Carriers Escrow Fund	-	7,535,968
	<u>-</u>	<u>13,535,968</u>
Total Additions	<u>61,105,206</u>	<u>39,742,793</u>
Deductions from net assets attributed to		
payments for:		
Vacation and holiday benefits	35,334,058	35,248,107
Vacation and holiday benefits payroll tax	2,926,968	2,919,849
Administrative expenses	928,884	900,504
	<u>39,189,910</u>	<u>39,068,460</u>
Total Deductions	<u>39,189,910</u>	<u>39,068,460</u>
Net change	21,915,296	674,333
Net Assets Available for Plan Benefits:		
Beginning of Plan Year	<u>38,784,460</u>	<u>38,110,127</u>
End of Plan Year	<u>\$ 60,699,756</u>	<u>\$ 38,784,460</u>

*The accompanying notes are an integral
part of these combined financial statements.*

South Atlantic ILA/Employers District
Escrow Fund and Vacation and Holiday Fund
Combined Statements of Cash Flows
Years Ended September 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Operating Activities		
Change in Net Assets Available for Plan Benefits	<u>\$ 21,915,296</u>	<u>\$ 674,333</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	2,063	1,054
Changes in operating assets and liabilities:		
Decrease (increase) in assessments receivable	(1,996,528)	(30,424)
Decrease (increase) in amount due under CR-5 fund	(22,327,113)	(398,084)
Decrease (increase) in other receivables & prepaid expenses	(3,020)	(25,798)
Decrease (increase) in CCF Fund	13,535,968	-
Increase (decrease) in accounts payable and accrued expenses	<u>(6,849)</u>	<u>28,144</u>
Total Adjustments	<u>(10,795,479)</u>	<u>(425,108)</u>
Net Cash Provided (Used) by Operating Activities	<u>11,119,817</u>	<u>249,225</u>
Investing Activities		
Equipment purchases	<u>(34,694)</u>	<u>-</u>
Net Cash Provide by (Used in) Investing Activites	<u>(34,694)</u>	<u>-</u>
Net (Decrease) Increase in Cash	11,085,123	249,225
Cash and Money Market Accounts, Beginning of Plan Year	<u>14,088,471</u>	<u>13,839,246</u>
Cash and Money Market Accounts, End of Plan Year	<u><u>\$ 25,173,594</u></u>	<u><u>\$ 14,088,471</u></u>
Cash paid for interest	<u><u>-</u></u>	<u><u>-</u></u>

*The accompanying notes are an integral
part of these combined financial statements.*

South Atlantic ILA/Employers District
Escrow Fund and Vacation and Holiday Fund
Notes to Combined Financial Statements
Years Ended September 30, 2025 and 2024

1. Organization

The combined financial statements of the South Atlantic ILA/Employers Funds are comprised of the financial statements of the District Escrow Fund and the Vacation and Holiday Fund, collectively referred to as the “Funds”.

The Funds serve the ports in: North Carolina; South Carolina; Georgia; Jacksonville; Florida; and Tampa, Florida.

The Funds are a direct result of a collective bargaining agreement (the “Agreement”) between the South Atlantic Employers’ Negotiating Committee (the “SAENC”) and the South Atlantic and Gulf Coast District International Longshoremen’s Association (the “ILA”). The purpose for and activities of each Fund is summarized as follows:

Each Fund, in accordance with its respective Trust Agreement, is administered by a Board of Trustees, which is comprised of six representatives designated by the employers and six representatives designated by the ILA. The Funds are administered by the same Board of Trustees. Accordingly, the Funds are considered to be under common control.

District Escrow Fund

The District Escrow Fund (the “DEF”) was formed pursuant to the terms of a collective bargaining agreement effective October 1, 1980 to perform the following:

- Collect revenues, denoted as “man hour” assessments;
- Collect revenues, denoted as “tonnage” and “1993 Dollar” assessments;
- Pay all administrative costs of the DEF’s operations; and,
- Transfer money, as needed, to the Vacation and Holiday Fund (the “V&H Fund”) for payment of vacation and holiday benefits to eligible plan participants.

Vacation and Holiday Fund

The V&H Fund was formed pursuant to the terms of a Collective Bargaining Agreement effective October 1, 1980 to provide vacation and holiday benefits to eligible plan participants who worked or were credited with 700 or more hours in the industry during each contract year. Each contract year, eligible plan participants are entitled to a total of sixteen paid holidays (eight hours per day at the current hourly rate). Eligible participants are also entitled to one to six weeks of paid vacation (forty hours per week at the current hourly rate) based on the number of consecutive years the participant has met the eligibility requirements.

South Atlantic ILA/Employers District
Escrow Fund and Vacation and Holiday Fund
Notes to Combined Financial Statements
Years Ended September 30, 2025 and 2024

1. Organization (continued)
Vacation and Holiday Fund

In accordance with the terms of the contract, the V&H Fund paid eligible participants vacation and holiday benefits at an agreed-upon rate of \$25 per hour for the year for the year ended September 30, 2024.

Effective October 1, 2024, SAENC and the South Atlantic and Gulf Coast District International Longshoremen's Association entered into a new collective bargaining agreement covering the period from October 1, 2024 through September 30, 2030. The agreement continues the collective bargaining framework under which the District Escrow Fund and Vacation and Holiday Fund operate and applies to specified South Atlantic ports covered by the agreement. Under the related South Atlantic Vacation and Holiday provisions, eligible participants generally qualify for vacation and holiday benefits based on an 800-hour threshold at the listed South Atlantic ports, while certain pre-existing individuals continue to qualify under the prior 700-hour rule if the stated grandfathering criteria are met. The memorandum also provides that the Vacation and Holiday Fund is expected to require assistance from the Carrier-ILA Container Royalty Fund No. 5 to pay annual vacation and holiday benefits for the remainder of the Master Contract term, subject to each port implementing and complying with the South Atlantic Vacation and Holiday Agreement requirements.

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Funds have been prepared on a combined basis under the accrual method of accounting.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation. Depreciation is calculated on the straight-line basis using an estimated useful life of twenty-five years for buildings, ten years for building improvements, and five to seven years for furniture and fixtures and computer and office equipment. Major additions and enhancements are charged to property accounts while replacements, maintenance and repair, which do not improve or extend the lives of the respective assets, are expensed currently. The cost and accumulated depreciation of property and equipment sold or retired are removed from the accounts and resulting gains or losses are reflected in income.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect

South Atlantic ILA/Employers District
Escrow Fund and Vacation and Holiday Fund
Notes to Combined Financial Statements
Years Ended September 30, 2025 and 2024

1. Organization (continued)

Use of Estimates

the reported amounts of assets, liabilities, and changes therein. Actual results could differ from those estimates.

Payment of Benefits

Benefits are recorded as a deduction from net assets when paid.

Cash and Cash Equivalents

Cash and cash equivalents consist of amounts in checking and money market accounts.

3. Employers' Contributions and Receivables

Revenues of the Funds are generated by tonnage assessments levied against companies' shipping cargo (break bulk, bulk, passenger autos, and containerized cargo) in or out of the ports covered by the Agreement and by man hour assessments levied against employers utilizing ILA labor. Assessments are due on containers in the original port of entry or export, where longshore labor will not be used to place cargo in ("stuff") or remove cargo from ("strip") the container. The tonnage assessments on containerized cargo are determined on the basis of the total tonnage of cargo and are not applicable to companies who are not members of the Carriers Container Council, Inc. (the "CCC"). The tonnage assessments for non-containerized cargo are due from CCC members and subscribers to the contract governing containerization, LASH (Lighter Aboard Ship) and Ro-Ro (Roll On Roll Off) (the "Master Contract").

In accordance with the Collective Bargaining Agreement, tonnage assessments are as follows:

- \$.25 per long ton on break bulk - Rule 1 containerized cargo and passenger autos and light trucks over 4,000 pounds;
- \$.60 per long ton on Rule 2 containerized cargo;
- \$.0025 per long ton on bulk cargo; and,
- \$.40 per unit on passenger autos and light trucks under 4,000 pounds.

In accordance with the Collective Bargaining Agreement, man hour revenue is determined on the basis of the number of hours worked by longshore labor at the contract rate of \$.615 per hour.

Beginning October 1, 2024 funding of the District Escrow Fund is provided through employer assessments under the South Atlantic ILA Memorandum. Employers of I.L.A. personnel working under the Deep-Sea Longshore Agreement, the Deep-Sea Clerks and Checkers Agreement, or the personnel referenced in Paragraph 3(B)(4) of the agreement, are required to pay per-man-hour assessments to the District Escrow Fund.

South Atlantic ILA/Employers District
Escrow Fund and Vacation and Holiday Fund
Notes to Combined Financial Statements
Years Ended September 30, 2025 and 2024

3. Employers' Contributions and Receivables (continued)

The per-man-hour assessment rates to the District Escrow Fund are as follows:

Effective date	Container	Breakbulk/Bulk	Car Carrier	Cruise
October 1, 2024	\$0.615	\$1.615	\$2.615	\$6.615
October 1, 2025	\$0.615	\$1.615	\$2.615	\$6.615
October 1, 2026	\$0.615	\$1.615	\$4.615	\$6.615
October 1, 2027	\$0.615	\$1.615	\$4.615	\$6.615
October 1, 2028	\$0.615	\$1.615	\$4.615	\$6.615
October 1, 2029	\$0.615	\$1.615	\$4.615	\$6.615

Beginning October 1, 2024, employers also pay tonnage and man-hour assessments in effect for non-United States Maritime Alliance members, as follows:

- \$0.50 per long ton on breakbulk vessels/breakbulk cargo on container vessels
- \$0.25 per long ton on Rule 1 containerized cargo
- \$0.60 per long ton on Rule 2 containerized cargo
- \$0.025 per long ton on bulk vessels
- \$0.40 per long ton on all cargo on car/RORO vessels

4. The Subscription Agreement

On September 25, 2018, the SAENC, the CCC, the International Longshoremen's Association, AFL-CIO, and the ILA all became party to an agreement (the "Subscription Agreement") wherein the SAENC agreed to amend its Collective Bargaining Agreement with the ILA to permit assessments established by the Trustees of the Funds to be paid from the Carriers Escrow Fund on behalf of CCC members and subscribers to the Master Contract.

The Subscription Agreement also requires that the SAENC subscribe to the Master Contract for the limited purpose of agreeing on terms and conditions dealing with containerization, LASH and Ro-Ro only.

During the term of this Agreement, costs paid by the Funds shall be paid only for vacation and holiday purposes and to cover the cost of administration. The Subscription Agreement also provides that container cargo of CCC members or Master Contract subscribers which is stuffed or stripped will not be subject to tonnage assessments. Non-containerized cargo on vessels of CCC members and subscribers to the Master Contract will be subject to the same tonnage assessment levied on non-containerized cargo of non-CCC members.

On September 25, 2018, the parties amended and restated their basic agreement as follows:

South Atlantic ILA/Employers District
Escrow Fund and Vacation and Holiday Fund
Notes to Combined Financial Statements
Years Ended September 30, 2025 and 2024

4. The Subscription Agreement (continued)

“....to set forth the terms of our agreement with respect to the South Atlantic vacation and holiday benefits during the six (6) year term of the new Master Contract that takes effect on October 1, 2018. This agreement will apply to vacation and holiday benefits that are payable in December of each year beginning in 2018 and ending in 2024.”

The terms of our agreement are as follows:

1. The vacation and holiday benefits (which cannot exceed \$25 per hour) shall be funded as follows:
 - a. All funds presently used for vacation and holiday benefits, including the tonnage assessment, man hour assessment, and all of the 1993 Dollars paid in the Ports of Wilmington, NC, Charleston, Savannah, Jacksonville, and Tampa shall continue to be paid to the South Atlantic District Escrow Fund (“SADEF”) to fund vacation and holiday benefits.
 - b. In addition to the funding described in subparagraph (a) above, an amount equal to one-half (2) of the forty (40%) percent of the Container Royalties, in excess of the benchmarks designated for local fund use for the Ports of Wilmington, NC, Charleston, Savannah, Jacksonville, and Tampa, as defined in paragraph 10 of the Master Contract Memorandum of Settlement, dated June 28, 2004, (Section E: Container Royalty Cap) will be used to pay vacation and holiday benefits.
 - c. After making all of the payments described in subparagraphs (a) and (b) above, the balance required to fund the vacation and holiday benefits (which cannot exceed \$25 per hour) shall be paid by the carriers who are signatories to the Master Contract and operate in the ports described in subparagraphs (a) and (b) above, in whatever fashion they deem appropriate.
2. Any deficit caused by a work interruption or work stoppage engaged in by the ILA shall not be made up by the carriers described in subparagraph (c) above.
3. The SADEF shall keep an annual reserve of no more than \$500,000, which shall be used to pay SADEF’s annual operating expenses.

Accordingly, the Funds will not return/receive any money to/from the Carriers Escrow Fund on or before March 31st of the year subsequent to the current fiscal year end.

South Atlantic ILA/Employers District
Escrow Fund and Vacation and Holiday Fund
Notes to Combined Financial Statements
Years Ended September 30, 2025 and 2024

4. The Subscription Agreement (continued)

Effective October 1, 2024, the parties entered into a contract amendment covering the period through September 30, 2030. Under the amended agreement, the V&H Fund may receive additional funding from the Carrier-ILA Container Royalty Fund No. 5 (“CR-5”) after applying amounts due under the Master Contract and local bargaining agreements, provided the South Atlantic ports implement and comply with the applicable V&H agreement. Amounts received from CR-5 automatic payments are required to be used to fund vacation and holiday benefits. The amended agreement also establishes port-specific incremental V&H benefit rates based on hours-worked bands, generally beginning at 800 hours, with higher rates applicable as participants move into higher annual hour bands. Certain pre-existing participants remain eligible under the prior 700-hour threshold.

5. Settlement Agreement (CR-5 Fund)

The carriers’ contractual obligations imposed by the April 12, 2005 letter agreement to fund the vacation and holiday benefits in the Ports of North Carolina, South Carolina, Georgia, and Florida were assumed by the Carrier-ILA CR-5 Fund for contract year ended September 30, 2024 per Paragraph E. 3.(b) of the USMX-ILA Master Contract Memorandum of Settlement.

Upon request and application of funds approval, the Carrier-ILA CR-5 Fund is responsible for funding any DEF shortfall after receipts from tonnage assessments, man hour assessments, 1993 Dollars, CCC Service Corporation, and the Ports Cap agreement are determined.

In connection with the USMX-ILA Master Contract term beginning October 1, 2024 and ending September 30, 2030, and related memorandum/agreements addressing South Atlantic vacation and holiday (“V&H”) benefit funding, management understands that, after the South Atlantic ILA/Employers V&H Fund receives the funding due under the Master Contract and applicable local collective bargaining agreement(s), the V&H Fund may require assistance from the Carrier-ILA Container Royalty Fund No. 5 (“CR-5”) to pay annual V&H benefits during the remainder of the Master Contract term. Additional CR-5 funding beyond amounts provided under the Master Contract is subject to meeting specified conditions, including that South Atlantic ports implement and comply with the terms and benefit requirements of the S. Atlantic V/H Agreement. Eligibility for such additional CR-5 funding is evaluated on a port-by-port basis; a port that has implemented and complied with the S. Atlantic V/H Agreement may apply for and receive CR-5 funds even if another port has not complied. The S. Atlantic V/H Agreement also includes certain use-of-funds conditions (including that locally negotiated V&H assessment increases on non–Master Contract cargo be used for V&H, that CR-5 automatic payments be used to fund V&H, and that the new \$1 Master Contract man-hour assessment be directed to V&H), subject to any stated port-specific exceptions.

South Atlantic ILA/Employers District
Escrow Fund and Vacation and Holiday Fund
Notes to Combined Financial Statements
Years Ended September 30, 2025 and 2024

6. Second Settlement Agreement (USMX)

USMX and the ILA agreed to amend Section E.2 of the USMX-ILA Master Contract Memorandum of Settlement dated September 25, 2018 to provide an additional \$6,000,000 to fund vacation and holiday benefits in the ports of North Carolina, South Carolina, Georgia and Florida.

This Second Amendment to the USMX and the ILA Master Contract Memorandum of Settlement Agreement between the parties dated September 25, 2018 will extend to the end of contract year 2024. USMX and the ILA shall, however, be entitled to amend this automatic payment to the Master Contract by joint agreement.

The Third Amendment to the USMX and the ILA Master Contract Memorandum of Settlement Agreement between the parties dated March 17, 2025. Based on the agreements, the Second Amendment providing the additional \$6,000,000 automatic payment extended only through contract year 2024 and is not indicated as continuing beyond that period.

The Funds have also become aware of a subsequent Master Contract term beginning October 1, 2024 and ending September 30, 2030, and related memorandum/agreements addressing South Atlantic V&H funding during that term (including potential CR-5 assistance subject to port compliance with the S. Atlantic V/H Agreement). Based on the agreements reviewed, the 2024–2030 framework appears to address ongoing South Atlantic V&H funding through the Master Contract and related port compliance requirements and potential CR-5 assistance, rather than a continuation of the \$6,000,000 Second Settlement automatic payment, unless additional signed amendments provide otherwise

7. Property and Equipment

Property and equipment are summarized as follows:

	<u>2025</u>	<u>2024</u>
Buildings and improvements	\$ 493,870	\$ 466,414
Computer and office equipment	36,170	28,932
Furniture and fixtures	8,132	8,132
Land	40,854	40,854
	<u>579,026</u>	<u>544,332</u>
Less accumulated depreciation	<u>(478,443)</u>	<u>(476,380)</u>
Total	<u>\$ 100,583</u>	<u>\$ 67,952</u>

South Atlantic ILA/Employers District
Escrow Fund and Vacation and Holiday Fund
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8. Income Tax Status

The Internal Revenue Service has ruled that the Funds qualify under Section 501(c)(9) and (17) of the Internal Revenue Code and are, therefore, not subject to tax under the present income tax laws.

9. Parties-in-Interest Transactions

The Fund has eleven (11) Trustees, none of whom are compensated for their services. The Trustees do, however, receive reimbursement for expenses incurred in the conduct of their duties. The Fund also has 62 Sponsoring Employers that participate in the Fund and contribute applicable amounts to the Fund based on the Collective Bargaining Agreement. Additionally, Cornelius & Leone serves as auditor for the Fund and was paid \$115,085 during the year ended September 30, 2025. Marrinan & Mazzola Mardon P.C. and Ellis, Painter, Ratterree & Adams LLP serve as attorneys for the Fund and were paid \$8,903 and \$3,949, respectively, during the year ended September 30, 2025.

10. Cash in Excess of Insurance

The Fund uses financial institutions in which it maintains cash balances, which at times may exceed federally insured limits. On September 30, 2025, and 2024, the Fund had cash that was in excess \$24,998,836.98 and \$13,888,892, respectively. The Fund has not experienced any losses in such an account and management believes it is not exposed to any significant credit risk on cash.

11. Reconciliation of Financial Statement to Form 5500

The following is a reconciliation of the net assets available for benefits per the accompanying financial statements to the Form 5500 at September 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Net assets available for benefits per the financial statements	\$ 60,699,756	\$ 38,784,460
Welfare obligations currently payable	\$ (60,199,756)	\$ (38,284,460)
Net plan assets in DEF per schedule I	\$ (500,000)	\$ (500,000)
Net assets available per Form 5500 VHF	<u>\$ -</u>	<u>\$ -</u>

The following is a reconciliation of the benefits paid per the accompanying financial statements to the Form 5500 for the years ended September 30, 2025 and 2024:

South Atlantic ILA/Employers District
Escrow Fund and Vacation and Holiday Fund
Notes to Combined Financial Statements
Years Ended September 30, 2025 and 2024

11. Reconciliation of Financial Statement to Form 5500 (continued)

	2025	2024
Benefits paid per the financial statements	\$ 38,261,026	\$ 38,167,956
Add benefits currently payable at the end of year	\$ 60,199,756	\$ 38,284,460
Less benefits currently payable at beginning of year	\$ (38,284,460)	\$ (37,610,127)
Administrative transactions per DEF	\$ 21,900	\$ 18,078
Welfare benefits paid per Form 5500	<u>\$ 60,198,222</u>	<u>\$ 38,860,367</u>

The following is a reconciliation of net additions per the accompanying financial statements to Form 5500 for the years ended September 30, 2025 and 2024:

	2025	2024
Total additions per financial statements	\$ 285,860	\$ 262,035
Transfer from VNH	\$ 60,220,122	\$ 38,878,445
Total additions per Form 5500	<u>\$ 60,505,982</u>	<u>\$ 39,140,480</u>

12. Date of Management's Review

Subsequent events have been evaluated through February 2, 2026, which is the date the financial statements were available to be issued.

South Atlantic ILA/Employers District
Escrow Fund and Vacation and Holiday Fund
Combining Statement of Net Assets Available for Plan Benefits
Schedule I
September 30, 2025

	District Escrow Fund	Vacation and Holiday Fund	Total
Assets			
Current Assets			
Cash and Money Market Funds	\$ 25,123,948	\$ 49,646	\$ 25,173,594
Assessments receivable	3,544,014	-	3,544,014
Due from Carriers Escrow Fund	-	-	-
Due under CR-5 Fund	31,897,361	-	31,897,361
Due under CCF Fund	-	-	-
Other receivables	29,288	-	29,288
	<u>60,594,611</u>	<u>49,646</u>	<u>60,644,257</u>
Property and Equipment, Net	<u>100,583</u>	<u>-</u>	<u>100,583</u>
Total Assets	<u>60,695,194</u>	<u>49,646</u>	<u>60,744,840</u>
Liabilities			
Accounts payable	28,525	16,559	45,084
Due to related fund	<u>60,166,669</u>	<u>(60,166,669)</u>	<u>-</u>
Total Liabilities	<u>60,195,194</u>	<u>(60,150,110)</u>	<u>45,084</u>
Net Assets Available for Plan Benefits	<u>\$ 500,000</u>	<u>\$ 60,199,756</u>	<u>\$ 60,699,756</u>

*The accompanying notes are an integral
part of these combined financial statements.*

South Atlantic ILA/Employers District SAILA
Escrow Fund and Vacation and Holiday Fund
Combining Statement of Changes in Net Assets Available for Plan Benefits
Schedule II
September 30, 2025

	District Escrow Fund	Vacation and Holiday Fund	Total
Additions to net assets attributed to:			
Investment income			
Interest	\$ 276,147	\$ -	\$ 276,147
Rent and other income	9,713	-	9,713
	<u>285,860</u>	<u>-</u>	<u>285,860</u>
Employers' contributions			
Tonnage	2,451,836	-	2,451,836
Man hours	9,976,096	-	9,976,096
1993 Dollar	9,278,286	-	9,278,286
CR-5 Fund	31,897,361	-	31,897,361
2025 Dollar	7,215,767	-	7,215,767
	<u>60,819,346</u>	<u>-</u>	<u>60,819,346</u>
CCF Fund	-	-	-
Carriers Escrow Fund	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Additions	<u>61,105,206</u>	<u>-</u>	<u>61,105,206</u>
Deductions from net assets attributed to payments for:			
Vacation and holiday benefits	-	38,261,026	38,261,026
Administrative transactions	906,984	21,900	928,884
	<u>906,984</u>	<u>38,282,926</u>	<u>39,189,910</u>
Total Deductions	<u>906,984</u>	<u>38,282,926</u>	<u>39,189,910</u>
Interfund transfers net of changes in liabilities	(60,198,222)	60,198,222	-
Net change	<u>-</u>	<u>21,915,296</u>	<u>21,915,296</u>
Net Assets Available for Plan Benefits:			
Beginning of Plan Year	<u>500,000</u>	<u>38,284,460</u>	<u>38,784,460</u>
End of Plan Year	<u>\$ 500,000</u>	<u>\$ 60,199,756</u>	<u>\$ 60,699,756</u>

*The accompanying notes are an integral
part of these combined financial statements.*

South Atlantic ILA/Employers District
Escrow Fund and Vacation and Holiday Fund
Combining Statement of Cash Flows
Schedule III
September 30, 2025

	District Escrow Fund	Vacation and Holiday Fund	Total
Operating Activities			
Change in net assets	\$ -	\$ 21,915,296	\$ 21,915,296
Adjustments to reconcile change in net assets to net cash provided by operating activities:			
Depreciation expense	2,063	-	2,063
Changes in operating assets and liabilities:			
Decrease (increase) in assessment receivables	(1,996,528)	-	(1,996,528)
Decrease (increase) in CR-5 Fund	(22,327,113)	-	(22,327,113)
Decrease (increase) in other receivables & prepaids	(3,020)	-	(3,020)
Decrease (increase) in CCF Fund	13,535,968	-	13,535,968
Increase (decrease) in accounts payable and accrued expenses	(10,061)	3,212	(6,849)
Interfund transfers change	22,011,126	(22,011,126)	-
Total Adjustments	11,212,435	(22,007,914)	(10,795,479)
Net Cash Provided by (Used in) Operating Activities	11,212,435	(92,618)	11,119,817
Investing Activities			
Equipment purchases	(34,694)	-	(34,694)
Net Cash Provide by (Used in) Investing Activities	(34,694)	-	(34,694)
Net Increase (Decrease) in Cash	11,177,741	(92,618)	11,085,123
Cash and Money Market Accounts, Beginning of Plan Year	13,946,207	142,264	14,088,471
Cash and Money Market Accounts, End of Plan Year	<u>\$ 25,123,948</u>	<u>\$ 49,646</u>	<u>\$ 25,173,594</u>

*The accompanying notes are an integral
part of these combined financial statements.*

South Atlantic ILA/Employers District
Escrow Fund and Vacation and Holiday Fund
Detail of Selected Financial Statement Amounts by Port
Schedule IV
September 30, 2025

	<u>North Carolina</u>	<u>South Carolina</u>	<u>Georgia</u>	<u>Jacksonville</u>	<u>Tampa</u>	<u>Total</u>
Employer's contributions						
Tonnage	\$ 802,639	\$ 234,795	\$ 936,217	\$ 354,062	\$ 124,123	\$ 2,451,836
Man hours	\$ 452,002	\$ 2,025,993	\$ 4,829,631	\$ 1,387,854	\$ 1,280,616	\$ 9,976,096
1993 Dollar	\$ 355,172	\$ 2,529,582	\$ 5,222,235	\$ 969,228	\$ 202,069	\$ 9,278,286
CR-5 Fund	\$ 3,220,143	\$ 5,802,508	\$ 14,798,547	\$ 4,470,777	\$ 3,605,384	\$ 31,897,361
2025 Dollar	\$ 122,463	\$ 2,449,940	\$ 4,465,361	\$ 178,003	\$ -	\$ 7,215,767
	<u>\$ 4,952,419</u>	<u>\$ 13,042,819</u>	<u>\$ 30,251,991</u>	<u>\$ 7,359,924</u>	<u>\$ 5,212,192</u>	<u>\$ 60,819,346</u>
Vacation and Holiday Fund						
Gross benefit payable	\$ 2,088,376	\$ 10,590,042	\$ 19,846,628	\$ 4,063,867	\$ 1,672,112	\$ 38,261,026
Eligible participants	<u>296</u>	<u>1,501</u>	<u>2,813</u>	<u>576</u>	<u>237</u>	<u>5,423</u>

*The accompanying notes are an integral
part of these combined financial statements.*

South Atlantic ILA/Employers District
Escrow Fund and Vacation and Holiday Fund
Schedule of Assets (Held at End of Year)
Schedule V
September 30, 2025

From 5500, Schedule H, Line 4i

EIN: 59-2089249
Plan Number: 503

<u>Identiy of issue, borrower or simlary party</u>	<u>Description</u>	<u>Cost</u>	<u>Current value</u>
Cash and cash equivalents			
Truist Business Money Market	Interest bearing Cash	<u>\$ 25,009,650</u>	<u>\$ 25,009,650</u>
Total		<u><u>\$ 25,009,650</u></u>	<u><u>\$ 25,009,650</u></u>

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part of these combined financial statements.*