FACT
FIRST ACTUARIAL CONSULTING, INC.

Phone: 212 · 395 · 9555
Fax: 212 · 869 · 2233
E-mail: factinfo@factuarial.com

October 2, 2026

Pension Benefit Guaranty Corporation
Multiemployer Program Division
445 12th Street S.W.
Washington DC 20024-2101

**Re: Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1 Joint Retirement Fund (JRF) –**
**Application for Special Financial Assistance under ERISA Section 4262**

Dear sir/madam:

This letter formally requests Special Financial Assistance (SFA) in accordance with section 4262 of the Employee Retirement Income Security Act of 1974 (ERISA) and PBGC's Final Rule regarding SFA (Rule, 29 CFR part 4262). Below is the information required in Section D of the Instructions for the SFA Application under PBGC's Final Rule:

(1) Plan Sponsor:
Larry Magarik, Trustee/Independent Fiduciary
Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1 Joint Retirement Fund
[redacted]
Phone: (917) 363-0665
lmagarik@magariklaw.com

(2) Plan Sponsor's Authorized Representative
Victoria Jones, EA
Consulting Actuary
First Actuarial Consulting, Inc.
1501 Broadway, Suite 1728
New York, NY 10036
Phone: (212) 395-9555
Email: vjones@factuarial.com

Other Authorized Representatives

Michael S. Adler, Esq.
Fund Counsel
Cohen Weiss and Simon LLP
909 Third Avenue, 12th Floor
New York, NY 10022
Phone: (212) 356-0251
Email: madler@cwsny.com

David Reid, Administrator
CBIZ Retirement Plan Services
1845 Walnut Street, 10th Floor
Philadelphia, PA 19103
Phone: (215) 825-4038
dave.reid@cbiz.com

Dewey A. Dennis, E.A.
Consulting Actuary
First Actuarial Consulting, Inc.
1501 Broadway, Suite 1728
New York, NY 10036
Phone: (212) 395-9555
Email: ddennis@factuarial.com

Nadine Solntseva, E.A.
Consulting Actuary
First Actuarial Consulting, Inc.
1501 Broadway, Suite 1728
New York, NY 10036
Phone: (212) 395-9555
Email: nsolntseva@factuarial.com

(3) SFA Eligibility Criteria:
The plan was in critical and declining status for the plan year beginning in 2020 and is eligible for SFA under § 4262.3(a)(1) of PBGC's SFA regulation. The plan is currently receiving PBGC financial assistance to pay benefits and expenses.

(4) Priority Group:
N/A

(5) A description of the development of the assumed future contributions and future withdrawal liability payments is provided in the attached Exhibit D – 05.

(6)

(a) The plan is eligible for SFA under § 4262.3(a)(1) of PBGC's SFA regulation and the Specified Year is 2020. The assumptions used for the cashflow projections for the Specified Year are in the file labeled "SFA EligCert CD Local 1 JRF.pdf" which is a part of this application.

(b) Actuarial assumptions used to determine the SFA amount are outlined in the certification from the plan's enrolled actuary labeled "SFA Amount Cert Local 1 JRF.pdf" which is included as part of this application. The changes from the assumptions used in the pre-2021 actuarial certification and supporting documentation are outlined in the attached Exhibit D – 06(b).

(7) The plan will reinstate benefits that were previously suspended under section 4245(a) of ERISA, effective as of the month in which the SFA is paid to the Fund. Make-up payments, equal to the amount of previously suspended benefits, will be a single lump sum paid to participants and beneficiaries in pay status within three months of receiving the SFA. A proposed amendment to restore suspended benefits is included as part of this application. The total amount of make-up payments is $1,277,055.74 as of the SFA measurement date, April 30, 2025.

Please contact the Plan Sponsor's Authorized Representative for any additional information.

Sincerely,



Victoria Jones, EA, FSA, MAAA
Consulting Actuary, Authorized Representative of the Plan

# Exhibit D – 05

## Assumed Future Contributions And Future Withdrawal Liability Payments

No employers are currently contributing to the plan. The following employers are currently making withdrawal liability payments to the Plan:

| Employer | Mass Withdrawal Liability | Quarterly Payment | Last Payment Due | Last Payment Amount |
|---|---|---|---|---|
| European Finishing Equip. | $53,340.00 | $308.00 | infinite | n/a |
| Scheman & Grant | $72,286.00 | $1,369.00 | 8/16/2044 | $520.44 |
| B&Z Steel Equipment Co. | $260,673.00 | $367.50 | infinite | n/a |
| Tony's Fish & Seafood | $2,696,667.00 | $8,154.98 | infinite | n/a |
| Ave J Fish Market | $342,846.00 | $1,050.00 | infinite | n/a |

The employers' current payment status as of the measurement date, April 30, 2025, is as follows:

| | | As of April 30, 2025: | | |
|---|---|---|---|---|
| Employer | Quarterly Payment | Last Payment Received | Next Payment Due | Current Status |
| European Finishing Equip. | $308.00 | 4/24/2025 | 8/12/2025 | pre-paid one quarter |
| Scheman & Grant | $1,369.00 | 2/5/2025 | 5/16/2025 | current with payments |
| B&Z Steel Equipment Co. | $367.50 | 4/28/2025 | 7/27/2025 | pre-paid Jan. 2025 in Dec. 2024 |
| Tony's Fish & Seafood | $8,154.98 | 4/14/2025 | 7/27/2025 | current with payments |
| Ave J Fish Market | $1,050.00 | 3/18/2025 | 7/9/2025 | pre-paid Jan. 2025 in Dec. 2024 |

In the projection, it is assumed that withdrawal liability payments for employers currently making payments as listed above are made in the middle of the month they are due. It is assumed that the probability of collecting future payments from each employer decreases by 20% per annum after 2026. It is further assumed that employers currently in default will make no future payments.

Actual payments for 2025 were as follows:

| 2025 Actual | January | February | March | April | May | June | July | August | September | October | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| European Finishing Equip. | 308.00 | | | 308.00 | | | 308.00 | | | 308.00 | |
| Scheman & Grant | | 1,369.00 | | | 1,369.00 | | | 2,738.00 | | | |
| B&Z Steel Equipment Co. | | | | 367.50 | | 367.50 | | | | 367.50 | |
| Tony's Fish & Seafood | 8,154.98 | | | 8,154.98 | | | 8,154.98 | | | 8,154.98 | |
| Ave J Fish Market | | | 1,050.00 | | | 1,050.00 | | | 1,050.00 | | |
| Total 2025 | 8,462.98 | 1,369.00 | 1,050.00 | 8,830.48 | 1,369.00 | 1,417.50 | 8,462.98 | 2,738.00 | 1,050.00 | 8,830.48 | 43,580.42 |

Expected payments for 2026 and future years are as follows:

| Payments due by Month | January | February | April | May | July | August | October | November | Total |
|---|---|---|---|---|---|---|---|---|---|
| European Finishing Equip. | | 308.00 | | 308.00 | | 308.00 | | 308.00 | |
| Scheman & Grant | | 1,369.00 | | 1,369.00 | | 1,369.00 | | 1,369.00 | |
| B&Z Steel Equipment Co. | 367.50 | | 367.50 | | 367.50 | | 367.50 | | |
| Tony's Fish & Seafood | 8,154.98 | | 8,154.98 | | 8,154.98 | | 8,154.98 | | |
| Ave J Fish Market | 1,050.00 | | 1,050.00 | | 1,050.00 | | 1,050.00 | | |
| Total | 9,572.48 | 1,677.00 | 9,572.48 | 1,677.00 | 9,572.48 | 1,677.00 | 9,572.48 | 1,677.00 | 44,997.92 |
| 2026 Expected | 9,572.48 | 1,677.00 | 9,572.48 | 1,677.00 | 9,572.48 | 1,677.00 | 9,572.48 | 1,677.00 | 44,997.92 |
| 2027 Expected | 7,657.98 | 1,341.60 | 7,657.98 | 1,341.60 | 7,657.98 | 1,341.60 | 7,657.98 | 1,341.60 | 35,998.34 |
| 2028 Expected | 6,126.39 | 1,073.28 | 6,126.39 | 1,073.28 | 6,126.39 | 1,073.28 | 6,126.39 | 1,073.28 | 28,798.67 |

The expected withdrawal liability payments are summarized in the file 'Template 8 Local 1 JRF.xlsx' which is a part of this application.

# Exhibit D – 06(b)

## Changes in Actuarial Assumptions from the January 1, 2020 Actuarial Valuation (excluding the plan's non-SFA and SFA interest rates) Used to Determine the SFA Amount

To determine the SFA amount, the following assumptions were changed from the January 1, 2020, actuarial valuation:

### 1. Mortality

Old assumption: Mortality is as prescribed by Appendix A of PBGC regulation 4044 for the valuation date.

New assumption: For non-annuitants, the Pri-2012 amount-weighted blue collar mortality table; for annuitants, the Pri-2012 amount-weighted blue collar retiree table for retirees and the Pri-2012 amount-weighted blue collar contingent survivor table for contingent survivors; and for disabled members, the Pri-2012 amount-weighted disabled retiree mortality table. All tables are projected fully generationally using scale MP-2021.

The old assumption is prescribed but does not best fit the Plan's population. The Pri-2012(BC) mortality table is the most recent table published by the Society of Actuaries. In conjunction with the MP-2021 projection scale, this combination is expected to better reflect anticipated Fund experience.

### 2. Administrative Expenses

Old assumption: $1,500,000 per year for all future years.

New assumption: (a) $356,750 for the 2025 plan year, equal to total 2025 expenses of $363,164 less expenses paid from January 1, 2025, through April 30, 2025, of $6,414;

(b) $455,150 for the 2026 plan year;

(c) $389,529 for the 2027 plan year, increasing by 2.5% per annum thereafter.

With the exception of the 2026 plan year, total annual administrative expenses are limited to 15% of expected benefit payments for each projection year, but not less than the baseline assumption of $371,000 plus PBGC premiums. Expenses associated with the SFA application are not subject to the limitation.

The old assumption is outdated and unreasonable. The new assumption better reflects the Fund's past and anticipated experience.

The anticipated expenses, *excluding* PBGC premiums, are derived from recent experience.

Below are the actual expenses for each of the last five years leading up to the measurement date:

| Plan Year | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| Third party administration | $285,557 | $292,670 | $334,079 | $353,599 | $387,820 |
| Accounting fees | 30,162 | 30,322 | 30,215 | 30,682 | 30,000 |
| Actuary fees | 21,125 | 20,000 | 50,000 | 56,200 | 89,850 |
| Trustee fees | 8,190 | 14,715 | 21,055 | 0 | 0 |
| Postage | 0 | 14,693 | 0 | 4,434 | 5,020 |
| Office expenses | 10,440 | 9,783 | 8,848 | 33,507 | 33,261 |
| Insurance | 5,490 | 5,605 | 30,020 | 37,826 | 42,614 |
| Legal fees | 2,200 | 4,415 | 52,243 | 68,050 | 48,264 |
| Salaries | 0 | 0 | 0 | 325,909 | 486,043 |
| Employee benefits | 0 | 0 | 0 | 94,689 | 117,185 |
| Payroll taxes | 0 | 0 | 0 | 28,466 | 41,689 |
| Rent, utilities and telephone | 0 | 0 | 0 | 70,069 | 72,362 |
| Repairs and maintenance | 0 | 0 | 0 | 14,083 | 14,176 |
| Computer | 0 | 0 | 0 | 6,015 | 10,201 |
| Meetings | 0 | 0 | 0 | 1,875 | 1,738 |
| Consulting fees | 0 | 0 | 0 | 0 | 5,651 |
| PBGC insurance | 0 | 0 | 0 | 0 | 764 |
| Total | $363,164 | $392,203 | $526,460 | $1,125,404 | $1,386,638 |

The anticipated expenses for the 2026 plan year consist of the Base Expenses, adjusted for inflation, plus the expenses associated with the SFA application. Below is the summary:

| | |
|---|---|
| Administrator fees | $286,000 |
| Accounting fees | 30,000 |
| Actuary fees | 21,000 |
| Trustee fees | 8,000 |
| Insurance | 5,500 |
| Legal fees | 5,000 |
| Office expenses | 10,500 |
| Total Base Expenses | $366,000 |
| Adjusted[1] | $375,150 |
| SFA-App Expense | 80,000 |
| Total | $455,150 |

[1] Adjusted for one year for inflation at 2.5%.

The anticipated expenses for the 2027 plan year are the Base Expenses (above), adjusted for inflation for two years, plus $5,000 for annual SFA compliance-related work.

For the projection horizon through 2051, an inflation rate assumption of 2.50% is reasonable. According to Federal Reserve Economic Data (FRED), as maintained by the Federal Reserve Bank of St. Louis, the expected inflation rate for the next 25 years is 2.51% (https://fred.stlouisfed.org/series/EXPINF25YR). This estimate is based on Treasury yields, inflation data, inflation swaps, and survey-based measures of inflation. expectations.

### 3. Withdrawal Liability Payments

Old assumption: It is assumed future withdrawal liability payments will be collected in full from employers not currently in default.

New assumption: Payments collected through December 2025 are reflected when received. The probability that each employer continues to make payments after 2026 decreases by 20% annually.

The old assumption is outdated. The new assumption reflects historical and anticipated Plan experience.

Since the plan experienced a mass withdrawal in 2013, the following withdrawal liability amounts were paid and written-off through December 31, 2024, as detailed in the notes to the financial statements:

| Plan Year | Balance BOY | Present Value Adjustments | Paid | Net Write Offs / Recoveries | Balance EOY | % written off |
|---|---|---|---|---|---|---|
| 2014 | $0 | $23,228,457 | $219,762 | $0 | $23,008,695 | 0% |
| 2015 | 23,008,695 | 34,253,559 | 370,959 | 0 | 56,891,295 | 0% |
| 2016 | 56,891,295 | | 346,048 | (5,501,934) | 51,043,313 | 10% |
| 2017 | 51,043,313 | | 498,711 | (3,689,020) | 46,855,582 | 7% |
| 2018 | 46,855,582 | | 322,770 | (14,566,909) | 31,965,903 | 31% |
| 2019 | 31,965,903 | | 385,470 | (534,813) | 31,045,620 | 2% |
| 2020 | 31,045,620 | | 3,995,343 | (7,704,092) | 19,346,185 | 25% |
| 2021 | 19,346,185 | | 46,948 | (16,444,857) | 2,854,380 | 85% |
| 2022 | 2,854,380 | | 57,630 | (898,787) | 1,897,963 | 31% |
| 2023 | 1,897,963 | | 56,415 | (710,959) | 1,130,589 | 37% |
| 2024 | 1,130,589 | | 54,998 | (183,295) | 892,296 | 16% |
| Totals | | $57,482,016 | $6,355,054 | ($50,234,666) | | |

| | Geometric Average % Written Off |
|---|---|
| all years | 20% |
| 2015-2024 | 22% |
| 2020-2024 | 37% |

The employers are small and midsized companies and mostly infinite payers. It is unreasonable to assume they will continue to make all payments when due over the full projection period. Write-offs have averaged 20% per year since the mass withdrawal, with even higher rates of write-offs in more recent periods. To approximate future payment declines due to employer defaults, we assumed the probability of collection will decline by 20% per year, starting with the 2027 plan year.

**4. Terminated Vested Members Over Normal Retirement Age**

Old assumption: All terminated vested members over normal retirement age are assumed to collect their normal retirement benefit on the valuation date. No delayed retirement increase was applied. Additionally, no lump sum for missed payments was valued for those past their required beginning date for a minimum required distribution.

New assumption: Terminated vested members over age 85 on the measurement date are excluded from the projected cashflow. All other terminated vested members over normal retirement age are assumed to collect their benefit, adjusted for any delayed commencement, on the valuation date, January 1, 2025. Terminated vested members who have passed their required beginning date on January 1, 2025, and who were not yet in pay status on the measurement date of April 30, 2025, are assumed to collect their benefit with a delayed retirement increase to their required beginning date and are assumed to collect a lump sum for missed payments through January 1, 2025, further adjusted with interest of 5% per annum to April 30, 2025, the SFA measurement date. Neither the lump sum for missed payments nor regular monthly benefits were reflected in the cashflow projection for terminated vested members over age 85 on the SFA measurement date.

On January 1, 2025, there were 455 terminated vested members over normal retirement age. Of those 455, 58 were over age 85 on April 30, 2025. Under the old assumption, the benefits for the 58 members would have been valued, and late retirement increases and lump sums for the missed payments of the other 397 terminated vested members over normal retirement age would not have been valued.

The old assumption is not reasonable. The new assumption better reflects anticipated future Fund experience and is consistent with Section III(E) of the PBGC SFA assumptions guidance 22-07.

The Fund developed an internal protocol to find members over normal retirement age. A copy is attached to this application. It is labeled 'MissingParticipantsPolicy Local 1 JRF.pdf'

All known deaths that occurred before the date of the census data used to determine the SFA amount (January 1, 2025) are reflected in the database used for the cashflow projections.

## 5. Retirement

Old assumption: Inactive members retire at earliest retirement eligibility or at their actual age if older.

New assumption: Inactive members retire at their normal retirement age or at their actual age if older.

The old assumption is prescribed but does not best fit the Plan's population. The new assumption allows for a more reasonable measurement of the cash flow. During the plan years 2021-2025, 280 members retired with an average retirement age of 65.8. The distribution of their retirement ages is shown below:

| Retirement Age | Number Exposed | Actual Retirements |
|---|---|---|
| 62 | 274 | 13 |
| 63 | 276 | 4 |
| 64 | 301 | 9 |
| 65+ | 2,865 | 254 |
| | 3,716 | 280 |

# *SFA ELIGIBILITY CERTIFICATION*

The plan is eligible for Special Financial Assistance (SFA) under § 4262.3(a)(1) of PBGC's SFA regulation, and the Specified Year is 2020. The plan was in critical and declining status within the meaning of section 305(b)(6) of ERISA for the 2020 plan year as detailed below.

The plan terminated by mass withdrawal of all employers as of December 31, 2013. The U.S. Second Circuit Court of Appeals ruled that multiemployer pension plans that previously terminated through a mass withdrawal are not excluded from applying for SFA. As described in the July 15, 2026 letter from the Fund Counsel to the PBGC, this plan is in the jurisdiction of the U.S. Second Circuit Court of Appeals. The letter from the Fund Counsel is labeled 'CounselLettert 2026 07 15.pdf', and it is a part of this application.

The Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1 Joint Retirement Fund is eligible for SFA under § 4262.3(a)(1) of PBGC's SFA regulation because it was in critical and declining status for the 2020 Plan year.

A table of the actuarial assumptions and methodology used for this certification is included as Exhibit A in the attachments. The plan is in critical status per ERISA § 305(b)(2)(D) because the fair market value of plan assets, plus the present value of reasonably anticipated contributions for the current and four succeeding plan years, is less than the present value of benefits and administrative expenses projected to be payable during the current and four succeeding plan years, as detailed in Exhibit B. It is in critical and declining status per ERISA § 305(b)(6) because it is projected to become insolvent within 20 years and has a ratio of inactive participants to active participants that exceeds 2 to 1 (as there are no active participants), as detailed in Exhibit C.

In preparing this report we relied on information provided by, assumptions chosen by and projections performed by CBIZ Retirement Plan Services as of January 1, 2020. We have relied on all information and liabilities provided as being complete and accurate.

The undersigned actuaries of First Actuarial Consulting, Inc. meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this certification.



Victoria Jones, F.S.A., M.A.A.A.
Enrolled Actuary No. 26-04371



Nadine Solntseva F.C.A., M.A.A.A.
Enrolled Actuary No. 26-07546

# *A. ACTUARIAL ASSUMPTIONS*

| | |
|---|---|
| ***Measurement Date*** | January 1, 2020. |
| ***Census Data*** | Participant census data as of January 1, 2020. |
| ***Interest Rate*** | 2.53% per annum. |
| ***Mortality*** | Mortality is as prescribed by Appendix A of PBGC regulation 4044. |
| ***Retirement Age*** | Earliest possible retirement age. |
| ***Disability Rates*** | None. |
| ***Marriage*** | 75% of participants are assumed to be married. Husbands are assumed to be three years older than their wives. |
| ***Form of Payment*** | Participants are assumed to elect the normal form for single participants, life annuity. |
| ***Terminated Vested Over Normal Retirement Age*** | Terminated vested members over normal retirement age are assumed to collect their benefit on the valuation date without any adjustment for late retirement. |
| ***Administrative Expenses*** | $1,500,000 per annum, assumed payable mid-year. |
| ***Withdrawal Liability Payments*** | Future withdrawal liability payments are assumed to be collected in full from employers not currently in default, with payments assumed mid-year. |
| ***Benefit Payments*** | Benefit payments are paid in equal monthly installments throughout the plan year, at the beginning of each month. |

# *A. ACTUARIAL ASSUMPTIONS*

## *B. CRITICAL STATUS TEST*

As detailed in the January 1, 2020, actuarial valuation report, the future cash flow projection is as follows:

| Plan Year | Expected Benefit Payments | Projected Administrative Expenses | Expected Withdrawal Liability Income | Net Cash Flow |
|---|---|---|---|---|
| 2020 | ($5,245,000) | ($1,500,000) | $318,298 | ($6,426,702) |
| 2021 | (5,113,000) | (1,500,000) | 318,298 | (6,294,702) |
| 2022 | (5,019,000) | (1,500,000) | 318,298 | (6,200,702) |
| 2023 | (4,879,000) | (1,500,000) | 318,298 | (6,060,702) |
| 2024 | (4,703,000) | (1,500,000) | 318,298 | (5,884,702) |
| Present Value (PV) as of 1/1/2020 | ($23,466,961) | ($7,049,707) | $1,495,937 | ($29,020,731) |

The Fund is in Critical Status under ERISA § 305(b)(2)(D) as follows:

| | |
|---|---|
| 1. Market value of assets as of January 1, 2020 | $5,562,916 |
| 2. Present Value of Expected Withdrawal Liability Income 2020-2024 | $1,495,937 |
| 3. Assets plus PV Contributions (1 + 2) | $7,058,853 |
| 4. Present Value of Expected Benefit Payments 2020-2024 | $23,466,961 |
| 5. Present Value of Projected Administrative Expenses 2020-2024 | $7,049,707 |
| 6. Total PV Benefits and Expenses (4 + 5) | $30,516,668 |
| 7. Item 6 exceeds Item 3 | Yes |

## *C. SOLVENCY PROJECTION*

| 1/1/yyyy | Market Value of Assets at the Beginning of Year | Contributions and Withdrawal Liability Payments | Benefit Payments | Administrative Expenses | Market Value of Assets at Year-End |
|---|---|---|---|---|---|
| 2020 | $5,562,916 | $318,298 | ($5,245,000) | ($1,500,000) | insolvent |

# *SFA AMOUNT CERTIFICATION*

The Trustee of the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1 Joint Retirement Fund (JRF) is applying to the Pension Benefit Guaranty Corporation (PBGC) for Special Financial Assistance (SFA) under section 4262 of ERISA. This certifies that the requested SFA amount of **$46,905,041,** calculated as of the SFA measurement date April 30, 2025, is the amount to which the plan is entitled under section 4262(j)(1) of ERISA and § 4262.4 of PBGC's SFA regulation, and it documents the assumptions, methods and data sources used in calculating the SFA amount.

The census data used to determine the SFA amount is as of January 1, 2025, and the Third-Party Administrator provided it for the purpose of the actuarial valuation as of that date. The SFA amount noted above reflects the results of PBGC's Independent Death Audit ("IDA"). The summary of the participant data reflecting the IDA is attached to this Certification.

The assumptions used to determine the SFA amount are attached to this Certification. The undersigned actuaries believe that in their professional opinion, the combined effect of non-prescribed assumptions used for measuring the pension obligations used to determine SFA does not have significant bias.

The undersigned actuaries of First Actuarial Consulting, Inc. meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this certification. All calculations were performed in accordance with our understanding of generally accepted actuarial principles and practices and this report, to our knowledge, is complete and accurate and complies with the reasonable actuarial-assumption rules.

**The undersigned actuaries certify that the requested SFA amount of 46,905,041, calculated as of the SFA measurement date April 30, 2025, as indicated on Template 4A attached to this application is the amount to which the plan is entitled under section 4262(j)(1) of ERISA and § 4262.4 of PBGC's SFA regulation.**



Victoria Jones, F.S.A., M.A.A.A.
Enrolled Actuary No. 26-04371



Nadine Solntseva F.C.A., M.A.A.A.
Enrolled Actuary No. 26-07546

## *SUMMARY OF PARTICIPANT DATA*

- SFA Measurement Date ("MD"): April 30, 2025
- Census Date ("CD"): January 1, 2025
- Independent Death Audit ("IDA") Date: September 2026

| | Actives | With Deferred Benefits | In-Pay-Status | Total |
|---|---|---|---|---|
| Census Date Data | None | 1,079 | 1,934 | 3,013 |
| Deceased before CD per IDA | None | (6) | (3) | (9) |
| Deceased "missing TVs" between CD and MD | N/A | (4) | N/A | (4) |
| Known Beneficiaries | N/A | None | N/A | None |
| Beneficiaries per marriage assumption | N/A | None | N/A | None |
| "Missing TVs" over 85 on MD | N/A | (58) | N/A | (58) |
| Data for SFA amount determination | None | 1,011 | 1,931 | 2,942 |

# *ASSUMPTIONS TO DETERMINE SFA AMOUNT*

| | | |
|---|---|---|
| ***Interest Rates*** | 7.50% per annum for non-SFA assets;<br>5.93% per annum for SFA assets. | |
| ***Mortality*** | Non-Annuitants: | Pri-2012 amount-weighted Blue Collar (Pri-2012(BC)) table projected on a fully generational basis with scale MP-2021. |
| | Annuitants: | Pri-2012 amount-weighted Blue Collar (Pri-2012(BC)) retiree table projected on a fully generational basis with scale MP-2021. For beneficiaries, the associated contingent survivor mortality table is used after the member's death. |
| | Disabled: | Pri-2012 amount-weighted Disabled Mortality (Pri-2012(Dis)) table projected on a fully generational basis with scale MP-2021. |
| ***Retirement Age*** | Age 65. | |
| ***Disability Rates*** | None. | |
| ***Marriage*** | 75% of participants are assumed to be married. Husbands are assumed to be three years older than their wives. | |
| ***Form of Payment*** | Participants are assumed to elect the normal form for single participants, a life annuity. | |
| ***Terminated Vested Over Normal Retirement Age*** | Terminated vested members over normal retirement age are assumed to collect their benefit, adjusted for the delayed commencement, on the valuation date, January 1, 2025. Terminated vested members who have passed their required beginning date on January 1, 2025, and who were not yet in pay status on the measurement date of April 30, 2025, are assumed to collect their benefit with a delayed retirement increase to their required beginning date. They are also assumed to collect a lump sum for missed payments through January 1, 2025, further adjusted with 5% per annum interest to April 30, 2025, the SFA measurement date. Terminated vested members over age 85 on April 30, 2025, are assumed to never collect their benefit. | |
| ***Administrative Expenses*** | Administrative expenses, *excluding* PBGC premiums, are assumed to be:<br>(a) $356,750 for the period May 1 through December 31, 2025;<br>(b) $455,150 for the 2026 plan year; | |

(c) $389,529 for the 2027 plan year, increasing by 2.5% per annum thereafter.

PBGC premiums are calculated as the expected number of plan participants at the beginning of the plan year multiplied by that year's premium rate. The premium rate is $39 for the 2025 plan year and $40 for the 2026 plan year. For the plan years 2027 through 2030, the premium rate will increase by 2.5% per annum. The rate will be $52 per participant for the 2031 plan year and will increase by 2.5% per annum thereafter. With the exception of the 2026 plan year, total annual administrative expenses are limited to 15% of expected benefit payments for each projection year, but not less than $371,000 plus PBGC premiums.

***Withdrawal Liability Payments*** Payments collected through December 31, 2025 are reflected when made. The probability that each employer continues to make payments after 2026 decreases by 20% annually.

***Benefit Payments*** Benefit payments are paid in equal monthly installments throughout the plan year, at the beginning of the month.

# *FAIR MARKET VALUE CERTIFICATION BY PLAN SPONSOR*

The Trustee of the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1 Joint Retirement Fund is applying to the Pension Benefit Guaranty Corporation (PBGC) for Special Financial Assistance (SFA) under section 4262 of ERISA. This is to certify that the fair market value of plan assets ("FMV") as of the **SFA measurement date, April 30, 2025, is $813,328.**

The balance sheet and the income statement as of April 30, 2025 are attached to this certification. Receivable withdrawal liabilities are not included in the FMV above.

Larry Magarik
Trustee

***LEATHER GOODS, PLASTICS, HANDBAGS,***
***AND NOVELITY WORKERS UNION,***
***LOCAL 1 JOINT RETIREMENT FUND***

***Statements of Net Assets Available for Benefits***
***(Liquidation Basis of Accounting)***

***As of April 30. 2025 and December 31, 2024***

| | ***April 30, 2025*** | ***2024*** |
|---|---|---|
| **ASSETS** | | |
| **OTHER ASSETS** | | |
| Cash | $ 805,401.00 | $ 1,025,769.00 |
| Prepaid Expenses | 9,246.00 | 10,364.00 |
| Total Other Assets | 814,647.00 | 1,036,133.00 |
| Total Assets | 814,647.00 | 1,036,133.00 |
| **LIABILITIES AND NET ASSETS** | | |
| **LIABILITIES** | | |
| Accrued Expenses | 1,319.00 | 77,131.00 |
| Total Liabilities | 1,319.00 | 77,131.00 |
| **NET ASSETS AVAILABLE FOR BENEFITS** | **$ 813,328.00** | **$ 959,002.00** |

***LEATHER GOODS, PLASTICS, HANDBAGS,***
***AND NOVELTY WORKERS UNION,***
***LOCAL 1 JOINT RETIREMENT FUND***

***Statement of Changes in Net Assets Available for Benefits***
***(Liquidation Basis of Accounting)***

***As of April 30. 2025 and December 31, 2024***

| | ***April 30, 2025*** | ***2024*** |
|---|---|---|
| **ADDITIONS** | | |
| Withdrawal Liability Contributions | $ 19,712.00 | $ 54,998.00 |
| Other Income | - | 54.00 |
| PBGC Funding | 853,900.00 | 3,468,500.00 |
| Total Additions | 873,612.00 | 3,523,552.00 |
| **DEDUCTIONS** | | |
| Benefits Paid | 1,012,872.00 | 3,274,397.00 |
| Administrative Expenses | 6,414.00 | 392,203.00 |
| Total Deductions | 1,019,286.00 | 3,666,600.00 |
| **NET DECREASE** | $ (145,674.00) | $ (143,048.00) |
| **NET ASSETS AVAILABLE FOR BENEFITS** | | |
| **Beginning of Year** | $ 959,002.00 | 1,102,050.00 |
| **End of Year** | $ 813,328.00 | $ 959,002.00 |

## *PENALTIES OF PERJURY STATEMENT*

Under penalty of perjury under the laws of the United States of America, I declare that I am an authorized trustee who is a current member of the Board of Trustees of the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1 Joint Retirement Fund and that I have examined this application, including accompanying documents, and, to the best of my knowledge and belief, the application contains all the relevant facts relating to the application, all statements of fact contained in the application are true, correct, and not misleading because of omission of any material fact; and all accompanying documents are what they purport to be.

Larry Magarik
Authorized Trustee

**AMENDMENT TO THE**
**THE PENSION PLAN OF THE LEATHER GOODS, PLASTICS, HANDBAGS AND NOVELTY WORKERS' UNION LOCAL 1 JOINT RETIREMENT FUND**
**AMENDED AND RESTATED EFFECTIVE AS OF JANUARY 1, 2015**

Whereas, the undersigned, constituting the Board of Trustees (the "Board") of the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1 Joint Retirement Fund (the "Plan") is applying to the Pension Benefit Guaranty Corporation ("PBGC") under section 4262 of the Employment Retirement Income Security Act of 1974, as amended ("ERISA"), and 29 C.F.R. § 4262 for special financial assistance; and

Whereas, 29 C.F.R. § 4262.6(e)(1) requires that the Plan Sponsor of a plan applying for special financial assistance amend the written instrument governing the plan to require that the plan be administered in accordance with the restrictions and conditions specified in section 4262 of ERISA and 29 C.F.R. part 4262 and that the amendment be contingent upon approval by PBGC of the plan's application for special financial assistance; and

Whereas, under Section 8.11 of the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1 Joint Retirement Fund Amended and Restated Effective as of January 1, 2015 (the "Plan Document"), the Board has the power to amend the Plan Document;

Now therefore, the Plan Document is amended, contingent upon PBGC approval of the Plan's application for special financial assistance, by adding a new Section 8.15 to read as follows:

"Beginning with the special financial assistance ("SFA") measurement date selected by the Plan in the Plan's application for special financial assistance, notwithstanding anything to the contrary in this or any other document governing the Plan, the plan shall be administered in accordance with the restrictions and conditions specified in section 4262 of ERISA and 29 CFR part 4262. This amendment is contingent upon approval by PBGC of the Plan's application for special financial assistance."

LARRY MAGARIK
Trustee

Date: 8/11/26

**AMENDMENT TO THE**
**THE PENSION PLAN OF THE LEATHER GOODS, PLASTICS, HANDBAGS AND NOVELTY WORKERS' UNION LOCAL 1 JOINT RETIREMENT FUND**
**AMENDED AND RESTATED EFFECTIVE AS OF JANUARY 1, 2015**
**TO REINSTATE SUSPENDED BENEFITS**

## Background

1. The undersigned, constituting the Board of Trustees ("Board") of the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1 Joint Retirement Fund (the "Plan") is applying to the Pension Benefit Guaranty Corporation ("PBGC") under section 4262 of the Employment Retirement Income Security Act of 1974, as amended ("ERISA"), and 29 C.F.R. § 4262 for special financial assistance for the Plan.

2. 29 C.F.R. §§ 4262.6(e)(2) and 4262.15(a) require that the Plan Sponsor of a plan that is applying for special financial assistance and that suspended benefits under section 305(e)(9) or 4245(a) of ERISA amend the written instrument governing the plan to reinstate such suspended benefits and provide make-up payments in accordance with guidance issued by the Secretary of the Treasury under section 432(k) of the Internal Revenue Code (which was issued in IRS Notice No. 2021-38).

3. 29 C.F.R. § 4262.7(e)(2) requires that an application for special financial assistance for a plan that suspended benefits under section 305(e)(9) or 4245(a) of ERISA include a copy of the proposed plan amendment required under section 4262.6(e)(2) of ERISA and certification by the plan sponsor that the plan amendment will be timely adopted. Section 4262.7(e)(2) further requires (1) that such certification be signed either by all members of the plan's board of trustees or by one or more trustees duly authorized both to sign the certification on behalf of the entire board and to commit the board to timely adopting the amendment after the plan's application for special financial assistance is approved, and (2) that each signature be accompanied by the printed name and title of the signer.

4. Benefits under the Plan have been suspended under section 4245(a) of ERISA due to plan insolvency.

5. Under Section 8.11 of the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1 Joint Retirement Fund Amended and Restated Effective as of January 1, 2015 (the "Plan Document"), the undersigned Board has the power to amend the Plan Document.

**Amendment**

The Plan Document is amended by adding a new Section 8.16 to read as follows:

**8.16**

i. Effective as of the first month in which special financial assistance is paid to the Plan, the Plan shall reinstate all benefits that were suspended under section 305(e)(9) or 4245(a) of ERISA.

ii. The Plan shall pay each participant and beneficiary that is in pay status as of the date special financial assistance is paid to the Plan the aggregate amount of their benefits that were not paid because of the suspension, with no actuarial adjustment or interest. Such payment shall be made in a lump sum no later than 3 months after the date the special financial assistance is paid to the Plan, irrespective of whether the participant or beneficiary dies after the date special financial assistance is paid.

_____
Larry Magarik
Trustee

Date: _____

# Application Checklist

v20240717p

**Instructions for Section E, Item 1 of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance (SFA):**

The Application to PBGC for Approval of Special Financial Assistance Checklist ("Application Checklist" or "Checklist") identifies all information required to be filed with an initial or revised application. For a supplemented application, instead use "Application Checklist - Supplemented." The Application Checklist is not required for a lock-in application.

For a plan required to submit additional information described in Addendum A of the SFA Filing Instructions, also complete Checklist Items #40.a. to #49.b., and if there is a merger as described in Addendum A, also complete Checklist Items #50 through #63.

Applications (including this Application Checklist), with the exception of lock-in applications, must be submitted to PBGC electronically through PBGC's e-Filing Portal, (https://efilingportal.pbgc.gov/site/). After logging into the e-Filing Portal, go to the Multiemployer Events section and click "Create New ME Filing." Under "Select a filing type," select "Application for Financial Assistance – Special." Note: revised and supplemented applications must be submitted by selecting "Create New ME Filing."

Note: If you go to the e-Filing Portal and do not see "Application for Financial Assistance – Special" under the "Select a Filing Type," then the e-Filing Portal is temporarily closed and PBGC is not accepting applications (other than lock-in applications) at the time, unless the plan is eligible to make an emergency filing under § 4262.10(f). PBGC's website, *www.pbgc.gov* , will be updated when the e-Filing Portal reopens for applications. PBGC maintains information on its website at *www.pbgc.gov* to inform prospective applicants about the current status of the e-Filing portal, as well as to provide advance notice of when PBGC expects to open or temporarily close the e-Filing Portal.

General instructions for completing the Application Checklist:

Complete all items that are shaded:

If required information was already filed: (1) through PBGC's e-Filing Portal; or (2) through any means for an insolvent plan, a plan that has received a partition, or a plan that submitted an emergency filing, the filer may either upload the information with the application or include a statement in the Plan Comments section of the Application Checklist indicating the date on which and the submission with which the information was previously filed. For any such items previously provided, enter N/A as the **Plan Response**.

For a revised application, the filer may, but is not required to, submit an entire application. For all Application Checklist Items that were previously filed that are not being changed, the filer may include a statement in the Plan Comments section of the Application Checklist to indicate that the other information was previously provided as part of the initial application. For each, enter N/A as the **Plan Response**.

Instructions for specific columns:

**Plan Response:** Provide a response to each item on the Application Checklist, using only the **Response Options** shown for each Checklist Item.

**Name(s) of Files Uploaded:** Identify the full name of the file or files uploaded that are responsive to the Checklist Item. The column **Upload as Document Type** provides guidance on the "document type" to select when submitting documents on PBGC's e-Filing Portal.

**Page Number Reference(s):** For Checklist Items #22 to #29c, submit all information in a single document and identify here the relevant page numbers for each such Checklist Item.

**Plan Comments**: Use this column to provide explanations for any **Plan Response** that is N/A, to respond as may be specifically identified for Checklist Items, and to provide any optional explanatory comments.

Additional guidance is provided in the following columns:

**Upload as Document Type:** When uploading documents in PBGC's e-Filing Portal, select the appropriate Document Type for each document that is uploaded. This column provides guidance on the Document Type to select for each Checklist Item. You may upload more than one document using the same Document Type, and there may be Document Types on the e-Filing Portal for which you have no documents to upload.

**Required Filenaming (if applicable):** For certain Checklist Items, a specified format for naming the file is required.

**SFA Instructions Reference:** Identifies the applicable section and item number in PBGC's Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance.

You must select N/A if a Checklist Item # is not applicable to your application. Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #39 on the Application Checklist. If there has been an event as described in § 4262.4(f), complete Checklist Items #40.a. through #49.b., and if there has been a merger described in Addendum A, also complete Checklist Items #50 through #63. Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #40.a. through #49.b. if you are required to complete Checklist Items # 40.a. through #49.b. Your application will also be considered incomplete if No is entered as a Plan Response for any of Checklist Items #50 through #63 if you are required to complete Checklist Items #50 through #63.

If a Checklist Item # asks multiple questions or requests multiple items, the Plan Response should only be Yes if the plan is providing all information requested for that Checklist Item.

Note, a Yes or No response is also required for Checklist Items #a through #f.

Note, in the case of a plan applying for priority consideration, the plan's application must also be submitted to the Treasury Department. If that requirement applies to an application, PBGC will transmit the application to the Treasury Department on behalf of the plan. See IRS Notice [NOTICE] for further information.

**All information and documentation, unless covered by the Privacy Act, that is included in an SFA application may be posted on PBGC's website at *www.pbgc.gov* or otherwise publicly disclosed, without additional notification. Except to the extent required by the Privacy Act, PBGC provides no assurance of confidentiality in any information included in an SFA application.**

**Version Updates (newest version at top)**

| Version | Date updated | |
|---|---|---|
| v20240717p | 07/17/2024 | Update checklist items 11.c, 34.a, and 35 for death audit requirements and to align with instructions |
| v07272023p | 07/27/2023 | Updated checklist to include new Template 10 requirement and reflect changes to eligibility and death audit instructions |

| | | |
|---|---|---|
| v20221129p | 11/29/2022 | Updated checklist item 11. for new death audit requirements |
| v20220802p | 08/02/2022 | Fixed some of the shading in the checklist |
| v20220706p | 07/06/2022 | |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**

v20240717p

**APPLICATION CHECKLIST**

| | |
|---|---|
| **Plan name:** | Local 1 JRF |
| **EIN:** | 13-5622665 |
| **PN:** | 001 |
| **SFA Amount Requested:** | $46,905,041.00 |

Do NOT use this Application Checklist for a supplemented application. Instead use Application Checklist - Supplemented.

----------Filers provide responses here for each Checklist Item:----------

Unless otherwise specified:
YYYY = plan year
Plan Name = abbreviated plan name

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #39. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #40.a. through #49.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #50 through #63.**

Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| **Plan Information, Checklist, and Certifications** | | | | | | | | | |
| a. | | Is this application a revised application submitted after the denial of a previously filed application for SFA? | Yes<br>No | No | N/A | N/A | | N/A | N/A |
| b. | | Is this application a revised application submitted after a plan has withdrawn its application for SFA that was initially submitted under the interim final rule? | Yes<br>No | No | N/A | N/A | | N/A | N/A |
| c. | | Is this application a revised application submitted after a plan has withdrawn its application for SFA that was submitted under the final rule? | Yes<br>No | No | N/A | N/A | | N/A | N/A |
| d. | | Did the plan previously file a lock-in application? | Yes<br>No | Yes | N/A | N/A | "Lock-in" application was filed on 7/9/2025 | N/A | N/A |
| e. | | Has this plan been terminated? | Yes<br>No | Yes | N/A | N/A | Plan was terminated 12/31/2013 | N/A | N/A |
| f. | | Is this plan a MPRA plan as defined under § 4262.4(a)(3) of PBGC's SFA regulation? | Yes<br>No | No | N/A | N/A | | N/A | N/A |
| 1. | Section B, Item (1)a. | Does the application include the most recent plan document or restatement of the plan document and all amendments adopted since the last restatement (if any)? | Yes<br>No | Yes | Plan Document Local 1 JRF; Plan Amendment Local 1 JRF 2014; Plan Amendment Local 1 JRF 2023 | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | N/A |
| 2. | Section B, Item (1)b. | Does the application include the most recent trust agreement or restatement of the trust agreement, and all amendments adopted since the last restatement (if any)? | Yes<br>No | Yes | Trust Agreement Local 1 JRF | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | N/A |
| 3. | Section B, Item (1)c. | Does the application include the most recent IRS determination letter?<br><br>Enter N/A if the plan does not have a determination letter. | Yes<br>No<br>N/A | Yes | DetLetter Local 1 JRF | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | N/A |
| 4. | Section B, Item (2) | Does the application include the actuarial valuation report for the 2018 plan year and each subsequent actuarial valuation report completed before the filing date of the initial application?<br><br>Enter N/A if no actuarial valuation report was prepared because it was not required for any requested year.<br><br>Is each report provided as a separate document using the required filename convention? | Yes<br>No<br>N/A | Yes | 2018AVR Local 1 JRF; 2019AVR Local 1 JRF; 2020AVR Local 1 JRF; 2021AVR Local 1 JRF; 2022AVR Local 1 JRF; 2023AVR Local 1 JRF;2024AVR Local 1 JRF | N/A | | Most recent actuarial valuation for the plan | *YYYYAVR Plan Name* |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**

v20240717p

**APPLICATION CHECKLIST**

| | |
|---|---|
| **Plan name:** | Local 1 JRF |
| **EIN:** | 13-5622665 |
| **PN:** | 001 |
| **SFA Amount Requested:** | $46,905,041.00 |

Do NOT use this Application Checklist for a supplemented application. Instead use Application Checklist - Supplemented.

----------Filers provide responses here for each Checklist Item:----------

Unless otherwise specified:
YYYY = plan year
Plan Name = abbreviated plan name

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #39. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #40.a. through #49.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #50 through #63.**

Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 5.a. | Section B, Item (3) | Does the application include the most recent rehabilitation plan (or funding improvement plan, if applicable), including all subsequent amendments and updates, and the percentage of total contributions received under each schedule of the rehabilitation plan or funding improvement plan for the most recent plan year available? | Yes<br>No | Yes | FIP 2012 Local 1 JRF | N/A | | Rehabilitation plan (or funding improvement plan, if applicable) | N/A |
| 5.b. | | If the most recent rehabilitation plan does not include historical documentation of rehabilitation plan changes (if any) that occurred in calendar year 2020 and later, does the application include an additional document with these details?<br><br>Enter N/A if the historical document is contained in the rehabilitation plans. | Yes<br>No<br>N/A | N/A | | N/A | | Rehabilitation plan (or funding improvement plan, if applicable) | N/A |
| 6. | Section B, Item (4) | Does the application include the plan's most recently filed (as of the filing date of the initial application) Form 5500 (Annual Return/Report of Employee Benefit Plan) and all schedules and attachments (including the audited financial statement)?<br><br>Is the 5500 filing provided as a single document using the required filename convention? | Yes<br>No | Yes | 2024Form5500 Local 1 JRF | N/A | | Latest annual return/report of employee benefit plan (Form 5500) | *YYYYForm5500 Plan Name* |
| 7.a. | Section B, Item (5) | Does the application include the plan actuary's certification of plan status ("zone certification") for the 2018 plan year and each subsequent annual certification completed before the filing date of the initial application?<br><br>Enter N/A if the plan does not have to provide certifications for any requested plan year.<br><br>Is each zone certification (including the additional information identified in Checklist Items #7.b. and #7.c. below, if applicable) provided as a single document, separately for each plan year, using the required filename convention? | Yes<br>No<br>N/A | Yes | N/A | N/A | Zone certifications were not required | Zone certification | *YYYYZoneYYYYMMDD Plan Name,* where the first "YYYY" is the applicable plan year, and "YYYYMMDD" is the date the certification was prepared. |
| 7.b. | | Does the application include documentation for all zone certifications that clearly identifies all assumptions used including the interest rate used for funding standard account purposes?<br><br>If such information is provided in an addendum, addendums are only required for the most recent actuarial certification of plan status completed before January 1, 2021 and each subsequent annual certification.<br><br>Is this information included in the single document in Checklist Item #7.a. for the applicable plan year?<br><br>Enter N/A if the plan entered N/A for Checklist Item #7a. | Yes<br>No<br>N/A | Yes | N/A - include as part of documents in Checklist Item #7.a. | N/A | | N/A - include as part of documents in Checklist Item #7.a. | N/A - included in a single document for each plan year - See Checklist Item #7.a. |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**

v20240717p

**APPLICATION CHECKLIST**

| | |
|---|---|
| **Plan name:** | Local 1 JRF |
| **EIN:** | 13-5622665 |
| **PN:** | 001 |
| **SFA Amount Requested:** | $46,905,041.00 |

Do NOT use this Application Checklist for a supplemented application. Instead use Application Checklist - Supplemented.

----------Filers provide responses here for each Checklist Item:----------

Unless otherwise specified:
YYYY = plan year
Plan Name = abbreviated plan name

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #39. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #40.a. through #49.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #50 through #63.**

Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 7.c. | | For a certification of critical and declining status, does the application include the required plan-year-by-plan-year projection (showing the items identified in Section B, Item (5)a. through (5)f. of the SFA Instructions) demonstrating the plan year that the plan is projected to become insolvent? If required, is this information included in the single document in Checklist Item #7.a. for the applicable plan year? Enter N/A if the plan entered N/A for Checklist Item #7.a. or if the application does not include a certification of critical and declining status. | Yes<br>No<br>N/A | Yes | N/A - include as part of documents in Checklist Item #7.a. | N/A | | N/A - include as part of documents in Checklist Item #7.a. | N/A - included in a single document for each plan year - See Checklist Item #7.a. |
| 8. | Section B, Item (6) | Does the application include the most recent account statements for each of the plan's cash and investment accounts?<br><br>Insolvent plans may enter N/A, and identify in the Plan Comments that this information was previously submitted to PBGC and the date submitted. | Yes<br>No<br>N/A | Yes | AcctStmt PNC XXXX Local 1 JRF | N/A | | Bank/Asset statements for all cash and investment accounts | N/A |
| 9. | Section B, Item (7) | Does the application include the most recent plan financial statement (audited, or unaudited if audited is not available)?<br><br>Insolvent plans may enter N/A, and identify in the Plan Comments that this information was previously submitted to PBGC and the date submitted. | Yes<br>No<br>N/A | Yes | FinancialStmts 2024 Local 1 JRF | N/A | | Plan's most recent financial statement (audited, or unaudited if audited not available) | N/A |
| 10. | Section B, Item (8) | Does the application include all of the plan's written policies and procedures governing the plan's determination, assessment, collection, settlement, and payment of withdrawal liability?<br><br>Are all such items included as a single document using the required filenaming convention? | Yes<br>No<br>N/A | Yes | WDL Local 1 JRF | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | *WDL Plan Name* |
| 11.a. | Section B, Item (9)a. | Does the application include documentation of a death audit to identify deceased participants that was completed on the census data used for SFA purposes, including identification of the service provider conducting the audit, date performed, the participant counts (provided separately for current retirees and beneficiaries, current terminated vested participants not yet in pay status, and current active participants) run through the death audit, and a copy of the results of the audit provided to the plan administrator by the service provider?<br><br>If applicable, has personally identifiable information in this report been redacted prior to submission to PBGC?<br><br>Is this information included as a single document using the required filenaming convention? | Yes<br>No | Yes | Death Audit Local 1 JRF | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | *Death Audit Plan Name* |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**

v20240717p

**APPLICATION CHECKLIST**

| | |
|---|---|
| **Plan name:** | Local 1 JRF |
| **EIN:** | 13-5622665 |
| **PN:** | 001 |
| **SFA Amount Requested:** | $46,905,041.00 |

Do NOT use this Application Checklist for a supplemented application. Instead use Application Checklist - Supplemented.

----------Filers provide responses here for each Checklist Item:----------

Unless otherwise specified:
YYYY = plan year
Plan Name = abbreviated plan name

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #39. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #40.a. through #49.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #50 through #63.**

Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 11.b. | | If any known deaths occurred before the date of the census data used for SFA purposes, is a statement certifying these deaths were reflected for SFA calculation purposes provided? | Yes<br>No<br>N/A | Yes | N/A - include as part of documents in Checklist Item #11.a. | N/A | | N/A | N/A - include as part of documents in Checklist Item #11.a. |
| 11.c. | Section B, Item (9)b. & Item (9)c. | Does the application include full census data (Social Security Number, name, and participant status) of all participants that were included in the SFA projections? Is this information provided in Excel, or in an Excel-compatible format?<br><br>Or, if this data was submitted in advance of the application, in accordance with Section B, Item (9)c. of the Instructions, does the application contain a description of how the results of PBGC's independent death audit are reflected for SFA calculation purposes? | Yes<br>No<br>N/A | Yes | | N/A | | Submit the data file and the date of the census data through PBGC's secure file transfer system, Leapfile. Go to http://pbgc.leapfile.com, click on "Secure Upload" and then enter sfa@pbgc.gov as the recipient email address and upload the file(s) for secure transmission. | *Include as the subject "Submission of Terminated Vested Census Data for (Plan Name)," and as the memo "(Plan Name) terminated vested census data dated (date of census data) through Leapfile for independent audit by PBGC."* |
| 12. | Section B, Item (10) | Does the application include information required to enable the plan to receive electronic transfer of funds if the SFA application is approved, including (if applicable) a notarized payment form? See SFA Instructions, Section B, Item (10). | Yes<br>No | Yes | ACH_VendorPmtForm Local 1 JRF; BankLetter Local1 JRF | N/A | | Other | N/A |
| 13. | Section C, Item (1) | Does the application include the plan's projection of expected benefit payments that should have been attached to the Form 5500 Schedule MB in response to line 8b(1) on the Form 5500 Schedule MB for plan years 2018 through the last year the Form 5500 was filed by the filing date of the initial application?<br><br>Enter N/A if the plan is not required to respond Yes to line 8b(1) on the Form 5500 Schedule MB. See Template 1.<br><br>Does the uploaded file use the required filenaming convention? | Yes<br>No<br>N/A | N/A | | N/A | | Financial assistance spreadsheet (template) | *Template 1 Plan Name* |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20240717p

| | |
|---|---|
| **Plan name:** | Local 1 JRF |
| **EIN:** | 13-5622665 |
| **PN:** | 001 |
| **SFA Amount Requested:** | $46,905,041.00 |

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 14. | Section C, Item (2) | If the plan was required to enter 10,000 or more participants on line 6f of the most recently filed Form 5500 (by the filing date of the initial application), does the application include a current listing of the 15 largest contributing employers (the employers with the largest contribution amounts) and the amount of contributions paid by each employer during the most recently completed plan year before the filing date of the initial application (without regard to whether a contribution was made on account of a year other than the most recently completed plan year)? If this information is required, it is required for the 15 largest contributing employers even if the employer's contribution is less than 5% of total contributions.<br><br>Enter N/A if the plan is not required to provide this information. See Template 2.<br><br>Does the uploaded file use the required filenaming convention? | Yes<br>No<br>N/A | N/A | | N/A | | Contributing employers | *Template 2 Plan Name* |
| 15. | Section C, Item (3) | Does the application include historical plan information for the 2010 plan year through the plan year immediately preceding the date the plan's initial application was filed that separately identifies: total contributions, total contribution base units (including identification of the unit used), average contribution rates, and number of active participants at the beginning of each plan year? For the same period, does the application show all other sources of non-investment income such as withdrawal liability payments collected, reciprocity contributions (if applicable), additional contributions from the rehabilitation plan (if applicable), and other identifiable sources of contributions? See Template 3.<br><br>Does the uploaded file use the required filenaming convention? | Yes<br>No | Yes | Template 3 Local 1 JRF | N/A | | Historical Plan Financial Information (CBUs, contribution rates, contribution amounts, withdrawal liability payments) | *Template 3 Plan Name* |
| 16.a. | Section C, Items (4)a., (4)e., and (4)f. | Does the application include the information used to determine the amount of SFA for the plan using the basic method described in § 4262.4(a)(1) based on a deterministic projection and using the actuarial assumptions as described in § 4262.4(e)?<br>See Template 4A, *4A-4 SFA Details .4(a)(1)* sheet and Section C, Item (4) of the SFA Filing Instructions for more details on these requirements.<br><br>Does the uploaded file use the required filenaming convention? | Yes<br>No | Yes | Template 4A Local 1 JRF | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | *Template 4A Plan Name* |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**

v20240717p

**APPLICATION CHECKLIST**

| | |
|---|---|
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| **EIN:** | 13-5622665 |
| **PN:** | 001 |
| **SFA Amount Requested:** | $46,905,041.00 |

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 16.b.i. | Addendum D Section C, Item (4)a. - MPRA plan information A.<br><br>Addendum D Section C, Item (4)e. - MPRA plan information A. | If the plan is a MPRA plan, does the application also include the information used to determine the amount of SFA for the plan using the increasing assets method described in § 4262.4(a)(2)(i) based on a deterministic projection and using the actuarial assumptions as described in § 4262.4(e)? See Template 4A, *4A-5 SFA Details .4(a)(2)(i)* sheet and Addendum D for more details on these requirements.<br><br>Enter N/A if the plan is not a MPRA Plan. | Yes<br>No<br>N/A | N/A | N/A - included as part of Template 4A Plan Name | N/A | | N/A | N/A - included in Template 4A Plan Name |
| 16.b.ii. | Addendum D Section C, Item (4)f. - MPRA plan information A. | If the plan is a MPRA plan for which the requested amount of SFA is determined using the increasing assets method described in § 4262.4(a)(2)(i), does the application also explicitly identify the projected SFA exhaustion year based on the increasing assets method? See Template 4A, *4A-5 SFA Details .4(a)(2)(i)* sheet and Addendum D.<br><br>Enter N/A if the plan is not a MPRA Plan or if the requested amount of SFA is determined based on the present value method. | Yes<br>No<br>N/A | N/A | N/A - included as part of Template 4A Plan Name | N/A | | N/A | N/A - included in Template 4A Plan Name |
| 16.b.iii. | Addendum D Section C, Item (4)a. - MPRA plan information B<br><br>Addendum D Section C, Item (4)e. (4)f., and (4)g. - MPRA plan information B. | If the plan is a MPRA plan for which the requested amount of SFA is determined using the present value method described in § 4262.4(a)(2)(ii), does the application also include the information for such plans as shown in Template 4B, including *4B-1 SFA Ben Pmts* sheet, *4B-2 SFA Details 4(a)(2)(ii)* sheet, and *4B-3 SFA Exhaustion* sheet? See Addendum D and Template 4B.<br><br>Enter N/A if the plan is not a MPRA Plan or if the requested amount of SFA is determined based on the increasing assets method. | Yes<br>No<br>N/A | N/A | | N/A | | N/A | *Template 4B Plan Name* |
| 16.c. | Section C, Items (4)b. and (4)c. | Does the application include identification of the non-SFA interest rate and the SFA interest rate, including details on how each was determined? See Template 4A, *4A-1 Interest Rates* sheet. | Yes<br>No | Yes | N/A - included as part of Template 4A Plan Name | N/A | | N/A | N/A - included in Template 4A Plan Name |
| 16.d. | Section C, Item (4).e.ii. | For each year in the SFA coverage period, does the application include the projected benefit payments (excluding make-up payments, if applicable), separately for current retirees and beneficiaries, current terminated vested participants not yet in pay status, current active participants, and new entrants? See Template 4A, *4A-2 SFA Ben Pmts* sheet. | Yes<br>No | Yes | N/A - included as part of Template 4A Plan Name | N/A | | N/A | N/A - included in Template 4A Plan Name |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**

v20240717p

**APPLICATION CHECKLIST**

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|---|---|
| **Plan name:** | Local 1 JRF |
| **EIN:** | 13-5622665 |
| **PN:** | 001 |
| **SFA Amount Requested:** | $46,905,041.00 |

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 16.e. | Section C, Item (4)e.iv. and (4)e.v. | For each year in the SFA coverage period, does the application include a breakdown of the administrative expenses between PBGC premiums and all other administrative expenses? Does the application include the projected total number of participants at the beginning of each plan year in the SFA coverage period? See Template 4A, *4A-3 SFA Pcount and Admin Exp* sheet. | Yes<br>No | Yes | N/A - included as part of Template 4A Plan Name | N/A | | N/A | N/A - included in Template 4A Plan Name |
| 17.a. | Section C, Item (5) | For a plan that is not a MPRA plan, does the application include a separate deterministic projection ("Baseline") in the same format as Checklist Items #16.a., #16.d., and #16.e. that shows the amount of SFA that would be determined using the basic method if the assumptions/methods used are the same as those used in the most recent actuarial certification of plan status completed before January 1, 2021 ("pre-2021 certification of plan status") excluding the plan's non-SFA interest rate and SFA interest rate, which should be the same as in Checklist Item #16.a.? See Section C, Item (5) of the SFA Filing Instructions for other potential exclusions from this requirement.<br><br>If (a) the plan is a MPRA plan, or if (b) this item is not required for a plan that is not a MPRA plan, enter N/A. If entering N/A due to (b), add information in the Plan Comments to explain why this item is not required.<br><br>Does the uploaded file use the required filenaming convention? | Yes<br>No<br>N/A | Yes | Template 5A Local 1 JRF | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | *Template 5A Plan Name* |
| 17.b. | Addendum D<br>Section C, Item (5) | For a MPRA plan for which the requested amount of SFA is determined using the increasing assets method, does the application include a separate deterministic projection ("Baseline") in the same format as Checklist Items #16.b.i., #16.d., and #16.e. that shows the amount of SFA that would be determined using the increasing assets method if the assumptions/methods used are the same as those used in the most recent actuarial certification of plan status completed before January 1, 2021 ("pre-2021 certification of plan status") excluding the plan's non-SFA interest rate and SFA interest rate, which should be the same as used in Checklist Item #16.b.i.? See Section C, Item (5) of the SFA Filing Instructions for other potential exclusions from this requirement. Also see Addendum D.<br><br>If the plan is (a) not a MPRA plan, (b) a MPRA plan using the present value method, or (c) is otherwise not required to provide this item, enter N/A. If entering N/A due to (c), add information in the Plan Comments to explain why this item is not required.<br><br>Does the uploaded file use the required filenaming convention? | Yes<br>No<br>N/A | N/A | | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | *Template 5A Plan Name* |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**

v20240717p

**APPLICATION CHECKLIST**

| | |
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| **PN:** | 001 |
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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

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|---|---|---|---|---|---|---|---|---|---|
| 17.c. | Addendum D Section C, Item (5) | For a MPRA plan for which the requested amount of SFA is determined using the present value method, does the application include a separate deterministic projection ("Baseline") in the same format as Checklist Item #16.b.iii. that shows the amount of SFA that would be determined using the present value method if the assumptions used/methods are the same as those used in the most recent actuarial certification of plan status completed before January 1, 2021 ("pre-2021 certification of plan status") excluding the plan's SFA interest rate which should be the same as used in Checklist Item #16.b.iii. See Section C, Item (5) of the SFA Filing Instructions for other potential exclusions from this requirement. Also see Addendum D.<br><br>If the plan is (a) not a MPRA plan, (b) a MPRA plan using the increasing assets method, or (c) is otherwise not required to provide this item, enter N/A. If entering N/A due to (c), add information in the Plan Comments to explain why this item is not required.<br><br>Has this document been uploaded using the required filenaming convention? | Yes<br>No<br>N/A | N/A | | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | *Template 5B Plan Name* |
| 18.a. | Section C, Item (6) | For a plan that is not a MPRA plan, does the application include a reconciliation of the change in the total amount of requested SFA due to each change in assumption/method from the Baseline to the requested SFA amount? Does the application include a deterministic projection and other information for each assumption/method change, in the same format as Checklist Item #16.a? Enter N/A if the plan is not required to provide Baseline information in Checklist Item #17.a. Enter N/A if the requested SFA amount in Checklist Item #16.a. is the same as the amount shown in the Baseline details of Checklist Item #17.a. See Section C, Item (6) of the SFA Filing Instructions for other potential exclusions from this requirement.<br><br>If the plan is a MPRA plan, enter N/A. If the plan is otherwise not required to provide this item, enter N/A and provide an explanation in the Plan Comments.<br><br>Does the uploaded file use the required filenaming convention? | Yes<br>No<br>N/A | Yes | Template 6A Local 1 JRF | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | *Template 6A Plan Name* |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20240717p

| | |
|---|---|
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| **EIN:** | 13-5622665 |
| **PN:** | 001 |
| **SFA Amount Requested:** | $46,905,041.00 |

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 18.b. | Addendum D Section C, Item (6) | For a MPRA plan for which the requested amount of SFA is based on the increasing assets method, does the application include a reconciliation of the change in the total amount of requested SFA using the increasing assets method due to each change in assumption/method from the Baseline to the requested SFA amount? Does the application include a deterministic projection and other information for each assumption/method change, in the same format as Checklist Item #16.b.i.?<br><br>Enter N/A if the plan is not required to provide Baseline information in Checklist Item #17.b. Enter N/A if the requested SFA amount in Checklist Item #16.b.i. is the same as the amount shown in the Baseline details of Checklist Item #17.b. See Addendum D. See Section C, Item (6) of the SFA Filing Instructions for other potential exclusions from this requirement, and enter N/A if this item is not otherwise required.<br><br>If the plan is (a) not a MPRA plan, (b) a MPRA plan using the present value method, or (c) is otherwise not required to provide this item, enter N/A. If entering N/A due to (c), add information in the Plan Comments to explain why this item is not required.<br><br>Does the uploaded file use the required filenaming convention? | Yes<br>No<br>N/A | N/A | | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | *Template 6A Plan Name* |
| 18.c. | Addendum D Section C, Item (6) | For a MPRA plan for which the requested amount of SFA is based on the present value method, does the application include a reconciliation of the change in the total amount of requested SFA using the present value method due to each change in assumption/method from Baseline to the requested SFA amount? Does the application include a deterministic projection and other information for each assumption/method change, in the same format as Checklist Item #16.b.iii.?<br><br>See Section C, Item (6) of the SFA Filing Instructions for other potential exclusions from this requirement. Also see Addendum D.<br><br>If the plan is (a) not a MPRA plan, (b) a MPRA plan using the increasing assets method, or (c) is otherwise not required to provide this item, enter N/A. If entering N/A due to (c), add information in the Plan Comments to explain why this item is not required.<br><br>Has this document been uploaded using the required filenaming convention? | Yes<br>No<br>N/A | N/A | | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | *Template 6B Plan Name* |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**

v20240717p

**APPLICATION CHECKLIST**

| | |
|---|---|
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| **EIN:** | 13-5622665 |
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----------Filers provide responses here for each Checklist Item:----------

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| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 19.a. | Section C, Item (7)a. | For plans eligible for SFA under § 4262.3(a)(1) or § 4262.3(a)(3), does the application include a table identifying which assumptions/methods used in determining the plan's eligibility for SFA differ from those used in the pre-2021 certification of plan status, and does that table include brief explanations as to why using those assumptions/methods is no longer reasonable and why the changed assumptions/methods are reasonable (an abbreviated version of information provided in Checklist Item #28.a.)?<br><br>Enter N/A if the plan is eligible for SFA under § 4262.3(a)(2) or § 4262.3(a)(4) or if the plan is eligible based on a certification of plan status completed before 1/1/2021. Also enter N/A if the plan is eligible based on a certification of plan status completed after 12/31/2020 but that reflects the same assumptions as those in the pre-2021 certification of plan status. See Template 7, *7a Assump Changes for Elig* sheet.<br><br>Does the uploaded file include both Checklist Items #19.a. and #19.b., and does it use the required filenaming convention? | Yes<br>No<br>N/A | N/A | | N/A | | Financial assistance spreadsheet (template) | *Template 7 Plan Name.* |
| 19.b. | Section C, Item (7)b. | Does the application include a table identifying which assumptions/methods used to determine the requested SFA differ from those used in the pre-2021 certification of plan status (except the interest rates used to determine SFA)? Does this item include brief explanations as to why using those original assumptions/methods is no longer reasonable and why the changed assumptions/methods are reasonable? If a changed assumption is an extension of the CBU assumption or the administrative expenses assumption as described in Paragraph A "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's SFA assumptions guidance, does the application state so? This should be an abbreviated version of information provided in Checklist Item #28.b. See Template 7, *7b Assump Changes for Amount* sheet.<br><br>Does the uploaded file include both Checklist Items #19.a. and #19.b., and does it use the required filenaming convention? | Yes<br>No | Yes | Template 7 Local 1 JRF | N/A | | Financial assistance spreadsheet (template) | *Template 7 Plan Name* |
| 20.a. | Section C, Item (8) | Does the application include details of the projected contributions and withdrawal liability payments used to calculate the requested SFA amount, including total contributions, contribution base units (including identification of base unit used), average contribution rate(s), reciprocity contributions (if applicable), additional contributions from the rehabilitation plan (if applicable), and any other identifiable contribution streams? See Template 8. | Yes<br>No | Yes | Tempalte 8 Local 1 JRF | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | *Template 8 Plan Name* |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**

v20240717p

**APPLICATION CHECKLIST**

| | |
|---|---|
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| **EIN:** | 13-5622665 |
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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

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|---|---|---|---|---|---|---|---|---|---|
| 20.b. | Section C, Item (8) | Does the application separately show the amounts of projected withdrawal liability payments for employers that are currently withdrawn as of the date the initial application is filed, and assumed future withdrawals? Does the application also provide the projected number of active participants at the beginning of each plan year? See Template 8. | Yes<br>No | Yes | N/A - include as part of Checklist Item #20.a. | N/A | | N/A | N/A - included in *Template 8 Plan Name* |
| 21. | Section C, Item (10) | Does the application provide a table identifying and describing all assumptions and methods used in i) the pre-2021 certification of plan status, ii) the "Baseline" projection in Section C Item (5), and iii) the determination of the amount of SFA in Section C Item (4)?<br><br>Does the table state if each changed assumption falls under Section III, Acceptable Assumption Changes, or Section IV, Generally Accepted Assumption Changes, in PBGC's SFA assumptions guidance, or if it should be considered an "Other Change"?<br><br>Does the uploaded file use the required filenaming convention? | Yes<br>No | Yes | Template 10 Local 1 JRF | N/A | | Financial assistance spreadsheet (template) | *Template 10 Plan Name* |
| 22. | Section D | Was the application signed and dated by an authorized trustee who is a current member of the board of trustees or another authorized representative of the plan sponsor and include the printed name and title of the signer? | Yes<br>No | Yes | SFA App Local 1 JRF | | Identify here the name of the single document that includes all information requested in Section D of the SFA Filing Instructions (Checklist Items #22 through #29.c.). | Financial Assistance Application | *SFA App Plan Name* |
| 23.a. | Section D, Item (1) | For a plan that is not a MPRA plan, does the application include an optional cover letter?<br><br>Enter N/A if the plan is a MPRA plan, or if the plan is not a MPRA plan and did not include an optional cover letter. | Yes<br>N/A | Yes | N/A - included as part of SFA App Plan Name | page 1-3 | For each Checklist Item #22 through #29.c., identify the relevant page number(s) within the single document. | N/A | N/A - included as part of SFA App Plan Name |
| 23.b. | | For a plan that is a MPRA plan, does the application include a cover letter? Does the cover letter identify the calculation method (basic method, increasing assets method, or present value method) that provides the greatest amount of SFA? For a MPRA plan with a partition, does the cover letter include a statement that the plan has been partitioned under section 4233 of ERISA?<br><br>Enter N/A if the plan is not a MPRA plan. | Yes<br>No<br>N/A | N/A | N/A - included as part of SFA App Plan Name | | | N/A | N/A - included as part of SFA App Plan Name |
| 24. | Section D, Item (2) | Does the application include the name, address, email, and telephone number of the plan sponsor, plan sponsor's authorized representative, and any other authorized representatives? | Yes<br>No | Yes | N/A - included as part of SFA App Plan Name | page 1-2 | | N/A | N/A - included as part of SFA App Plan Name |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**

v20240717p

**APPLICATION CHECKLIST**

| | |
|---|---|
| **Plan name:** | Local 1 JRF |
| **EIN:** | 13-5622665 |
| **PN:** | 001 |
| **SFA Amount Requested:** | $46,905,041.00 |

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 25. | Section D, Item (3) | Does the application identify the eligibility criteria in § 4262.3 that qualifies the plan as eligible to receive SFA, and include the requested information for each item that is applicable, as described in Section D, Item (3) of the SFA Filing Instructions? | Yes<br>No | Yes | N/A - included as part of SFA App Plan Name | page 2, eligible for SFA under § 4262.3(a)(1) | Briefly note here the basis for eligibility for SFA. | N/A | N/A - included as part of SFA App Plan Name |
| 26.a. | Section D, Item (4) | If the plan's application is submitted on or before March 11, 2023, does the application identify the plan's priority group (see § 4262.10(d)(2))?<br><br>Enter N/A if the plan's application is submitted after March 11, 2023. | Yes<br>No<br>N/A | N/A | N/A - included as part of SFA App Plan Name | | Briefly identify here the priority group, if applicable. | N/A | N/A - included as part of SFA App Plan Name |
| 26.b. | | If the plan is submitting an emergency application under § 4262.10(f), is the application identified as an emergency application with the applicable emergency criteria identified?<br><br>Enter N/A if the plan is not submitting an emergency application. | Yes<br>No<br>N/A | N/A | N/A - included as part of SFA App Plan Name | | Briefly identify the emergency criteria, if applicable. | N/A | N/A - included as part of SFA App Plan Name |
| 27. | Section D, Item (5) | Does the application include a detailed narrative description of the development of the assumed future contributions and assumed future withdrawal liability payments used in the basic method (and in the increasing assets method for a MPRA plan)? | Yes<br>No | Yes | N/A - included as part of SFA App Plan Name | page 4-5 | | N/A | N/A - included as part of SFA App Plan Name |
| 28.a. | Section D, Item (6)a. | For plans eligible for SFA under § 4262.3(a)(1) or § 4262.3(a)(3), does the application identify which assumptions/methods (if any) used in showing the plan's eligibility for SFA differ from those used in the most recent certification of plan status completed before 1/1/2021? If there are any assumption/method changes, does the application include detailed explanations and supporting rationale and information as to why using the identified assumptions/methods is no longer reasonable and why the changed assumptions/methods are reasonable?<br><br>Enter N/A if the plan is not eligible under § 4262.3(a)(1) or § 4262.3(a)(3). Enter N/A if there are no such assumption changes. | Yes<br>No<br>N/A | Yes | N/A - included as part of SFA App Plan Name | | | N/A | N/A - included as part of SFA App Plan Name |

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 28.b. | Section D, Item (6)b. | Does the application identify which assumptions/methods (if any) used to determine the requested SFA amount differ from those used in the most recent certification of plan status completed before 1/1/2021 (excluding the plan's non-SFA and SFA interest rates, which must be the same as the interest rates required by § 4262.4(e)(1) and (2))? If there are any assumption/method changes, does the application include detailed explanations and supporting rationale and information as to why using the identified original assumptions/methods is no longer reasonable and why the changed assumptions/methods are reasonable? Does the application state if the changed assumption is an extension of the CBU assumption or the administrative expenses assumption as described in Paragraph A "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's SFA Assumptions? | Yes<br>No | Yes | N/A - included as part of SFA App Plan Name | page 6-10 | | N/A | N/A - included as part of SFA App Plan Name |
| 28.c. | Section D, Item (6) | If the mortality assumption uses a plan-specific mortality table or a plan-specific adjustment to a standard mortality table (regardless of if the mortality assumption is changed or unchanged from that used in the most recent certification of plan status completed before 1/1/2021), is supporting information provided that documents the methodology used and the rationale for selection of the methodology used to develop the plan-specific rates, as well as detailed information showing the determination of plan credibility and plan experience?<br><br>Enter N/A is the mortality assumption does not use a plan-specific mortality table or a plan-specific adjustment to a standard mortality table for eligibility or for determining the SFA amount. | Yes<br>No<br>N/A | N/A | N/A - included as part of SFA App Plan Name | | | N/A | N/A - included as part of SFA App Plan Name |
| 29.a. | Section D, Item (7) | Does the application include, for an eligible plan that implemented a suspension of benefits under section 305(e)(9) or section 4245(a) of ERISA, a narrative description of how the plan will reinstate the benefits that were previously suspended and a proposed schedule of payments (equal to the amount of benefits previously suspended) to participants and beneficiaries?<br><br>Enter N/A for a plan that has not implemented a suspension of benefits. | Yes<br>No<br>N/A | Yes | N/A - included as part of SFA App Plan Name | page 3 | | N/A | N/A - included as part of SFA App Plan Name |
| 29.b. | Section D, Item (7) | If Yes was entered for Checklist Item #29.a., does the proposed schedule show the yearly aggregate amount and timing of such payments, and is it prepared assuming the effective date for reinstatement is the day after the SFA measurement date?<br><br>Enter N/A for a plan that entered N/A for Checklist Item #29.a. | Yes<br>No<br>N/A | Yes | N/A - included as part of SFA App Plan Name | page 3 | | N/A | N/A - included as part of SFA App Plan Name |

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| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 29.c. | Section D, Item (7) | If the plan restored benefits under 26 CFR 1.432(e)(9)-1(e)(3) before the SFA measurement date, does the proposed schedule reflect the amount and timing of payments of restored benefits and the effect of the restoration on the benefits remaining to be reinstated?<br><br>Enter N/A for a plan that did not restore benefits under 26 CFR 1.432(e)(9)-1(e)(3) before the SFA measurement date. Also enter N/A for a plan that entered N/A for Checklist Items #29.a. and #29.b. | Yes<br>No<br>N/A | N/A | N/A - included as part of SFA App Plan Name | | | N/A | N/A - included as part of SFA App Plan Name |
| 30.a. | Section E, Item (1) | Does the application include a fully completed Application Checklist, including the required information at the top of the Application Checklist (plan name, employer identification number (EIN), 3-digit plan number (PN), and SFA amount requested)? | Yes<br>No | Yes | App Checklist Local 1 JRF | N/A | | Special Financial Assistance Checklist | *App Checklist Plan Name* |
| 30.b. | Section E, Item (1) - Addendum A | If the plan is required to provide information required by Addendum A of the SFA Filing Instructions (for "certain events"), are the additional Checklist Items #40.a. through #49.b. completed?<br><br>Enter N/A if the plan is not required to submit the additional information described in Addendum A. | Yes<br>No<br>N/A | N/A | N/A | N/A | | Special Financial Assistance Checklist | N/A |
| 31. | Section E, Item (2) | If the plan claims SFA eligibility under § 4262.3(a)(1) of PBGC's SFA regulation based on a certification by the plan's enrolled actuary of plan status for SFA eligibility purposes completed on or after January 1, 2021, does the application include:<br>(i) plan actuary's certification of plan status for SFA eligibility purposes for the specified year (and, if applicable, for each plan year after the plan year for which the pre-2021 zone certification was prepared and for the plan year immediately prior to the specified year)?<br>(ii) for each certification in (i) above, does the application include all details and additional information described in Section B, Item (5) of the SFA Filing Instructions, including clear documentation of all assumptions, methods and census data used?<br>(iii) for each certification in (i) above, does the application identify all assumptions and methods that are different from those used in the pre-2021 zone certification?<br><br>Does the certification by the plan's enrolled actuary include clear indication of all assumptions and methods used including source of and date of participant data, measurement date, and a statement that the actuary is qualified to render the actuarial opinion?<br><br>If the plan does not claim SFA eligibility under § 4262.3(a)(1) or claims SFA eligibility under § 4262.3(a)(1) using a zone certification completed before January 1, 2021, enter N/A.<br><br>Is the information for this Checklist Item #31 contained in a single document and uploaded using the required filenaming convention? | Yes<br>No<br>N/A | Yes | SFA Elig Cert CD Local 1 JRF | N/A | | Financial Assistance Application | *SFA Elig Cert CD Plan Name* |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

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|---|---|---|---|---|---|---|---|---|---|
| 32.a. | Section E, Item (3) | If the plan claims SFA eligibility under § 4262.3(a)(3) of PBGC's SFA regulation based on a certification by the plan's enrolled actuary of plan status for SFA eligibility purposes completed on or after January 1, 2021, does the application include:<br>(i) plan actuary's certification of plan status for SFA eligibility purposes for the specified year (and, if applicable, for each plan year after the plan year for which the pre-2021 zone certification was prepared and for the plan year immediately prior to the specified year)?<br>(ii) for each certification in (i) above, does the application include all details and additional information described in Section B, Item (5) of the SFA Filing Instructions, including clear documentation of all assumptions, methods and census data used?<br>(iii) for each certification in (i) above, does the application identify all assumptions and methods that are different from those used in the pre-2021 zone certification?<br><br>Does the certification by the plan's enrolled actuary include clear indication of all assumptions and methods used including source of and date of participant data, measurement date, and a statement that the actuary is qualified to render the actuarial opinion?<br><br>If the plan does not claim SFA eligibility under § 4262.3(a)(3) or claims SFA eligibility under § 4262.3(a)(3) using a zone certification completed before January 1, 2021, enter N/A.<br><br>Is the information for Checklist Items #32.a. and #32.b. contained in a single document and uploaded using the required filenaming convention? | | N/A | | N/A | | Financial Assistance Application | *SFA Elig Cert C Plan Name* |
| 32.b. | Section E, Item (3) | If the plan claims SFA eligibility under § 4262.3(a)(3) of PBGC's SFA regulation, does the application include a certification from the plan's enrolled actuary that the plan qualifies for SFA based on the applicable certification of plan status for SFA eligibility purposes for the specified year, and by meeting the other requirements of § 4262.3(c) of PBGC's SFA regulation. Does the provided certification include:<br>(i) identification of the specified year for each component of eligibility (certification of plan status for SFA eligibility purposes, modified funding percentage, and participant ratio)<br>(ii) derivation of the modified funded percentage<br>(iii) derivation of the participant ratio<br><br>Does the certification identify what test(s) under section 305(b)(2) of ERISA is met for the specified year listed above?<br><br>Does the certification identify all assumptions and methods (including supporting rationale, and where applicable, reliance on the plan sponsor) used to develop the withdrawal liability receivable that is utilized in the calculation of the modified funded percentage?<br><br>Enter N/A if the plan does not claim SFA eligibility under §4262.3(a)(3). | Yes<br>No<br>N/A | N/A | N/A - included with SFA Elig Cert C Plan Name | N/A | | Financial Assistance Application | N/A - included in SFA Elig Cert C Plan Name |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**

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|---|---|---|---|---|---|---|---|---|---|
| 33. | Section E, Item (4) | If the plan's application is submitted on or prior to March 11, 2023, does the application include a certification from the plan's enrolled actuary that the plan is eligible for priority status, with specific identification of the applicable priority group?<br><br>This item is not required (enter N/A) if the plan is insolvent, has implemented a MPRA suspension as of 3/11/2021, is in critical and declining status and had 350,000+ participants, or is listed on PBGC's website at *www.pbgc.gov* as being in priority group 6. See § 4262.10(d).<br><br>Does the certification by the plan's enrolled actuary include clear indication of all assumptions and methods used including source of and date of participant data, measurement date, and a statement that the actuary is qualified to render the actuarial opinion?<br><br>Is the filename uploaded using the required filenaming convention? | Yes<br>No<br>N/A | N/A | | N/A | | Financial Assistance Application | *PG Cert Plan Name* |
| 34.a. | Section E, Item (5) | Does the application include the certification by the plan's enrolled actuary that the requested amount of SFA is the amount to which the plan is entitled under section 4262(j)(1) of ERISA and § 4262.4 of PBGC's SFA regulation? Does this certification include:<br>(i) plan actuary's certification that identifies the requested amount of SFA and certifies that this is the amount to which the plan is entitled?<br>(ii) clear indication of all assumptions and methods used including source of and date of participant data, measurement date, and a statement that the actuary is qualified to render the actuarial opinion?<br>(iii) the count of participants (provided separately, after reflection of the death audit results in Section B(9), for current retirees and beneficiaries, current terminated vested participants not yet in pay status, and current active participants) as of the participant census date?<br><br>Is the information in Checklist #34.a. combined with #34.b. (if applicable) as a single document, and uploaded using the required filenaming convention? | Yes<br>No | Yes | SFA Amount Cert Local 1 JRF | N/A | | Financial Assistance Application | *SFA Amount Cert Plan Name* |

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

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|---|---|---|---|---|---|---|---|---|---|
| 34.b. | | If the plan is a MPRA plan, does the certification by the plan's enrolled actuary identify the amount of SFA determined under the basic method described in § 4262.4(a)(1) and the amount determined under the increasing assets method in § 4262.4(a)(2)(i)?<br><br>If the amount of SFA determined under the "present value method" described in § 4262.4(a)(2)(ii) is not the greatest amount of SFA under § 4262.4(a)(2), does the certification state as such?<br><br>If the amount of SFA determined under the "present value method" described in § 4262.4(a)(2)(ii) is the greatest amount of SFA under § 4262.4(a)(2), does the certification identify that amount?<br><br>Enter N/A if the plan is not a MPRA plan. | Yes<br>No<br>N/A | N/A | N/A - included with SFA Amount Cert Plan Name | N/A | | N/A - included in SFA Amount Cert Plan Name | N/A - included in SFA Amount Cert Plan Name |
| 35. | Section E, Item (6) | Does the application include the plan sponsor's identification of the amount of fair market value of assets at the SFA measurement date and certification that this amount is accurate? Does the application also include:<br>(i) information that substantiates the asset value and how it was developed (e.g., trust or account statements, specific details of any adjustments)?<br>(ii) a reconciliation of the fair market value of assets from the date of the most recent audited plan financial statements to the SFA measurement date (showing beginning and ending fair market value of assets for this period as well as the following items for the period: contributions, withdrawal liability payments, benefits paid, administrative expenses, and investment income)?<br>(iii) if the SFA measurement date is the end of a plan year for which the audited plan financial statements have been issued, does the application include a reconciliation schedule showing adjustments, if any, made to the audited fair market value of assets used to determine the SFA amount?<br><br>With the exception of account statements and financial statements already provided as Checklist Items #8 and #9, is all information contained in a single document that is uploaded using the required filenaming convention? | Yes<br>No | Yes | FMV Cert Local 1 JRF | N/A | | Financial Assistance Application | *FMV Cert Plan Name* |
| 36. | Section E, Item (7) | Does the application include a copy of the executed plan amendment required by § 4262.6(e)(1) of PBGC's SFA regulation which (i) is signed by authorized trustee(s) of the plan and (ii) includes the plan compliance language in Section E, Item (7) of the SFA Filing Instructions? | Yes<br>No | Yes | Compliance Amend Local 1 JRF | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | *Compliance Amend Plan Name* |

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|---|---|---|---|---|---|---|---|---|---|
| 37. | Section E, Item (8) | In the case of a plan that suspended benefits under section 305(e)(9) or section 4245 of ERISA, does the application include:<br>(i) a copy of the proposed plan amendment(s) required by § 4262.6(e)(2) to reinstate suspended benefits and pay make-up payments?<br>(ii) a certification by the plan sponsor that the proposed plan amendment(s) will be timely adopted? Is the certification signed by either all members of the plan's board of trustees or by one or more trustees duly authorized to sign the certification on behalf of the entire board (including, if applicable, documentation that substantiates the authorization of the signing trustees)?<br><br>Enter N/A if the plan has not suspended benefits.<br><br>Is all information included in a single document that is uploaded using the required filenaming convention? | Yes<br>No<br>N/A | Yes | Reinstatement Amend Local 1 JRF; Certification Reinstatement Amend Local 1 JRF | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | *Reinstatement Amend Plan Name* |
| 38. | Section E, Item (9) | In the case of a plan that was partitioned under section 4233 of ERISA, does the application include a copy of the executed plan amendment required by § 4262.9(c)(2)?<br><br>Enter N/A if the plan was not partitioned.<br><br>Is the document uploaded using the required filenaming convention? | Yes<br>No<br>N/A | N/A | | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | *Partition Amend Plan Name* |
| 39. | Section E, Item (10) | Does the application include one or more copies of the penalties of perjury statement (see Section E, Item (10) of the SFA Filing Instructions) that (a) are signed by an authorized trustee who is a current member of the board of trustees, and (b) includes the trustee's printed name and title.<br><br>Is all such information included in a single document and uploaded using the required filenaming convention? | Yes<br>No | Yes | Penalty Local 1 JRF | N/A | | Financial Assistance Application | *Penalty Plan Name* |
| **Additional Information for Certain Events under § 4262.4(f) - Applicable to Any Events in § 4262.4(f)(2) through (f)(4) and Any Mergers in § 4262.4(f)(1)(ii)**<br>**NOTE: If the plan is not required to provided information described in Addendum A of the SFA Filing Instructions, the Plan Response should be left blank for the remaining Checklist Items.** | | | | | | | | | |
| 40.a. | Addendum A for Certain Events<br>Section C, Item (4) | Does the application include an additional version of Checklist Item #16.a. (also including Checklist Items #16.c., #16.d., and #16.e.), that shows the determination of the SFA amount using the basic method described in § 4262.4(a)(1) as if any events had not occurred? See Template 4A. | Yes<br>No | | | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | For additional submission due to any event: *Template 4A Plan Name CE* . For an additional submission due to a merger, *Template 4A Plan Name Merged* , where "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger. |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**

v20240717p

**APPLICATION CHECKLIST**

| | |
|---|---|
| **Plan name:** | Local 1 JRF |
| **EIN:** | 13-5622665 |
| **PN:** | 001 |
| **SFA Amount Requested:** | $46,905,041.00 |

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----------Filers provide responses here for each Checklist Item:----------

Unless otherwise specified:
YYYY = plan year
Plan Name = abbreviated plan name

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #39. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #40.a. through #49.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #50 through #63.**

Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 40.b.i. | Addendum A for Certain Events<br>Section C, Item (4) | If the plan is a MPRA plan for which the requested amount of SFA is based on the increasing assets method described in § 4262.4(a)(2)(i), does the application also include an additional version of Checklist Item #16.b.i. that shows the determination of the SFA amount using the increasing assets method as if any events had not occurred? See Template 4A, sheet *4A-5 SFA Details .5(a)(2)(i)* .<br><br>Enter N/A if the plan is not a MPRA Plan or if the plan is a MPRA plan for which the requested amount of SFA is based on the present value method. | Yes<br>No<br>N/A | | N/A - included as part of file in Checklist Item #40.a. | N/A | | N/A | N/A - included as part of file in Checklist Item #40.a. |
| 40.b.ii. | Addendum A for Certain Events<br>Section C, Item (4) | If the plan is a MPRA plan for which the requested amount of SFA is based on the increasing assets method described in § 4262.4(a)(2)(i), does the application also include an additional version of Checklist Item #16.b.ii. that explicitly identifies the projected SFA exhaustion year based on the increasing assets method? See Template 4A, *4A-5 SFA Details .4(a)(2)(i)* sheet and Addendum D.<br><br>Enter N/A if the plan is not a MPRA Plan or if the plan is a MPRA plan for which the requested amount of SFA is based on the present value method. | Yes<br>No<br>N/A | | | N/A | | N/A | N/A - included as part of file in Checklist Item #40.a. |
| 40.b.iii. | Addendum A for Certain Events<br>Section C, Item (4) | If the plan is a MPRA plan for which the requested amount of SFA is based on the present value method described in § 4262.4(a)(2)(ii), does the application also include an additional version of Checklist Item #16.b.iii. that shows the determination of the SFA amount using the present value method as if any events had not occurred? See Template 4B, sheet *4B-1 SFA Ben Pmts,* sheet *4B-2 SFA Details .4(a)(2)(ii),* and sheet *4B-3 SFA Exhaustion.*<br><br>Enter N/A if the plan is not a MPRA Plan or if the plan is a MPRA plan for which the requested amount of SFA is based on the increasing assets method. | Yes<br>No<br>N/A | | | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | For additional submission due to any event: *Template 4B Plan Name CE* . For an additional submission due to a merger, *Template 4B Plan Name Merged* , where "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger. |
| 41. | Addendum A for Certain Events<br>Section C, Item (4) | For any merger, does the application show the SFA determination for this plan and for each plan merged into this plan (each of these determined as if they were still separate plans)? See Template 4A for a non-MPRA plan using the basic method, and for a MPRA plan using the increasing assets method. See Template 4B for a MPRA Plan using the present value method.<br><br>Enter N/A if the plan has not experienced a merger. | Yes<br>No<br>N/A | | | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | For an additional submission due to a merger, *Template 4A (or Template 4B) Plan Name Merged* , where "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger. |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**

v20240717p

**APPLICATION CHECKLIST**

| | |
|---|---|
| **Plan name:** | Local 1 JRF |
| **EIN:** | 13-5622665 |
| **PN:** | 001 |
| **SFA Amount Requested:** | $46,905,041.00 |

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 42.a. | Addendum A for Certain Events Section D | Does the application include a narrative description of any event and any merger, including relevant supporting documents which may include plan amendments, collective bargaining agreements, actuarial certifications related to a transfer or merger, or other relevant materials? | Yes No | | N/A - included as part of SFA App Plan Name | | For each Checklist Item #42.a. through #45.b., identify the relevant page number(s) within the single document. | Financial Assistance Application | *SFA App Plan Name* |
| 42.b. | Addendum A for Certain Events Section D | For a transfer or merger event, does the application include identifying information for all plans involved including plan name, EIN and plan number, and the date of the transfer or merger? | Yes No | | N/A - included as part of SFA App Plan Name | | | Financial Assistance Application | N/A - included as part of SFA App Plan Name |
| 43.a. | Addendum A for Certain Events Section D | Does the narrative description in the application identify the amount of SFA reflecting any event, the amount of SFA determined as if the event had not occurred, and confirmation that the requested SFA is no greater than the amount that would have been determined if the event had not occurred, unless the event is a contribution rate reduction and such event lessens the risk of loss to plan participants and beneficiaries? | Yes No | | N/A - included as part of SFA App Plan Name | | | Financial Assistance Application | N/A - included as part of SFA App Plan Name |
| 43.b. | Addendum A for Certain Events Section D | For a merger, is the determination of SFA as if the event had not occurred equal to the sum of the amount that would be determined for this plan and each plan merged into this plan (each as if they were still separate plans)?<br><br>Enter N/A if the event described in Checklist Item #42.a. was not a merger. | Yes No N/A | | N/A - included as part of SFA App Plan Name | | | Financial Assistance Application | N/A - included as part of SFA App Plan Name |
| 44.a. | Addendum A for Certain Events Section D | Does the application include an additional version of Checklist Item #25 that shows the determination of SFA eligibility as if any events had not occurred? | Yes No | | N/A - included as part of SFA App Plan Name | | | Financial Assistance Application | N/A - included as part of SFA App Plan Name |
| 44.b. | Addendum A for Certain Events Section D | For any merger, does this item include demonstrations of SFA eligibility for this plan and for each plan merged into this plan (each of these determined as if they were still separate plans)?<br><br>Enter N/A if the event described in Checklist Item #42.a. was not a merger. | Yes No N/A | | N/A - included as part of SFA App Plan Name | | | Financial Assistance Application | N/A - included as part of SFA App Plan Name |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**

v20240717p

**APPLICATION CHECKLIST**

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 45.a. | Addendum A for Certain Events Section D | If the event is a contribution rate reduction and the amount of requested SFA is not limited to the amount of SFA determined as if the event had not occurred, does the application include a detailed demonstration that shows that the event lessens the risk of loss to plan participants and beneficiaries?<br><br>Enter N/A if the event is not a contribution rate reduction, or if the event is a contribution rate reduction but the requested SFA is limited to the amount of SFA determined as if the event had not occurred. | Yes<br>No<br>N/A | | N/A - included as part of SFA App Plan Name | | | Financial Assistance Application | N/A - included as part of SFA App Plan Name |
| 45.b. | Addendum A for Certain Events Section D | Does the demonstration in Checklist Item #45.a. also identify all assumptions used, supporting rationale for the assumptions and other relevant information?<br><br>Enter N/A if the plan entered N/A for Checklist Item #45.a. | Yes<br>No<br>N/A | | N/A - included as part of SFA App Plan Name | | | Financial Assistance Application | N/A - included as part of SFA App Plan Name |
| 46.a. | Addendum A for Certain Events Section E, Items (2) and (3) | Does the application include an additional certification from the plan's enrolled actuary with respect to the plan's SFA eligibility but with eligibility determined as if any events had not occurred? This should be in the format of Checklist Item #31 if the SFA eligibility is based on the plan status of critical and declining using a zone certification completed on or after January 1, 2021. This should be in the format of Checklist Items #32.a. and #32.b. if the SFA eligibility is based on the plan status of critical using a zone certification completed on or after January 1, 2021.<br><br>If the above SFA eligibility is not based on § 4262.3(a)(1) or § 4262.3(a)(3) or is based on a zone certification completed prior to January 1, 2021, enter N/A.<br><br>Is all relevant information contained in a single document and uploaded using the required filenaming convention? | Yes<br>No<br>N/A | | | N/A | | Financial Assistance Application | *SFA Elig Cert Plan Name CE* |
| 46.b. | Addendum A for Certain Events Section E, Items (2) and (3) | For any merger, does the application include additional certifications of the SFA eligibility for this plan and for each plan merged into this plan (each of these determined as if they were still separate plans)?<br><br>If the above SFA eligibility is not based on § 4262.3(a)(1) or § 4262.3(a)(3) or is based on a zone certification completed prior to January 1, 2021, enter N/A.<br><br>Enter N/A if the event described in Checklist Item #42.a. was not a merger. | Yes<br>No<br>N/A | | | N/A | | Financial Assistance Application | *SFA Elig Cert Plan Name Merged CE*<br><br>"Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger. |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20240717p

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 47.a. | Addendum A for Certain Events<br>Section E, Item (5) | Does the application include an additional certification from the plan's enrolled actuary with respect to the plan's SFA amount (in the format of Checklist Item #34.a.), but with the SFA amount determined as if any events had not occurred? | Yes<br>No | | | N/A | | Financial Assistance Application | SFA Amount Cert Plan Name CE |
| 47.b. | Addendum A for Certain Events<br>Section E, Item (5) | If the plan is a MPRA plan, does the certification in Checklist Item #46.a. identify the amount of SFA determined under the basic method described in § 4262.4(a)(1) and the amount determined under the increasing assets method in § 4262.4(a)(2)(i)?<br><br>If the amount of SFA determined under the "present value method" described in § 4262.4(a)(2)(ii) is not the greatest amount of SFA under § 4262.4(a)(2), does the certification state as such?<br><br>If the amount of SFA determined under the "present value method" described in § 4262.4(a)(2)(ii) is the greatest amount of SFA under § 4262.4(a)(2), does the certification identify that amount?<br><br>Enter N/A if the plan is not a MPRA plan. | Yes<br>No<br>N/A | | N/A - included in SFA Amount Cert Plan Name CE | N/A | | N/A - included in SFA Amount Cert Plan Name | N/A - included in SFA Amount Cert Plan Name CE |
| 47.c. | Addendum A for Certain Events<br>Section E, Item (5) | Does the certification in Checklist Items #47.a. and #47.b. (if applicable) clearly identify all assumptions and methods used, sources of participant data and census data, and other relevant information? | Yes<br>No | | N/A - included in SFA Amount Cert Plan Name CE | N/A | | N/A - included in SFA Amount Cert Plan Name | N/A - included in SFA Amount Cert Plan Name CE |
| 48.a. | Addendum A for Certain Events<br>Section E, Item (5) | For any merger, does the application include additional certifications of the SFA amount determined for this plan and for each plan merged into this plan (each of these determined as if they were still separate plans*)* ?<br><br>Enter N/A if the event described in Checklist Item #42.a. was not a merger. | Yes<br>No<br>N/A | | | N/A | | Financial Assistance Application | *SFA Amount Cert Plan Name Merged CE*<br><br>"Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger. |
| 48.b. | Addendum A for Certain Events<br>Section E, Item (5) | For any merger, do the certifications clearly identify all assumptions and methods used, sources of participant data and census data, and other relevant information?<br><br>Enter N/A if the event described in Checklist Item #42.a. was not a merger. | Yes<br>No<br>N/A | | N/A - included in SFA Amount Cert Plan Name CE | N/A | | N/A - included in SFA Amount Cert Plan Name CE | N/A - included in SFA Amount Cert Plan Name CE |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 49.a. | Addendum A for Certain Events Section E | If the event is a contribution rate reduction and the amount of requested SFA is not limited to the amount of SFA determined as if the event had not occurred, does the application include a certification from the plan's enrolled actuary (or, if appropriate, from the plan sponsor) with respect to the demonstration to support a finding that the event lessens the risk of loss to plan participants and beneficiaries?<br><br>Enter N/A if the event is not a contribution rate reduction, or if the event is a contribution rate reduction but the requested SFA is limited to the amount of SFA determined as if the event had not occurred. | Yes<br>No<br>N/A | | | N/A | | Financial Assistance Application | *Cont Rate Cert Plan Name CE* |
| 49.b. | Addendum A for Certain Events Section E | Does the demonstration in Checklist Item #48.a. also identify all assumptions used, supporting rationale for the assumptions and other relevant information?<br><br>Enter N/A if the event is not a contribution rate reduction, or if the event is a contribution rate reduction but the requested SFA is limited to the amount of SFA determined as if the event had not occurred. | Yes<br>No<br>N/A | | N/A - included in Cont Rate Cert Plan Name CE | N/A | | N/A - included in Cont Rate Cert Plan Name CE | N/A - included in Cont Rate Cert Plan Name CE |
| **Additional Information for Certain Events under § 4262.4(f) - Applicable Only to Any Mergers in § 4262.4(f)(1)(ii)** | | | | | | | | | |
| | | **Plans that have experienced mergers identified in § 4262.4(f)(1)(ii) must complete Checklist Items #50 through #63. If you are required to complete Checklist Items #50 through #63, your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #50 through #63. All other plans should not provide any responses for Checklist Items #50 through #63.** | | | | | | | |
| 50. | Addendum A for Certain Events Section B, Item (1)a. | In addition to the information provided with Checklist Item #1, does the application also include similar plan documents and amendments for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)? | Yes<br>No | | | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | N/A |
| 51. | Addendum A for Certain Events Section B, Item (1)b. | In addition to the information provided with Checklist Item #2, does the application also include similar trust agreements and amendments for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)? | Yes<br>No | | | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | N/A |
| 52. | Addendum A for Certain Events Section B, Item (1)c. | In addition to the information provided with Checklist Item #3, does the application also include the most recent IRS determination for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?<br><br>Enter N/A if the plan does not have a determination letter. | Yes<br>No<br>N/A | | | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | N/A |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

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|---|---|---|---|---|---|---|---|---|---|
| 53. | Addendum A for Certain Events<br>Section B, Item (2) | In addition to the information provided with Checklist Item #4, for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii), does the application include the actuarial valuation report for the 2018 plan year and each subsequent actuarial valuation report completed before the application filing date? | Yes<br>No | | | N/A | Identify here how many reports are provided. | Most recent actuarial valuation for the plan | *YYYYAVR Plan Name Merged*, where "Plan Name Merged" is abbreviated version of the plan name for the plan merged into this plan. |
| 54. | Addendum A for Certain Events<br>Section B, Item (3) | In addition to the information provided with Checklist Items #5.a. and #5.b., does the application include similar rehabilitation plan information for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)? | Yes<br>No | | | N/A | | Rehabilitation plan (or funding improvement plan, if applicable) | N/A |
| 55. | Addendum A for Certain Events<br>Section B, Item (4) | In addition to the information provided with Checklist Item #6, does the application include similar Form 5500 information for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)? | Yes<br>No | | | N/A | | Latest annual return/report of employee benefit plan (Form 5500) | *YYYYForm5500 Plan Name Merged*, "Plan Name Merged" is abbreviated version of the plan name for the plan merged into this plan. |
| 56. | Addendum A for Certain Events<br>Section B, Item (5) | In addition to the information provided with Checklist Items #7.a., #7.b., and #7.c., does the application include similar certifications of plan status for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)? | Yes<br>No | | | N/A | Identify how many zone certifications are provided. | Zone certification | *YYYYZoneYYYYMMDD Plan Name Merged,* where the first "YYYY" is the applicable plan year, and "YYYYMMDD" is the date the certification was prepared. "Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan. |
| 57. | Addendum A for Certain Events<br>Section B, Item (6) | In addition to the information provided with Checklist Item #8, does the application include the most recent cash and investment account statements for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)? | Yes<br>No | | | N/A | | Bank/Asset statements for all cash and investment accounts | N/A |
| 58. | Addendum A for Certain Events<br>Section B, Item (7) | In addition to the information provided with Checklist Item #9, does the application include the most recent plan financial statement (audited, or unaudited if audited is not available) for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)? | Yes<br>No | | | N/A | | Plan's most recent financial statement (audited, or unaudited if audited not available) | N/A |
| 59. | Addendum A for Certain Events<br>Section B, Item (8) | In addition to the information provided with Checklist Item #10, does the application include all of the written policies and procedures governing the plan's determination, assessment, collection, settlement, and payment of withdrawal liability for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?<br><br>Are all such items included in a single document using the required filenaming convention? | Yes<br>No | | | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | *WDL Plan Name Merged*, where "Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan. |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**

v20240717p

**APPLICATION CHECKLIST**

| | |
|---|---|
| **Plan name:** | Local 1 JRF |
| **EIN:** | 13-5622665 |
| **PN:** | 001 |
| **SFA Amount Requested:** | $46,905,041.00 |

Do NOT use this Application Checklist for a supplemented application. Instead use Application Checklist - Supplemented.

----------Filers provide responses here for each Checklist Item:----------

Unless otherwise specified:
YYYY = plan year
Plan Name = abbreviated plan name

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #39. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #40.a. through #49.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #50 through #63.**

Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 60. | Addendum A for Certain Events<br>Section B, Item (9) | In addition to the information provided with Checklist Item #11, does the application include documentation of a death audit (with the information described in Checklist Item #11) for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)? | Yes<br>No | | | | | Pension plan documents, all versions available, and all amendments signed and dated | *Death Audit Plan Name Merged*, where "Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan. |
| 61. | Addendum A for Certain Events<br>Section C, Item (1) | In addition to the information provided with Checklist Item #13, does the application include the same information in the format of Template 1 for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?<br><br>Enter N/A if each plan that fully merged into this plan is not required to respond Yes to line 8b(1) on the most recently filed Form 5500 Schedule MB. | Yes<br>No<br>N/A | | | | | Financial assistance spreadsheet (template) | *Template 1 Plan Name Merged*, where "Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan. |
| 62. | Addendum A for Certain Events<br>Section C, Item (2) | In addition to the information provided with Checklist Item #14, does the application include the same information in the format of Template 2 (if required based on the participant threshold) for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?<br><br>Enter N/A if each plan that merged into this plan has less than 10,000 participants on line 6f of the most recently filed Form 5500. | Yes<br>No<br>N/A | | | | | Contributing employers | *Template 2 Plan Name Merged*, where "Plan Name Merged" is an abbreviated version of the plan name fore the plan merged into this plan. |
| 63. | Addendum A for Certain Events<br>Section C, Item (3) | In addition to the information provided with Checklist Item #15, does the application include similar information in the format of Template 3 for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)? | Yes<br>No | | | | | Historical Plan Financial Information (CBUs, contribution rates, contribution amounts, withdrawal liability payments) | *Template 3 Plan Name Merged*, where "Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan. |

(b) promptly determine whether the order is a Qualified Domestic Relations Order; and

(c) promptly notify the Participant and all other alternate payees of such determination.

If the determination is that the order is a Qualified Domestic Relations Order, the notification in (c) shall set forth the date on which payments are scheduled to begin. If the determination is that the order is not a Qualified Domestic Relations Order, the notification in (c) shall set forth the specific reasons for the conclusion. The Participant and the alternate payee(s) may appeal any determination made in accordance with the Plan's appeal procedure, a copy of which shall be included with the determination letter.

## ARTICLE VI - WITHDRAWAL LIABILITY

6.1 In General.

An Employer that withdraws from the Plan, in either a partial or complete withdrawal, as such terms are defined in ERISA Sections 4203 and 4205, respectively, shall owe and pay withdrawal liability to the Plan in an amount determined under the terms of the Plan and ERISA.

6.2 Method of Calculation.

The amount of the unfunded vested benefits allocated to a withdrawn Employer shall be calculated in accordance with ERISA Section 4211(c)(3), as modified herein for the first full Plan Year and each subsequent year following:

(a) the merger of the Local 635 Fish and Seafood Workers Retirement Fund and the Local 635 Smoked Fish Workers Retirement Fund into the JRF with respect to Programs B and C; and

(b) the merger of the United Mechanics 150 Pension Fund and the Fur Service Employees' Pension Fund into the JRF with respect to Programs D and E.

6.3 Maintenance of Records.

For the purpose of calculating withdrawal liability, the Trustees shall maintain such records as will allow for a determination of what the assets and liabilities of the Programs would have been had there been no mergers.

6.4 Calculation of Liability

(a) For each Plan Year beginning after December 31, 2006:

(i) The Plan's liability for unfunded vested benefits shall be calculated for the Plan as if there had been no mergers among the JRF, the Local 635

Smoked Fish Workers Retirement Fund and the Local 635 Fish and Seafood Workers Retirement Fund.

(ii) An Employer's withdrawal liability shall also be calculated as if there had been no mergers among the JRF, the Local 635 Smoked Fish Workers Retirement Fund, the Local 635 Fish and Seafood Workers Retirement Fund but with such liabilities added together to determine the total amount owed.

(b) For each Plan Year beginning after December 31, 2008:

(i) The Plan's liability for unfunded vested benefits shall be calculated for the Plan as if there had been no mergers among the JRF, the United Mechanics 150 Pension Fund and the Fur Service Employees Pension Fund.

(ii) An Employer's withdrawal liability shall also be calculated as if there had been no mergers among the JRF, the United Mechanics 150 Pension Fund and the Fur Service Employees Pension Fund but with such liabilities added together to determine the total amount owed.

6.5 Allocation of Assets and Liabilities.

There shall be an allocation of assets among the Programs so as to reflect contributions received and benefits paid by Program A, Program B, Program C, Program D and Program E, as follows. As of the end of the first Plan Year in which a merger occurred, the assets of each Program shall be determined separately by adding to the assets from each respective Program at the time of the merger, the contributions made to the Plan by Employers for each Program and subtracting benefit payments from each respective Program. Expenses incurred and investment income earned during the first Plan Year shall be allocated pro-rata based on the assets of each respective Program. This process shall be repeated each subsequent Plan Year to determine the assets as of any date of determination following the merger.

The vested benefits shall be calculated separately for each Program as of any date of determination. The records of the Plan shall be maintained such that the Program Participants can be identified separately and the vested benefit liability shall be calculated separately for each Program as if there had been no mergers.

The allocated assets will then be subtracted from the vested benefit liability for the Programs in order to calculate the unfunded vested benefits ("UVBs") of each Program. In the event the sum of UVBs for the Programs is less than the UVBs for Program A, the difference shall be allocated to each Program pro-rata based on the assets attributable to each Program.

In the event that an Employer withdraws from the Plan, its allocable UVBs shall be the sum of its allocable UVBs for each of the Programs to which it was obligated to contribute. The allocable share of UVBs for a Program shall be equal to the product of

(i) and (ii), where (i) is the UVBs of the Program as of the end of the Plan Year preceding the withdrawal reduced by the value as of the end of such Plan Year of all outstanding claims for withdrawal liability with respect to that Program which can reasonably be expected to be collected from Employers who withdrew before such Plan Year, and (ii) is a fraction, the numerator of which is the total amount required to be contributed by the Employer with respect to the Program in the 5 Plan Years ending before the withdrawal, and the denominator of which is the total amount contributed to the Program by all Employers for the last 5 Plan Years ending before the year of the withdrawal, increased by any Employer contributions to the Programs owed with respect to earlier periods which were collected in those Plan Years, and decreased by any amount contributed to the Program during those Plan Years by Employers who withdrew from the Program during those Plan Years.

6.6 Resolution of Disputes.

Any dispute between an Employer and the Trustees concerning a determination made under this Article shall be resolved through arbitration in accordance with the Multiemployer Pension Plan Arbitration Rules for Withdrawal Liability Disputes of the American Arbitration Association. Arbitration shall be initiated in accordance with ERISA Section 4221 by the Employer submitting a demand to the New York office of the American Arbitration Association with the applicable fee, and a copy of the demand shall be served on the Fund. The locale of any such arbitration shall be New York, New York.

## ARTICLE VII - TOP-HEAVY RULES

If the Plan (when aggregated with other plans, if so elected) is or becomes Top-Heavy with respect to any Employer in any Plan Year, the provisions of this Article will supersede any conflicting provisions in the Plan.

7.1 Definitions.

(a) *Key Employee.* A Key Employee means any Participant or former Participant (including any deceased Participant) who at any time during the Plan Year that includes the determination date was an officer of the contributing Employer having annual compensation greater than $130,000 (as adjusted under Code Section 416(c) for Plan Years beginning after December 31, 2002) (such amount shall be $170,000 for the 2015 Plan Year), a 5% owner of the Employer, or a 1% owner of the Employer having annual compensation of more than $150,000. For this purpose, annual compensation means compensation within the meaning of Code Section 415(c)(3). The determination of who is a Key Employee will be made in accordance with Code Section 416(i)(1) and the applicable regulations and other guidance of general applicability issued thereunder.

(b) *Top-Heavy Plan.* The Plan is Top-Heavy with respect to a contributing Employer if this Plan is part of a required aggregation group and the top-heavy ratio for the

**AMENDMENT TO THE AGREEMENT AND DECLARATION OF TRUST OF THE LEATHER GOODS, PLASTICS, HANDBAGS AND NOVELTY WORKERS UNION JOINT RETIREMENT FUND, AS AMENDED**

**WHEREAS**, pursuant to an agreement between the Pension Benefit Guaranty Corporation ("PBGC"), the Board of Trustees of Leather Goods, Plastics, Handbags and Novelty Workers Union Local 1 Joint Retirement Fund and Larry Magarik dated February 25, 2023 and effective as of April 1, 2023, the members of the Board have resigned as Trustees and PBGC has nominated and approved the appointment of Larry Magarik as Independent Fiduciary/Trustee of the Leather Goods, Plastics, Handbags and Novelty Workers Union Local 1 Joint Retirement Fund ("Fund");

**NOW THEREORE**, pursuant to his authority at Article VI, Section 1, subsection (k) and Article XIV of the Fund's Agreement and Declaration of Trust of the Joint Retirement Fund, Pocketbook and Novelty Workers Union, restated as of December 1, 1975 (the "Trust") and amended subsequently, the Independent Fiduciary/Trustee hereby amends the Trust as follows:

**FIRST,** Article VI, Section 5 is deleted in its entirety and replaced with the following:

"The expenses incurred in the collection of contributions and in the administration and operation of the Trust Fund shall be paid from the Trust Fund, which shall include any compensation and expenses payable to the Independent Fiduciary/Trustee as authorized under this Trust Agreement and the agreement between the Pension Benefit Guaranty Corporation, the Board of Trustees and Larry Magarik dated as of February 25, 2023 and effective April 1, 2023, the terms of which are incorporated herein by reference."

**SECOND,** Article X, Section 1 is amended to add the following subsection (d):

"Effective April 1, 2023, pursuant to an agreement between the Pension Benefit Guaranty Corporation, the Board of Trustees and Larry Magarik dated February 25, 2023, the Board of Trustees has resigned and Larry Magarik is appointed as Independent Fiduciary/Trustee. Further, by virtue of said appointment, subsections (a)-(c) of this Section 1 are hereby without effect."

**THIRD**, Article X, Section 2 is deleted in its entirety and replaced with the following:

"The Independent Fiduciary/Trustee may be removed from office by the Pension Benefit Guaranty Corporation ("PBGC") under the PBGC's statutory and regulatory authority. The PBGC is authorized to nominate and approve a successor Independent Fiduciary/Trustee in the event that the Independent Fiduciary/Trustee gives PBGC at least ninety (90) days notice of intent to resign or in the event of the Independent Fiduciary/Trustee's death or incapacity."

**FOURTH**, Article X, Section 3 is deleted in its entirety and replaced with the following:

"The Independent Trustee may resign in accordance with the preceding section. Such resignation shall be effective on the earlier of the date specified in the notice

or on the date that a successor Independent Fiduciary/Trustee is appointed, and following the effective date of such resignation, the resigned Independent Fiduciary/Trustee shall be fully discharged from all duties and privileges hereunder except as otherwise agreed in writing."

**FIFTH**, Article X, Sections 6 and 7 are deleted in their entirety and Section 8 shall be redesignated Section 6.

**SIXTH**, the former Article X, Section 8 is deleted in its entirety and replaced with the following:

"A meeting may be called at any time by the Independent Fiduciary/Trustee on at least five (5) days notice but shall be held not less than annually."

**SEVENTH**, the following Section 4 is added to the end of Article XIII:

"Section 4. Whenever the terms "Trustee", "Union Trustee", "Employer Trustee", "Trustees", 'Board", "Board of Trustees", "Secretary" or "Impartial Chairman" are used in this Agreement, they shall be construed to mean the Independent Fiduciary/Trustee."

This Amendment is hereby adopted on the date set forth below, effective as of April 1, 2023.

Larry Magarik, Independent Fiduciary/Trustee

5/8/23

Date

**AMENDMENT TO THE**
**AGREEMENT AND DECLARATION OF TRUST**
**OF THE**
**LEATHER GOODS, PLASTICS, HANDBAGS AND NOVELTY WORKERS' UNION LOCAL 1, JOINT RETIREMENT FUND**

**WHEREAS**, the Board of Trustees (the "Trustees") of the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund (the "Fund") wishes to amend the Fund's Agreement and Declaration of Trust (the "Trust Agreement") to add a provision expressly authorizing the Trustees to enter into merger agreements with other retirement funds; and

**WHEREAS**, pursuant to Article XIV of the Trust Agreement, the Trustees are authorized to amend the Trust Agreement;

**NOW, THEREFORE**, Article VI, Section 1 of the Trust Agreement is hereby amended to add the following paragraph (l) at the end thereof:

"(l) Enter into merger agreements with other retirement funds upon such terms and under such conditions as the Trustees deem appropriate."

**NOW, THEREFORE,** the Trustees have caused this Amendment to be executed on this 4th day of October, 2006.

***Union-designated Trustee:***

By: _____
Richard Abondolo

***Employer-designated Trustee:***

By: _____
Paul Farro

JRF
Trust
Amendment
Allow Merger

## AMENDMENT TO AGREEMENT AND DECLARATION OF TRUST

## RESTATED AS OF DECEMBER 1, 1975 OF THE

## POCKETBOOK AND NOVELTY WORKERS UNION JOINT RETIREMENT FUND

**WHEREAS**, the undersigned are currently Trustees of the Pocketbook and Novelty Workers Union Joint Retirement Fund ("Fund"); and

**WHEREAS,** the Trustees, the Union as designated in the said Trust Agreement and the Council as designated in said Trust Agreement have determined that is in the best interests of the sound administration of the Fund and the in the interests of the participants to expand the Board of Trustees from three Trustees designated by the Union and three Trustees designated by the Council.

**NOW, THEREFORE**, pursuant to Article XIV of the said Agreement and Declaration of Trust:

Article X of the said Trust Agreement ("Appointment, Removal, Voting, Resignation and Miscellaneous Functions of Trustees") Section 1(a) is amended to read as follows:

> "The Trust Fund shall be held in trust by a Board of eight (8) Trustees who shall have the authority to control and manage the operation and administration thereof in accordance with the provisions of this Trust Agreement, as the named fiduciari of the Trust Fund. The Trustees hereunder shall consist of eight (8) persons, four (4) of whom shall be designated by the Union and referred to as Union Trustees, and four (4) of whom shall be designated by the Council and referred to as Employer Trustees."

**NOW, THEREFORE**, the Trustees, the Union and the Council have executed this Amendment this 16th day of March, 2000.

Union Designated Trustees:

Employer Designated Trustees:

Gary Jay Katz

Local 342-50, United Food & Commercial Workers Union,
Leather Goods Division ("Union" - being the successor of the
Pocketbook & Novelty Workers Union, New York, Local 1, AFL-CIO)

By: _____

New York Industrial Council of the National Fashion
Accessories Association, Inc. ("Council" - being the successor
to the New York Industrial Council of the National Handbag
Association")

By: _____

AGREEMENT AND DECLARATION OF TRUST, as amended as of December 1, 1975, by and among (1) POCKETBOOK AND NOVELTY WORKERS UNION, LOCAL 1, AFL-CIO, (hereinafter referred to as the "Union"), (2) the NEW YORK INDUSTRIAL COUNCIL of the NATIONAL HANDBAG ASSOCIATION (hereinafter referred to as the "Council") and (3) NATHAN KATZ, DOMINIC DI PAOLA, IRVING ZEICHNER, HOWARD MESCON, PAUL BAUM and ELLIOTT FRANKEL (all of whom, with their successors, are hereinafter collectively referred to as the "Trustees"), being and constituting all of the present Trustees under an Agreement and Declaration of Trust, made as of September 9, 1953, as amended, establishing the JOINT RETIREMENT FUND POCKETBOOK AND NOVELTY WORKERS UNION, NEW YORK.

W I T N E S S E T H :

WHEREAS, the Union executes collective bargaining agreements with the Council for and on behalf of the Council's Employer members, and with other Employers operating in the pocketbook and personal leather goods and novelties industry, which agreements provide, among other things, that each Employer shall pay to the Trustees periodically a sum of money equal to a stated percentage of the wages paid to its Employees who are covered by said collective bargaining agreements; and

WHEREAS, the sums payable to the Trustees as aforesaid are to be held in a Trust Fund known as the JOINT RETIREMENT FUND POCKETBOOK AND NOVELTY WORKERS UNION, NEW YORK (hereinafter referred to as the "Trust Fund") for the purpose of providing pensions, retirement benefits and related benefits for Employees for whom such contributions are made in accordance with a plan adopted and administered by the Trustees; and



ORIGINAL

WHEREAS, the Trustees and/or their predecessors in office have been parties to an Agreement and Declaration of Trust first made as of September 9, 1953, and thereafter amended and supplemented by amendments made as of December 30, 1953, March 29, 1955, May, 1961, August 2, 1963 and May 26, 1967; and

WHEREAS, it is the desire and intention of the Trustees to amalgamate and consolidate into one instrument all of the aforesaid prior amendments with the said Agreement and Declaration of Trust (hereinafter referred to as the "Trust Agreement") and to amend the Trust Agreement so as to comply with the provisions of the Employee Retirement Income Security Act of 1974 (hereinafter referred to as the "Act");

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1. The term "Employer" shall mean each Employer who has presently in force, or who hereafter executes a collective bargaining agreement with the Union providing for such Employer's contributions to the Trust Fund created, established and maintained by the Trust Agreement.

Section 2. The term "Employees" shall mean all the Employees covered by the said collective bargaining agreements.

Section 3. The term "Trustees" shall mean the Trustees herein designated and appointed, and any successor Trustee(s) appointed in the manner provided in the Trust Agreement.

Section 4. The term "Pension Plan" as used herein means the plan, program, method and procedure for the payment by the Trustees of benefits from the Trust Fund, in accordance with such rules and regulations relating to eligibility requirements,

retirement age, amount and computation of benefits and the general administration and operation of the Trust Fund as the Trustees may from time to time adopt and promulgate.

Section 5. The term "Contributions" as used herein shall mean the payments made to the Trust Fund by the Employers under and pursuant to said collective bargaining agreements.

Section 6. The term "Trust Fund" or "funds" as used herein sl mean all contributions received by the Trustees under the aforesaid collective bargaining agreements and any additional contributions that may hereafter be agreed upon by the Union and the Employers under collective bargaining agreements, or any modifications, amendments, revisions or extensions thereof, together with all income, increments, earnings and/or profits therefrom, and all other funds received by the Trustees of the Trust Fund for the uses, purposes and trusts set forth in this Trust Agreement.

ARTICLE II

NAME

This Trust Fund shall be known as the JOINT RETIREMENT FUND POCKETBOOK AND NOVELTY WORKERS UNION, NEW YORK.

ARTICLE III

GENERAL PURPOSES

The purposes of the Trust Fund shall be to provide and maintain pension, retirement and related benefits for the Employees pursuant to the Pension Plan, and in accordance with the rules and regulations adopted by the Trustees hereunder, and to finance the reasonable costs and expenses of the operation and administration of the Trust Fund in accordance with the provisions of this Trust Agreement. The assets of the Trust Fund shall not revert to or be used for or inure to the benefit of any of the Employers,

provided, however, that a contribution that is made by an Employer by a mistake of fact may be returned to said Employer within one (1) year after the payment of such contribution.

ARTICLE IV

APPROVAL OF GOVERNMENTAL AGENCIES

The Pension Plan established under this Trust Agreement and all amendments thereto, shall qualify under the Internal Revenue Code for the purpose of assuring the tax deductibility of the contributions of the Employers.

ARTICLE V

CONTRIBUTIONS TO THE TRUST FUND

Section 1. The contributions of the Employers shall be made as provided in the collective bargaining agreements by and between the Union and Employers, and in accordance with the rules and regulations of the Trustees, and shall be paid to the Trust Fund at such regular intervals as provided in said agreements.

Section 2. The Trustees may compel and enforce the payment of the Employers' contributions in any manner which they may, in their sole and uncontrolled discretion, deem proper, and the Trustees may make such additional rules and regulations to facilitate and enforce the collection and payment thereof as they may deem appropriate.

ARTICLE VI

POWERS, DUTIES OF THE TRUSTEES

Section 1. The Trustees are empowered to:

(a) Accept and receive all contributions and shall hold, invest, reinvest, manage and administer same for the uses, purposes and trusts herein provided.

(b) Accumulate all income, earnings and profits of the Trust Fund and receive and administer the same as a part thereof.

(c) Formulate, adopt and administer a Pension Plan for the exclusive benefit of the Employees in order to provide pensions, retirement benefits and related benefits for the Employees, and that both the principal and income of the Trust Fund may be disbursed and distributed for the purposes herein set forth.

(d) Promulgate and establish rules and regulations for the administration and operation of the Pension Plan, which shall be a part thereof, in order to effectuate the purposes thereof; and in pursuance thereto (but without limitation on the powers of the Trustees by reason of such enumeration), formulate and establish the conditions of eligibility with respect to age and length of service, qualifications for early retirement, conditions for vesting prior to normal retirement date, past and future service benefit credits, the method of providing pensions, the payment of premiums in the event that insurance policies or annuity contracts are part of the Pension Plan, the purchase, handling, control and disposition of retirement income contracts, policies and annuities, the investment of funds and any and all other matters which the Trustees, in their discretion, may deem necessary or proper to effectuate the purposes and intent of the Pension Plan.

(e) Establish as part of the Trust Fund such reserve or reserves as the Trustees shall in their opinion deem necessary or advisable for the sound and efficient administration of the Pension Plan.

(f) Purchase, acquire, receive, retain, administer,

surrender or assign any life insurance or annuity contract and pay the premiums, and exercise the rights, privileges, options and benefits contained in any such contract, in the event that the Trustees determine that insurance policies or annuity contracts shall be acquired as part of the Pension Plan.

(g) Receive any securities or other property of any kind, nature or description whatsoever that are tendered to them and that they may deem to be acceptable.

(h) Pay out of the Trust Fund all real and personal property taxes of any nature whatsoever; provided, however, that the Trustees may contest the validity of any tax.

(i) Enter into agreements, contracts and other instruments for the deposit of funds with banks, trust companies or other institutions, which accept and hold monies on deposit, and to authorize such depository or depositories to act as custodian of the funds, whether in cash or securities or other property.

(j) Authorize withdrawals of monies from any account or accounts, but only by orders or checks signed by Trustees authorized in writing by the Trustees to sign the same; and no order or check for the withdrawal of funds shall be valid unless signed by two Trustees, one of whom shall be a Union Trustee and one of whom shall be an Employer Trustee.

(k) Amend the Pension Plan from time to time, provided that such amendments comply with the purposes hereof. The Pension Plan and all amendments thereto adopted by the Trustees shall be filed by the Trustees as part of the records and minutes of the Trustees, and a copy thereof shall be sent to the Union and the Employers.

Section 2. In addition to all other rights, powers and prerogatives vested in them, the Trustees may:

(a) Purchase or subscribe for and invest and reinvest in any securities or other property, including bonds, preferred or common stocks of every kind and nature whatsoever, commercial paper and mortgages and other interests in realty, even though such investments may not be authorized for the investment of trust funds under the laws applicable thereto. The term "securities or other property" as used herein shall also mean and include any property, real, personal or mixed or part interest therein, wherever situate, including without limiting the generality of the foregoing, governmental, corporate or personal obligations, trust and participation certificates, leaseholds, fee titles and other evidences of indebtedness or ownership, without regard to the limitations, if any, imposed by law on the investment of trust funds.

(b) Appoint and employ an investment manager or managers to hold, invest, reinvest, manage, acquire or dispose of any assets of the Trust Fund in accordance with the policies established by the Trustees. Such an investment manager may or may not be designated a "Corporate Trustee" or "Corporate Agent". An "investment manager" is any fiduciary who has been designated by the Trustees to hold, invest, reinvest, manage, acquire, or dispose of any assets of the Fund, who is registered as an investment adviser under the Investment Advisers Act of 1940, is a bank as defined in that Act or an insurance company qualified to perform services under the laws of more than one state and who has acknowledged in writing that it is a fiduciary with

respect to the Trust Fund. The Trustees are empowered to enter into and execute an agreement with such investment managers with such provisions incorporated therein as may be deemed desirable or appropriate by the Trustees for the proper management of the Trust Fund, and upon the execution of such agreement(s) to convey and transfer to the investment manager or managers any portion of the Trust Fund then or subsequently held by the Trustees.

(c) Designate a Finance Committee of its own members to invest and reinvest so much of the Trust Fund as the Trustees deem desirable in accordance with the policies established by the Trustees.

(d) Hold from time to time any or all of the Trust Fund in cash, uninvested and non-productive of interest or other income.

(e) Sell, transfer or dispose of any securities or other property at any time held by them for cash or on credit; and convert, or exchange any securities or other property at any time held by them for other securities or property which the Trustees may deem acceptable. Any such sale, transfer, disposition, conversion or exchange may be made publicly or by private arrangement.

(f) Consent to the reorganization, consolidation, merger, dissolution, or readjustment of the finances, of any corporation, company or association, any of the securities of which may at any time be held hereunder, exercise any option or options, make any agreement or subscription, pay any expenses, assessments or subscriptions in connection therewith and hold and retain any property acquired by means of the exercise of the powers expressed in this paragraph to the extent that it is

acceptable to the Trustees.

(g) Register any securities or other property held in the Trust Fund in the name of a nominee or nominees with or without the addition of words indicating that such securities or other property are held in a fiduciary capacity; and hold in bearer form any securities or other property held hereunder so that title thereto will pass by delivery, but the books and records of the Trustees shall show that all such investments are part of the Trust Fund.

(h) Lease or purchase such premises, materials, supplies and equipment, and employ and retain such legal counsel, investment counsel, administrative, accounting, actuarial, clerical, custodial and other assistants or employees to render advice with regard to any responsibility under this Trust Agreement or the Pension Plan as in their discretion the Trustees may deem necessary or appropriate and to pay their reasonable expenses and compensation out of the Trust Fund. Any such personnel, supplies, equipment and facilities may be shared with other organizations as authorized by the Trustees, provided each such organization pays its fair share of the cost and expense thereof.

(i) Vote in person or by proxy or otherwise upon securities held by the Trustees and to exercise by attorney or in any other manner or any other rights of whatsoever nature pertaining to securities or any other property at any time held by them hereunder.

(j) Make, execute and deliver as Trustees any and all instruments in writing necessary or proper for the effective exercise of any of the Trustees' powers as stated herein, or otherwise necessary to accomplish the purposes of the Trust Fund and this Trust Agreement.

(k) Borrow money from any and all types of persons, companies or institutions upon such terms and conditions as the Trustees may deem desirable and for the sum so borrowed or advanced, the Trustees may issue promissory notes or other evidence of indebtedness as Trustees, and secure the repayment thereof by the pledge of any securities or other property in their possession as Trustees.

(l) Authorize by resolution any one or more of the Trustees to execute any notice or other instrument in writing and all persons, partnerships, corporations or associations may rely thereupon that such notice or instrument has been duly authorized and is binding on the Trust Fund.

Section 3. The Trust Fund may share office space with the Union, provided that the costs and expenses of such office space shall be fair and reasonable.

Section 4. Notices given to the Trustees, the Union, the Council or Employers shall, unless otherwise specified, be sufficient if in writing and delivered to, or sent by post-paid first-class mail or prepaid telegram. Except as herein otherwise provided, distribution or delivery of any statement or document required hereunder to be made to the Trustees, Council, Union or Employers shall be sufficient if delivered in person or if sent by post-paid first-class mail.

Section 5. The expenses incurred in the collection of contributions and in the administration and operation of the Trust Fund shall be paid from the Trust Fund.

Section 6. The Trustees shall have the power to authorize the Chairman of the Board of Trustees and the Secretary, jointly, or one Union Trustee and one Employer Trustee, jointly, to execute any and all documents required by all persons, companies, banks, with whom the Trust Fund does business or who are involved in the administration of the Trust Fund or Pension Plan. The Chairman and Secretary shall be empowered to certify to anyone the authenticity of the actions of the Trustees as reflected in the minutes of the Trust Fund, provided said motions have been duly submitted and carried by the Trustees pursuant to the requirements of this Trust Agreement and the laws of the State of New York.

Section 7. The Trustees shall establish and carry-out a Funding Policy and method consistent with the objectives of the Pension Plan and the requirements of the Act. Said policy and method shall be reviewed at least annually at a special Trustees' meeting called for that purpose. All action taken with respect to such Funding Policy and method, and the reasons therefore, shall be recorded in the minutes of said meeting.

## ARTICLE VII

## ACCOUNTS, RECORDS AND AUDITING THEREOF

Section 1. All income, profits, recoveries, contributions, forfeitures and any and all monies, securities and properties of any kind at any time received or held by the Trustees hereunder shall be held for the uses and purposes hereof.

Section 2. The Trustees shall keep true and accurate books of account and records of all their transactions, which

shall be open to the inspection of each of the Trustees at all times, and which shall be audited at least semi-annually by a certified public accountant selected by the Trustees. A condensed statement of the semi-annual audit shall be available at all times for inspection by the Union, the Employers and Employees at the principal office of the Trust Fund.

Section 3. The Trustees shall have the right by such representatives as they may designate (e.g. attorneys, accountants,) to examine and inspect the books, ledgers, records and other documents of the Employers to confirm the accuracy and completeness of the contributions required to be made to the Trust Fund.

ARTICLE VIII

CLAIMS AND INDIVIDUAL RIGHTS

Section 1. No Employer or Employee, or any person claiming by or through an Employer or Employee by reason of having been named a beneficiary in a certificate, or otherwise, or for any other reason of whatsoever kind or nature, shall have any rights, title or interest in or to the funds or other property of the Trust Fund or any part thereof, except as specifically provided by the Pension Plan and the applicable rules and regulations thereunder.

Section 2. No monies, property or equity of any nature whatsoever in the Trust or Trust Fund or policies or benefits or monies payable therefrom shall be subject in any manner, by any Employee or person claiming through such Employee, to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, garnishment, mortgage, lien or charge, and any attempt to cause the same to be subject thereto shall be null and void.

ARTICLE IX

CONDUCT OF TRUSTEES

Section 1. The Trustees are hereby empowered to do all acts whether or not expressly authorized herein, which the Trustees may deem necessary to accomplish the general objectives of maintaining the Trust Fund solely in the interests of the Employees for the exclusive purpose of providing benefits for the Employees and defraying the reasonable costs and expenses of the administration of the Pension Plan. Such actions shall be taken with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. Such actions shall include the diversification of the investments of the Trust Fund so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so; and all such actions shall be in accordance with the documents and instruments governing the Trust Fund insofar as such documents and instruments are consistent with applicable law.

Section 2. The Trustees are empowered to allocate fiduciary responsibilities among the Trustees and to designate persons other than Trustees to carry out fiduciary responsibilities as provided in this Trust Agreement. The power to allocate fiduciary responsibility shall not apply to the allocation of the responsibility to manage the assets of the Trust Fund other than the power to appoint an investment manager or managers.

Section 3. The Trustees shall have exclusive authority and discretion to manage and control the assets of the Trust Fund

except to the extent that such authority to manage, acquire or dispose of the assets thereof is delegated to one or more investment managers as herein provided.

Section 4. If an investment manager or managers shall be appointed in accordance with the terms of this Trust Agreement, no Trustee shall be liable for the acts or omissions of such investment manager or managers or under an obligation to invest or otherwise manage any asset of the Trust Fund which is subject to the management of such investment manager.

Section 5. The costs and expenses of any action, suit or proceeding brought by or against the Trustees or any of them (including counsel fees) shall be paid from the Trust Fund, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such Trustee violated the "Prudent Man Rule" as provided herein and in the Act.

Section 6. The Trust Fund shall not be bound by any notice, direction, requisition, advice or request, unless and until it shall have been received by the Trust Fund at the principal place of business of the Trust Fund.

Section 7. No person, partnership, corporation or association dealing with the Trustees shall be obliged to see to the application of any funds, securities or other property paid or delivered to or received from the Trustees as a purchase price or otherwise or to see that the terms of the Trust Agreement have been complied with or be obliged to inquire into the authority of the Trustees or the necessity or expediency of any act of the

Trustees and every instrument effected by the Trustees shall be conclusive in favor of any such person, partnership, corporation or association relying thereon that (1) at the time of the delievery of said instrument the Trust was in full force and effect; (2) said instrument was effected in accordance with the terms and conditions of this Trust Agreement; and (3) the Trustees were duly authorized and empowered to execute such instrument.

ARTICLE X

APPOINTMENT, REMOVAL, VOTING, RESIGNATION AND MISCELLANEOUS FUNCTIONS OF TRUSTEES

Section 1. (a) The Trust Fund shall be held in trust by a Board of six (6) Trustees who shall have the authority to control and manage the operation and administration thereof in accordance with the provisions of this Trust Agreement, as the named fiduciari of the Trust Fund. The Trustees hereunder shall consist of six (6) persons, three (3) of whom shall be designated by the Union and referred to as Union Trustees, and three (3) of whom shall be designated by the Council and referred to as Employer Trustees.

(b) The Union Trustees shall be NATHAN KATZ, DOMINIC DI PAOLA and IRVING ZEICHNER. The Employer Trustees shall be HOWARD MESCON, PAUL BAUM and ELLIOTT FRANKEL.

(c) The above-named Trustees, each for himself, accept their appointment as Trustees and consent to act as Trustees hereunder, and declare and agree that they will receive and hold the Trust Fund as Trustees under and by virtue of the terms, conditions and provisions of this Trust Agreement and for the uses, purposes and trusts and with the powers and duties herein set forth.

Section 2. (a) For the duration of the present collective bargaining agreement between the Union and the Council, the Chairman of the Fund shall be selected from the Union Trustees and the Secretary of the Fund shall be selected from

the Employer Trustees, and shall serve for said duration, or until their successors are chosen.

(b) Two Employer Trustees and two Union Trustees shall constitute a quorum. Voting shall be on a unit or block basis.

(c) A deadlock of the Trustees shall also be deemed to exist if a quorum is not present at two successive properly scheduled meetings. Whenever a deadlock exists, the Trustees may submit the deadlocked issue for arbitration to an Impartial Chairman.

(d) The Impartial Chairman named in the standard form collective bargaining agreement between the Union and the Council shall serve as the Impartial Chairman under this Trust Agreement.

(e) The decision of the Impartial Chairman on the deadlocked issue shall be binding on the Trustees and upon all Employers and the Union and Employees involved.

Section 3. A Trustee may resign upon giving thirty (30) days' notice in writing to the remaining Trustees, or such shorter notice as the remaining Trustees may accept as sufficient. Such resignation shall be effective on the date specified in the notice or on the date of the appointment of a successor Trustee, whichever first occurs; and from and after the effective date of such resignation, the resigned Trustee shall be fully discharged from all of his duties and privileges hereunder.

Section 4. (a) Any Union Trustee may be removed from office at any time, with or without cause, by the Union; such

removal shall be evidenced by an instrument in writing signed by the Manager of the Union and sent to the Trust Fund by certified mail, return receipt requested, with copies thereof to all Trustees.

(b) Any Employer Trustee may be removed from office at any time, with or without cause, by the Council; such removal shall be evidenced by an instrument in writing signed by the Council's representatives and sent to the Trust Fund by certified mail, return receipt requested, with copies thereof to all Trustees.

Section 5. The Manager of the Union shall, by virtue of his office, be a member of the Board of Trustees. The other Union Trustees shall be designated by the Executive Board of the Union. The Union Trustees are subject to removal by the Executive Board of the Union.

Section 6. Each Trustee above named and each successor Trustee shall serve and continue to serve as such until his death, resignation or removal as herein provided. Notice of designation of new Trustees shall be given in writing to the Trust Fund.

Section 7. In the event of the resignation, death, disqualification, removal, disability or refusal to act of any Trustee designated by the Union, or any successor to any of them, a successor Trustee shall be designated by a resolution of the Executive Board of the Union, which shall be filed with the

remaining Trustees. In the event of the resignation, death, disqualification, removal, disability or refusal to act of any Employer Trustee, or any successor to any of them, a successor Trustee shall be designated by the Council.

Section 8. (a) A meeting may be called at any time by the Chairman and Secretary. Failure of these officers to agree as to the necessity for the calling of a meeting or as to the time and place for the holding of such meeting shall be considered as though a deadlock controversy has arisen between the Trustees and the matter may be submitted to the Impartial Chairman for his decision.

(b) In the absence of the Chairman or the Secretary, a Union Trustee and an Employer Trustee, jointly, may call a meeting by giving five (5) days' written notice to all the other Trustees.

Section 9. Any action by the Trustees may be taken either at a meeting or in writing without a meeting. Concurrence of a majority of the Trustees shall be required for action taken without a meeting.

## ARTICLE XI

## TERMINATION OF THE TRUST

Section 1. This Trust Agreement and the Pension Plan may be terminated by an instrument in writing executed by all of the Trustees when there is no longer in force an agreement between an Employer and the Union requiring any contributions from an Employer to the Trust Fund for the purposes herein provided.

Section 2. This Trust Agreement and the Pension Plan may be terminated by an instrument in writing duly executed by the Union and the Employers who employ a majority of the Employees covered

by the Pension Plan.

Section 3. In the event of the termination of the Trust Agreement and the Pension Plan, the Trustees shall apply the Trust Fund to pay or to provide for the payment of any and all obligations of the Trust Fund, and distribute and apply any remaining surplus in such manner as will, in their opinion, best effectuate the purpose of the Trust Fund; provided, however, that no part of the corpus or income of said Trust Fund shall be used for or diverted to purposes other than the exclusive benefit of Employees or the families or the beneficiaries of Employees, or the administrative expenses of the Trust Fund or the Pension Plan or for other payments in accordance with the provisions thereof; and further, provided, however, that the Trustees shall apply the assets of the Fund which are available to provide benefits, in such a manner that the right of each Employee and beneficiary to benefits accrued to the date of such termination or liquidation, to the extent such benefits have been actuarially funded, shall be nonforfeitable and the funds held in trust shall be allocated in a manner approved by the Pension Benefit Guarantee Corporation in accordance with the provisions of, and regulations issued pursuant to Section 4044 of the Act.

Section 4. Upon termination of the Trust Agreement and Pension Plan, the Trustees shall forthwith notify the Union, the Council, each Employer, and the various governmental agencies. The Trustees shall continue as Trustees for the purpose of winding up the affairs of the Trust Fund, and may take any action in regard thereto as in their judgment is appropriate.

## ARTICLE XII
## BONDING AND FIDUCIARY INSURANCE

Section 1. The Trustees and the employees of the Trust Fund shall be appropriately bonded by a duly authorized surety company in such amounts as may be determined from time to time by

the Trustees in accordance with applicable law. The cost of the premiums for such bond or bonds shall be paid by the Trust Fund.

Section 2. To the extent, and under the conditions permissible by applicable law, the Trustees may authorize the purchase of insurance for the Trust Fund and/or for themselves collectively, or individually and for any other fiduciary employed by the Trustees to cover liability or losses occurring by reason of any act or omission of a fiduciary.

## ARTICLE XIII

## EXECUTION AND INTERPRETATION

Section 1. This Trust Agreement may be executed in one or more counterparts. The signature of a party on any counterpart shall be sufficient evidence of his execution hereof.

Section 2. The provisions of this Trust Agreement shall be liberally construed in order to promote and effectuate the establishment and operation of the benefits program herein contemplated. The Trustees shall have power to interpret, apply and construe the provisions of this Trust Agreement, and any construction, interpretation and application adopted by the Trustees in good faith shall be binding upon the Union, the Council, the Employers and the Employees.

Section 3. In the event that any provisions of this Trust Agreement shall be held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining provisions of this Trust Agreement; and the provision or provisions held illegal or invalid shall be fully severable and the Trust Agreement shall be construed and enforced as if said illegal or invalid provisions had never been inserted herein.

ARTICLE XIV

AMENDMENTS

The provisions of this Trust Agreement may be amended by an instrument in writing, signed by all the Trustees, provided that the said amendment complies with the purposes of the Trust Fund and no amendment shall divert any of the Trust Fund from the purposes of this Trust.

* * * * * * * * * * * *

The Trustees, in accordance with Article XIV of the Agreement and Declaration of Trust, made as of September 9, 1953, as amended, have amended the said Agreement and Declaration of Trust as therein provided, and this Trust Agreement shall supersede the aforesaid Agreement and Declaration of Trust, as amended, from and after December 1, 1975.

IN WITNESS WHEREOF, the Trustees presently in office have hereunto set their hands as of the 1st day of December 1975.

TRUSTEES

| UNION | EMPLOYER |
| --- | --- |
| NATHAN KATZ | HOWARD MESCON |
| DOMINIC DI PAOLA | PAUL BAUM |
| IRVING ZEICHNER | ELLIOTT FRANKEL |

CONSENTED TO AND APPROVED

POCKETBOOK AND NOVELTY WORKERS UNION, LOCAL 1, AFL-CIO

By: _____
NATHAN KATZ, MANAGER

NEW YORK INDUSTRIAL COUNCIL OF THE NATIONAL HANDBAG ASSOCIATION

By: _____
HOWARD MESCON, CHAIRMAN

# THE PENSION PLAN OF THE LEATHER GOODS, PLASTICS, HANDBAGS AND NOVELTY WORKERS' UNION LOCAL 1, JOINT RETIREMENT FUND AMENDED AND RESTATED EFFECTIVE AS OF JANUARY 1, 2015

# OFFICIAL TEXT OF THE PENSION PLAN

# LEATHER GOODS, PLASTICS, HANDBAGS AND NOVELTY WORKERS' UNION LOCAL 1, JOINT RETIREMENT FUND JOINT RETIREMENT FUND

## AMENDED AND RESTATED EFFECTIVE AS OF JANUARY 1, 2015

## BASIC PLAN DOCUMENT

## PREAMBLE

This document sets forth the Pension Plan of the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund (the "Plan"), as amended and restated effective as of January 1, 2015.

The Plan was previously amended and restated effective as of January 1, 2001, to reflect the merger of Novelty Workers Union Local 121 Pension Fund into the Plan, effective as of December 31, 1999. The Plan was again amended and restated effective as of January 1, 2009, to reflect the merger of the Local 635 Fish and Seafood Workers Retirement Fund and the Local 635 Smoked Fish Workers Retirement Fund into the Plan effective as of December 31, 2006, and the merger of the United Mechanics 150 Pension Fund and the Fur Service Employers' Pension Fund into the Plan effective as of December 31, 2008, and to reflect the previous Plan amendments and additional amendments required by changes in applicable law.

The Plan is hereby amended and restated effective as of January 1, 2015 (the "Restatement"), to reflect the previous Plan amendments and additional amendments required by changes in applicable law since the Plan was last restated. The amendments made by the Restatement include those needed to file the Plan for an Internal Revenue Service determination letter as a Cycle D plan under Internal Revenue Service Revenue Procedure 2013-84.

The Plan, as set forth in the Restatement, consists of a Basic Plan document, containing the common provisions that apply with respect to the entire Plan ("Basic Plan Document") and five separate Programs. Program A applies with respect to individuals who were participants in the Plan on or before December 30, 2006, and individuals who are covered under a collective bargaining agreement requiring an employer to make contributions to the Fund for Program A on their behalf pursuant to the terms of the collective bargaining agreement. Program B applies with respect to individuals who were participants in the Local 635 Fish and Seafood Workers Retirement Fund on or before December 30, 2006, and individuals who are covered under a collective bargaining agreement requiring an employer to make contributions to the Fund for Program B on their behalf pursuant to the terms of the collective bargaining agreement. Program

C applies with respect to individuals who were participants of the Local 635 Smoked Fish Workers Retirement Fund on or before December 30, 2006, and individuals who are covered under a collective bargaining agreement requiring an employer to make contributions to the Fund for Program C on their behalf pursuant to the terms of the collective bargaining agreement. Program D applies with respect to individuals who were participants of the United Mechanics 150 Pension Fund on or before December 30, 2008, and individuals who are covered under a collective bargaining agreement requiring an employer to make contributions to the Fund for Program D on their behalf pursuant to the terms of the collective bargaining agreement. Program E applies to individuals who were participants of the Fur Service Employers' Pension Fund on or before December 30, 2008, and individuals who are covered under a collective bargaining agreement requiring an employer to make contributions to the Fund for Program E on their behalf pursuant to the terms of the collective bargaining agreement.

The benefits of any Participant who retired or terminated his or her employment prior to the Restatement Date (as defined herein), shall be governed under the terms of the Plan in existence at the time of the Participant's retirement or termination of employment, except as otherwise specifically provided in the Plan.

The Plan herein set forth and its related Trust are hereby designated as constituting parts of a plan and trust intended to qualify under Section 401(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and to be exempt from federal income taxation under Code Section 501(a).

The Plan was terminated by the withdrawal of every employer from the Plan and the cessation of the obligation of all employers to contribute to the Plan (hereinafter referred to as the "Mass Withdrawal"), effective December 31, 2013.

**BASIC PLAN DOCUMENT**

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# OFFICIAL TEXT OF THE PENSION PLAN

# LEATHER GOODS, PLASTICS, HANDBAGS AND NOVELTY WORKERS' UNION LOCAL 1, JOINT RETIREMENT FUND JOINT RETIREMENT FUND

## AMENDED AND RESTATED EFFECTIVE AS OF JANUARY 1, 2015

## BASIC PLAN DOCUMENT

This Basic Plan Document applies with respect to individuals who have met the requirements for participation under any Program and whose status as a participant has not been terminated under all such Programs. The Basic Plan Document contains the common provisions that apply with respect to the entire Plan. Whenever used in the Plan, all capitalized terms have the meaning set forth in Article I of the Basic Plan Document, unless otherwise indicated or defined in of the Programs.

Notwithstanding anything herein to the contrary, Article IX of the Basic Plan Document applies to every participant in the Plan, including participants who retired or terminated employment prior to the Restatement Date. If any provision of Article IX of the Basic Plan Document conflicts with another provision in the Plan, the provisions of Article IX shall control.

## ARTICLE I - DEFINITIONS

1.1 "Annuity Starting Date"

(a) Subject to subsection (b) below, a Participant's Annuity Starting Date is the first day of the first calendar month starting after the Participant has fulfilled all of the conditions for entitlement to benefits under any Program and 30 days after submission by the Participant of a completed application for benefits unless:

(i) the Participant and spouse, if any, consent in writing to the commencement of payments before the end of the 30-day period and distribution of the pension begins more than 7 days after the written explanation was provided to the Participant and spouse; or

(ii) the benefit is being paid as a Participant-and-Spouse Pension at or after the Participant's Normal Retirement Age.

(b) The Annuity Starting Date will not be later than the Participant's Required Beginning Date, as defined in Section 2.6(d).

(c) The Annuity Starting Date for a Beneficiary or Alternate Payee under a qualified domestic relations order (within the meaning of Code Section 414(p)) will be determined under subsection (a) above, except that references to the Participant-and-Spouse Pension and spousal consent do not apply.

(d) A Participant who retires before his or her Normal Retirement Age and then earns additional benefit accruals under the Plan through reemployment will have a separate Annuity Starting Date determined under subsection (a) with respect to those additional accruals, except that an Annuity Starting Date that is on or after Normal Retirement Age shall be applied with respect to any additional benefits accrued through reemployment after that date.

1.1A "Actuarial Equivalent" means a benefit of equivalent present value as determined actuarially on the basis of such rate of interest and rates of mortality as shall have been adopted by the plan administrator for the purpose, or on the basis of such simplified factors as are specified in the Plan for purposes of such conversion. Notwithstanding the foregoing, effective January 1, 2008, in determining the single sum payment actuarial equivalent of any pension, the assumed interest rate shall be the applicable interest rate prescribed pursuant to Code Section 417(e)(3)(C) for the November preceding the Calendar Year that the single sum is payable and the mortality table shall be the applicable mortality table prescribed by the Secretary of the Treasury pursuant to Code Section 417(e)(3)(B).

1.2 "Beneficiary" means a Program A Beneficiary, Program B Beneficiary, Program C Beneficiary, Program D Beneficiary or Program E Beneficiary.

1.3 "Calendar Year" means the period from January 1 to the next December 31.

1.4 "Code" means the Internal Revenue Code of 1986, as amended.

1.5 "Employer" means a Program A Employer, Program B Employer, Program C Employer, Program D Employer or Program E Employer.

1.6 "ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

1.7 "IRS" means the Internal Revenue Service.

1.8 "JRF" means the plan of benefits that was provided by the Leather Goods, Plastics, Handbags, and Novelty Workers' Union Local 1, Joint Retirement Fund, established under the Trust Agreement prior to December 31, 2006.

1.9 "Participant" means an individual who is a Program A Participant, Program B Participant, Program C Participant, Program D Participant or Program E Participant and whose status as a Participant has not been terminated under such Program.

1.10 "Pensioner" means an individual who is a Program A Pensioner, Program B Pensioner, Program C Pensioner, Program D Pensioner or Program E Pensioner.

1.11 "Plan" means the sum of this document known as the "Basic Document", separate documents know as Programs A, B, C, D and E and other documents intended to constitute the Plan as adopted by the Trustees and as thereafter amended by the Trustees. The benefits of any Participant who retired or terminated his or her employment prior to the Restatement Date shall be governed under the terms of the Plan in existence at the

time of the Participant's retirement or termination of employment, except as otherwise specifically provided in the Plan.

1.11A "Plan Termination Date" means December 31, 2013.

1.12 "Plan Year" means the 12-month period from January 1 to the next December 31. For purposes of regulations under ERISA, the Plan Year shall serve as the vesting computation period and the benefit accrual computation period.

1.13 "Restatement Date" means January 1, 2015.

1.14 "Fund" means the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund, established under the Trust Agreement, including the assets and liabilities of (i) the Local 635 Fish and Seafood Workers Retirement Trust Fund and the Local 635 Smoked Fish Workers Retirement Fund, which merged into the Fund effective as of January 1, 2006, and (ii) the United Mechanics 150 Pension Fund and the Fur Service Employees' Pension Fund, which merged into the Fund effective as of January 1, 2009.

1.15 "Normal Retirement Age"

The term "Normal Retirement Age" means the later of:

(a) age 65; or

(b) the fifth anniversary of the Participant's participation in the Plan.

1.16 "Trust Agreement" means the Agreement and Declaration of Trust establishing the Leather Goods, Plastics, Handbags and Novelty Workers' Union, Local 1, Joint Retirement Fund, entered into as of September 15, 1953, and as thereafter amended.

1.17 "Trustees" means the Board of Trustees as established and constituted from time to time in accordance with the Trust Agreement.

1.18 "Union" means a Program A Union, Program B Union, Program C Union, Program D Union or Program E Union.

## ARTICLE II - Minimum Distribution Requirements

2.1 General Rules.

(a) Effective Date. Notwithstanding anything in the Plan to the contrary, the provisions of this Article II will apply for purposes of determining required minimum distributions for Calendar Years beginning with the 2003 Calendar Year.

(b) Requirements of Treasury Regulations Incorporated. All distributions required under this Article II will be determined and made in accordance with the Treasury Regulations under Code Section 401(a)(9).

(c) TEFRA Section 242(b)(2) Elections. Notwithstanding the other provisions of this Article II, distributions may be made under a designation made before January 1, 1984, in accordance with Section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the Plan that relate to Section 242(b)(2) of TEFRA.

2.2 Time and Manner of Distribution.

(a) Required Beginning Date. The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's Required Beginning Date.

(b) Death of Participant Before Distributions Begin. If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

(i) If the Participant's surviving spouse (as defined with respect to the applicable Program) is the Participant's sole designated Beneficiary, then distributions to the surviving spouse will begin by December 31 of the Calendar Year immediately following the Calendar Year in which the Participant died, or by December 31 of the Calendar Year in which the Participant would have attained age 70½, if later.

(ii) If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, then distributions to the designated Beneficiary will begin by December 31 of the Calendar Year immediately following the Calendar Year in which the Participant died.

(iii) If there is no designated Beneficiary as of September 30 of the Calendar Year following the Calendar Year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the Calendar Year containing the fifth anniversary of the Participant's death.

(iv) If the Participant's surviving spouse is the Participant's sole designated Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this Section 2.2(b), other than Section 2.2(b)(i), will apply as if the surviving spouse were the Participant.

(c) Form of Distribution. Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the Required Beginning Date, as of the first Distribution Calendar Year distributions will be made in accordance with Sections 2.3, 2.4 and 2.5 of this Article II. If the Participant's interest is distributed in the form of an annuity

purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code Section 401(a)(9) and the Treasury Regulations thereunder. Any part of the Participant's interest which is in the form of an individual account described in Code Section 414(k) will be distributed in a manner satisfying the requirements of Code Section 401(a)(9) and the Treasury Regulations that apply to individual accounts.

For purposes of Section 2.2(b) and Section 2.5, distributions are considered to begin on the Participant's Required Beginning Date (or, if Section 2.2(b)(iv) applies, the date distributions are required to begin to the surviving spouse under Section 2.2(b)(i)). If annuity payments irrevocably commence to the Participant before the Participant's Required Beginning Date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under Section 2.2(b)(i)), the date distributions are considered to begin is the date distributions actually commence.

2.3 Determination of Amount to be Distributed Each Year.

(a) General Annuity Requirements. If the Participant's interest is paid in the form of annuity distributions under the Plan, payments under the annuity will satisfy the following requirements:

(i) the annuity distributions will be paid in periodic payments made at intervals not longer than 1 year;

(ii) the distribution period will be over a life (or lives) or over a period certain not longer than the period described in Section 2.4 or 2.5;

(iii) once payments have begun over a period certain, the period certain will not be changed even if the period certain is shorter than the maximum permitted;

(iv) payments will either be nonincreasing or increase only as follows:

(A) by an annual percentage increase that does not exceed the annual percentage increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics;

(B) to the extent of the reduction in the amount of the Participant's payments to provide for a survivor benefit upon death, but only if the Beneficiary whose life was being used to determine the distribution period described in Section 2.4 dies or is no longer the Participant's Beneficiary pursuant to a qualified domestic relations order within the meaning of Code Section 414(p);

(C) to provide cash refunds of employee contributions upon the Participant's death; or

(D) to pay increased benefits that result from a Plan amendment.

(b) Amount Required to be Distributed by Required Beginning Date. The amount that must be distributed on or before the Participant's Required Beginning Date (or, if the Participant dies before distributions begin, the date distributions are required to begin under Section 2.2(b)(i) or (ii)) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next Calendar Year. Payment intervals are the periods for which payments are received, e.g., bi-monthly, monthly, semi-annually, or annually. All of the Participant's benefit accruals as of the last day of the first Distribution Calendar Year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the Participant's Required Beginning Date.

(c) Additional Accruals After First Distribution Calendar Year. Any additional benefits accruing to the Participant in a Calendar Year after the first Distribution Calendar Year will be distributed beginning with the first payment interval ending in the Calendar Year immediately following the Calendar Year in which such amount accrues.

2.4 Requirements for Annuity Distributions That Commence During Participant's Lifetime.

(a) Joint Life Annuities Where the Beneficiary Is Not the Participant's Spouse. If the Participant's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the Participant and a non-spouse Beneficiary, annuity payments to be made on or after the Participant's Required Beginning Date to the designated Beneficiary after the Participant's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the Participant using the table set forth in Q&A-2 of Section 1.401(a)(9)-6 of the Treasury Regulations. If the form of distribution combines a joint and survivor annuity for the joint lives of the Participant and a non-spouse Beneficiary and a period certain annuity, the requirement in the preceding sentence will apply to annuity payments to be made to the designated Beneficiary after the expiration of the period certain.

(b) Period Certain Annuities. Unless the Participant's spouse is the sole designated Beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the Participant's lifetime may not exceed the applicable distribution period for the Participant under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations for the Calendar Year that contains the Annuity Starting Date. If the Annuity Starting Date precedes the year in which the Participant reaches age 70, the applicable distribution period for the Participant is the distribution period for age 70 under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations plus the excess of 70 over the age of the Participant as of the Participant's birthday in the year that contains the Annuity Starting Date. If the Participant's spouse is the Participant's sole designated Beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the Participant's

applicable distribution period, as determined under this Section 2.4(b), or the joint life and last survivor expectancy of the Participant and the Participant's spouse as determined under the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the Calendar Year that contains the Annuity Starting Date.

2.5 Requirements for Minimum Distributions Where Participant Dies Before Date Distributions Begin.

(a) Participant Survived by Designated Beneficiary. If the Participant dies before the date distribution of his or her interest begins and there is a designated Beneficiary, the Participant's entire interest will be distributed, beginning no later than the time described in Section 2.2(b)(i) or 2.2(b)(ii), over the life of the designated Beneficiary or over a period certain not exceeding:

(i) unless the Annuity Starting Date is before the first Distribution Calendar Year, the Life Expectancy of the designated Beneficiary determined using the Beneficiary's age as of the Beneficiary's birthday in the Calendar Year immediately following the Calendar Year of the Participant's death; or

(ii) if the Annuity Starting Date is before the first Distribution Calendar Year, the Life Expectancy of the designated Beneficiary determined using the Beneficiary's age as of the Beneficiary's birthday in the Calendar Year that contains the Annuity Starting Date.

(b) No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30 of the Calendar Year following the Calendar Year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the Calendar Year containing the fifth anniversary of the Participant's death.

(c) Death of Surviving Spouse Before Distributions to Surviving Spouse Begin. If the Participant dies before the date distribution of his or her interest begins, the Participant's surviving spouse is the Participant's sole designated Beneficiary, and the surviving spouse dies before distributions to the surviving spouse begin, this Section 2 will apply as if the surviving spouse were the Participant, except that the time by which distributions must begin will be determined without regard to Section 2.2(b)(i).

2.6 Definitions.

(a) **Beneficiary.** The individual who is designated as the Beneficiary under the Plan and is the designated Beneficiary under Code Section 401(a)(9) and Section 1.401(a)(9)-1, Q&A-4 of the Treasury Regulations.

(b) **Distribution Calendar Year.** A Calendar Year for which a minimum distribution is required. For distributions beginning before the Participant's death,

the first Distribution Calendar Year is the Calendar Year immediately preceding the Calendar Year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first Distribution Calendar Year is the Calendar Year in which distributions are required to begin pursuant to Section 2.2(b).

(c) **Life Expectancy.** Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury Regulations.

(d) **Required Beginning Date**. A Participant's Required Beginning Date is April 1 of the Calendar Year following the year the Participant reaches age 70½ or if later:

(i) for a Program A Participant who reached age 70½ before 1988 other than a 5% owner, the April 1 of the Calendar Year in which the Program A Participant ceases work in Covered Employment (as defined by Program A);

(ii) for a Program B or Program C Participant who reached age 70½ before 1988, the April 1 of the Calendar Year following the Calendar Year in which the Program B or Program C Participant retires;

(iii) for a Program D or Program E Participant who reached age 70½ before January 1, 1989, the April 1 of the Calendar Year following the Calendar Year the in which the Program D or Program E Participant retires.

## ARTICLE III - ELIGIBLE ROLLOVER DISTRIBUTIONS

3.1 Election of Eligible Rollover Distribution.

Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Article, a distributee may elect, at the time and in the manner prescribed by the plan administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

3.2 Definitions.

(a) Eligible Rollover Distribution: An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated Beneficiary, or for a specified period of 10 years or more; any distribution to the extent such distribution is required under Code Section 401(a)(9); and the portion of any distribution that is not includable in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).

(b) Eligible Retirement Plan: An eligible retirement plan means an individual retirement account described in Code Section 408(a), an individual retirement annuity described in Code Section 408(b), an annuity plan described in Code Section 403(a) or a qualified trust described in Code Section 401(a), and (effective for distributions made after December 31, 2001) an annuity contract described in Code Section 403(b), that accepts the distributee's eligible rollover distribution. Effective for distributions made after December 31, 2001 an eligible retirement plan shall also include an eligible plan under Code Section 457(b), which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. Effective for distributions made after December 31, 2007, an eligible retirement plan shall also include a Roth individual retirement account or Roth individual retirement annuity described in Code Section 408A.

Effective for distributions made after December 31, 2001, the definition of eligible retirement plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Code Section 414(p).

In the case of a non-spouse Beneficiary, an eligible retirement plan is an individual retirement account or annuity described in Code Section 408(a), or Code Section 408(b) ("IRA") or, for distributions made after December 31, 2007, a Roth individual retirement account or annuity described in Code Section 408A, that is established on behalf of the designated Beneficiary and that will be treated as an inherited IRA pursuant to the provisions of Code Section 401(c)(11).

(c) Distributee: A distributee includes an employee or former employee. In addition, the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Code Section 414(p), are distributees with regard to the interest of the spouse or former spouse. Effective with respect to distributions made after December 31, 2010, a distributee shall also include an individual who is a designated Beneficiary (as defined by Code Section 401(a)(9)(E)) of the employee or former employee and who is not the surviving spouse of the employee or former employee (a "nonspouse distributee")

(d) Direct Rollover: A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.

## ARTICLE IV - APPLICATION, CLAIMS PROCEDURE

4.1 Advance Applications Required.

Pensions under any Program of this Plan shall be effective on the first day of the first month following the month in which the Participant has fulfilled all the conditions for entitlement to benefits, including filing a completed pension application with the

Trustees. Participants of all Programs are required to file an application at least 3 months in advance of the anticipated benefit commencement date (as specified in the relevant Plan Program). Applications shall be made in writing in the form and manner prescribed by the Trustees.

4.2 Information and Proof.

Participants shall furnish any information or proof reasonably required to determine eligibility for pension benefits. If a Participant or Beneficiary makes a willfully false statement material to an application or furnishes fraudulent information or proof, material to a claim, benefits under the Plan may be modified or adjusted to correct such error or denied, suspended or discontinued. The Trustees shall have the right to recover by set-off or otherwise any benefit payments made in reliance on any willfully false or fraudulent statement, information or proof submitted by a Participant or Beneficiary.

4.3 Recovery of Overpayments.

By accepting benefits under the Plan, Participants and Beneficiaries agree that in the event such individual receives any payment from the Plan in excess of the amount which is due and payable under the Plan for any reason (including, without limitation, mistake of fact or law, reliance on any false or fraudulent statements, information or proof submitted by a claimant, or the continuation of payments after the death of a Participant or Beneficiary entitled to them), such Participant or Beneficiary shall be obligated to repay such Excess Payments to the Plan upon receipt of a written notice by the Trustees (or any other designee duly authorized by the Trustees) requesting such repayment. The Trustees (or their delegate) shall have full authority, in their or his or her sole and absolute discretion, to recover the amount of any Excess Payment plus interest, attorney's fees and costs. Such authority shall include, but shall not be limited to:

(a) the right to seek the Excess Payment in a lump sum from such individual;

(b) the right to reduce future benefits payable to the person who received the overpayment;

(c) the right to reduce future benefits payable to any Beneficiary (including a surviving spouse, but only for overpayments made to the spouse himself or herself) who is or becomes entitled to receive payments under the Plan derived from the rights of a Participant who received an overpayment; and

(d) the right to initiate legal action against any person or estate that received the overpayment.

4.4 Power of Trustees.

The Trustees, and any committee of the Trustees designated by the Trustees in accordance with the provisions of, and in the manner provided by, the Trust Agreement, shall have the exclusive right, power, and authority, in their sole and absolute discretion, to administer, apply and interpret the Plan and any other Plan documents and to decide all

matters arising in connection with the operation or administration of the Plan. Without limiting the generality of the foregoing, the Trustees, and any committee of the Trustees designated by the Trustees in accordance with the provisions of, and in the manner provided by, the Trust Agreement, shall have the sole and absolute discretionary authority to:

(a) take all actions and make all decisions with respect to the eligibility for, and the amount of, benefits payable under the Plan;

(b) formulate, interpret and apply rules, regulations and policies necessary to administer the Plan in accordance with its terms;

(c) decide questions, including legal or factual questions, relating to the calculation and payment of benefits under the Plan;

(d) resolve and/or clarify any ambiguities, inconsistencies and omissions arising under the Plan or other Plan documents; and

(e) process, and approve or deny, benefit claims and rule on any benefit exclusions.

All determinations made by the Trustees, or any committee of the Trustees designated by the Trustees in accordance with the provisions of, and in the manner provided by, the Trust Agreement, with respect to any matter arising under the Plan and any other Plan documents shall be final and binding on all affected Participants, their Beneficiaries, and any other persons who claim benefits from the Plan through any of them. The Trustees may delegate such duties or powers as they deem necessary to carry out the administration of the Plan.

In the event of a scrivener's error that renders a Plan term inconsistent with the Trustees' intent, the Trustees' intent controls, and any inconsistent Plan term is made expressly subject to this requirement. Any determination made by the Trustees shall be given deference in the event it is subject to judicial review and shall be overturned only if it is arbitrary and capricious.

4.5 Claims Procedure and Right of Appeal.

A Participant, Beneficiary, or other person who claims an entitlement to benefits shall make a written application for benefits to the Fund as required by Section 4.1. For purposes of this Section, this written application is called a "claim" for benefits, the person who makes the claim is the "claimant," and the claim is considered to be "filed" on the date that the Fund receives it.

(a) The Fund Office shall act upon a claim within 90 days of the date on which the claim is filed, unless special circumstances require a longer period for adjudication and the claimant is notified in writing of the reasons for an extension of time within such 90-day period; provided, however, that no extensions shall be permitted beyond 90 days after the date on which the claimant received notice of the extension of time from the Fund.

(b) If a claim is denied, in whole or in part, written notice, prepared in a manner calculated to be understood by the claimant, shall be provided to the claimant, setting forth the specific reasons for the denial, referring to the specific plan provisions on which the denial is based, and explaining the procedure for review of the decision made by the Fund. If the denial is based upon submission of information insufficient to support a decision, the Fund shall specify the information which is necessary to perfect the claim and the reasons for requesting such additional information.

(c) Any claimant whose claim is denied may, within 180 days after receipt of written notice of such denial, request in writing a review by the Trustees. Such claimant (or an authorized representative) may examine any Plan documents relevant to his or her claim and may submit written comments, documents, records and other information relating to the application for benefits. All relevant evidence so provided will be considered, without regard to whether it was submitted or considered in the initial benefit determination. The claimant (or an authorized representative) shall also be provided, upon request and free of charge, with access to, or copies of, all documents, records and other information relevant to the claim.

(d) The Trustees will meet quarterly, and will consider each appeal at the meeting that immediately follows receipt of the appeal, unless the appeal is received within 30 days preceding the date of a meeting. In that event, the Trustees will consider the appeal at the second meeting following receipt of the appeal. If special circumstances require an extension of time for processing the appeal, the Trustees shall notify the claimant in writing of the extension, describing the special circumstances and the date as of which the determination of the appeal will be made, before the beginning of the extension period. Any such extension may not extend beyond the third meeting after the Plan's receipt of the appeal, unless the claimant voluntarily consents to a longer extension.

(e) The decision of the Trustees shall be communicated to the claimant as soon as possible, but not later than 5 days after the decision is made on the appeal.

(f) The notice of the Trustees' decision shall contain, to the extent that the decision is adverse to the claimant, a description of the specific reason or reasons for the decision, reference to the specific plan provisions on which the decision was based, a statement that the claimant is entitled to receive, upon request and free of charge, the information and materials described in subsection (c), and a statement of the claimant's right to bring an action under ERISA.

(g) Special Procedures for Disability Pension Applications.

(i) Applications for disability pensions shall be subject to all of the general rules described in subsections (a) through (f), except to the extent that they are amended by the specific provisions in this subsection (g).

(ii) The initial decision on an application for a disability pension will be made within 45 days after the Fund receives the application, unless special circumstances require additional time, in which case the Fund will notify the claimant before the end of the initial 45 days of an extension of 30 days or less. The contents of that notice shall be as described in subsection (a). If necessary, the Fund may notify the claimant of a second extension of 30 days or less, following the same procedure. No additional extensions may be made, except with the claimant's voluntary consent.

(iii) If an adverse decision on the application is based in whole or in part on any internal rule, guideline, or similar criterion, the notice to the claimant of the adverse decision will either set forth the internal rule, guideline, or similar criterion, or will state that such was relied upon and will be provided free of charge to the claimant upon request.

(iv) Upon the claimant's request, the Fund will identify any medical or vocational expert whose advice was obtained on behalf of the Plan in connection with an adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination;

(v) The Trustees will consider the appeal *de novo*, without any deference to the initial benefit denial.

(vi) The Trustees' consideration of the appeal will not include any person who participated in the initial benefit denial or who is the subordinate of a person who participated in the initial benefit denial.

(vii) If the initial benefit denial was based in whole or in part on a medical judgment, the Trustees will:

(A) consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment, and who was neither consulted in connection with the initial benefit determination nor is the subordinate of any person who was consulted in connection with that determination; and

(B) upon notifying the claimant of an adverse determination on review, include in the written notice either an explanation of the clinical basis for the determination, applying the terms of the plan to the claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon request.

(h) The decision of the Trustees concerning an appeal shall be final and binding on all affected parties. No legal or equitable action for benefits under the Plan, to enforce the claimant's rights under the Plan, or to clarify the claimant's right to future benefits under the Plan, or against the plan administrator or any other Plan fiduciary may be brought unless both (i) and (ii) are satisfied:

(i) The person claiming the benefits has followed the procedures for review by the Trustees that are described in this Section 4.5 and either

(A) the Trustees have denied the benefits in whole or in part; or

(B) there is any other adverse benefit determination, including that the Trustees have made no decision within the time period described in subsection (d), above; and

(ii) The lawsuit is filed no more than 1 year following the earlier of the date on which

(A) the Trustees issued their decision on the request for review or the time period described in subsection (d), above, expired; or

(B) such 1-year limitations period would commence under applicable law; or

(C) the claimant knew or should have known that the claimant did not receive an amount due under the Plan; or

(D) the claimant fully exhausted the Plan's administrative remedies.

(i) The procedure set forth in this Section 4.5 shall be interpreted and applied in accordance with regulations promulgated by the United States Department of Labor or any successor authority regulating claims procedures for employee benefit plans subject to ERISA.

## ARTICLE V - QUALIFIED DOMESTIC RELATIONS ORDER

5.1 Supersedes.

In the event the Trustees are presented with a Qualified Domestic Relations Order, as defined under Code Section 414(p), the Trustees shall obey such order and all other provisions under Plan subject to it.

5.2 Qualified Domestic Relations Order. A domestic relations order (an "order") shall be treated as a Qualified Domestic Relations Order if the Trustees determine that:

(a) the order is made pursuant to a State domestic relations law (including a community property law);

(b) the order creates or recognizes an alternate payee's rights to (or assigns an alternate payee the right to) receive all or a portion of the Participant's benefits. An "alternate payee" is defined as any spouse, former spouse, child or other dependent of the Participant who is recognized in the Qualified Domestic Relations Order as having a right to receive all (or a portion of) the benefits payable to the Participant under the Plan;

(c) the order clearly specifies the name of the Participant and the name and mailing address of each alternate payee covered by the order;

(d) the order clearly specifies the amount or percentage of the benefits to be paid by the Plan to each such alternate payee (or the manner in which the amount or percentage is to be determined);

(e) the order clearly specifies the number of payments or the period to which the order applies;

(f) the order clearly specifies each plan to which the order relates;

(g) the order does not require the Plan to provide any form of benefit option not otherwise available under the Plan;

(h) the order does not require the Plan to provide actuarially increased benefits; and

(i) the order does not require the Plan to provide benefits to an alternate payee which are to be paid to another alternate payee under a separate order previously determined to be a Qualified Domestic Relations Order.

5.3 Provision Exception. An order shall be treated as a Qualified Domestic Relations Order if it meets the requirements of Section 5.2, even if it requires the payment of benefits to an alternate payee at any time prior to the Participant's separation from service, provided that:

(a) the Participant has attained (or would have attained) the earliest retirement age under the Plan;

(b) benefit payments are computed as if the Participant had retired on the date on which payments are to begin (based on the present value of benefits actually accrued); and

(c) such payments are in a form in which benefits may be paid under the Plan to the Participant (other than in the form of a joint and survivor annuity with respect to the alternate payee and his or her subsequent spouse).

5.4 Cooperation.

To receive benefits from the Plan pursuant to a Qualified Domestic Relations Order, the alternate payee must furnish the Trustees with a copy of the order, certified by the Clerk of the Court issuing the order.

5.5 Upon Receipt of a Certified Copy of an Order, the Fund Shall:

(a) promptly notify the Participant and any other alternate payee of the receipt of the order and provide said person with a copy of this Plan section;

(b) promptly determine whether the order is a Qualified Domestic Relations Order; and

(c) promptly notify the Participant and all other alternate payees of such determination.

If the determination is that the order is a Qualified Domestic Relations Order, the notification in (c) shall set forth the date on which payments are scheduled to begin. If the determination is that the order is not a Qualified Domestic Relations Order, the notification in (c) shall set forth the specific reasons for the conclusion. The Participant and the alternate payee(s) may appeal any determination made in accordance with the Plan's appeal procedure, a copy of which shall be included with the determination letter.

## ARTICLE VI - WITHDRAWAL LIABILITY

6.1 In General.

An Employer that withdraws from the Plan, in either a partial or complete withdrawal, as such terms are defined in ERISA Sections 4203 and 4205, respectively, shall owe and pay withdrawal liability to the Plan in an amount determined under the terms of the Plan and ERISA.

6.2 Method of Calculation.

The amount of the unfunded vested benefits allocated to a withdrawn Employer shall be calculated in accordance with ERISA Section 4211(c)(3), as modified herein for the first full Plan Year and each subsequent year following:

(a) the merger of the Local 635 Fish and Seafood Workers Retirement Fund and the Local 635 Smoked Fish Workers Retirement Fund into the JRF with respect to Programs B and C; and

(b) the merger of the United Mechanics 150 Pension Fund and the Fur Service Employees' Pension Fund into the JRF with respect to Programs D and E.

6.3 Maintenance of Records.

For the purpose of calculating withdrawal liability, the Trustees shall maintain such records as will allow for a determination of what the assets and liabilities of the Programs would have been had there been no mergers.

6.4 Calculation of Liability

(a) For each Plan Year beginning after December 31, 2006:

(i) The Plan's liability for unfunded vested benefits shall be calculated for the Plan as if there had been no mergers among the JRF, the Local 635

Smoked Fish Workers Retirement Fund and the Local 635 Fish and Seafood Workers Retirement Fund.

(ii) An Employer's withdrawal liability shall also be calculated as if there had been no mergers among the JRF, the Local 635 Smoked Fish Workers Retirement Fund, the Local 635 Fish and Seafood Workers Retirement Fund but with such liabilities added together to determine the total amount owed.

(b) For each Plan Year beginning after December 31, 2008:

(i) The Plan's liability for unfunded vested benefits shall be calculated for the Plan as if there had been no mergers among the JRF, the United Mechanics 150 Pension Fund and the Fur Service Employees Pension Fund.

(ii) An Employer's withdrawal liability shall also be calculated as if there had been no mergers among the JRF, the United Mechanics 150 Pension Fund and the Fur Service Employees Pension Fund but with such liabilities added together to determine the total amount owed.

6.5 Allocation of Assets and Liabilities.

There shall be an allocation of assets among the Programs so as to reflect contributions received and benefits paid by Program A, Program B, Program C, Program D and Program E, as follows. As of the end of the first Plan Year in which a merger occurred, the assets of each Program shall be determined separately by adding to the assets from each respective Program at the time of the merger, the contributions made to the Plan by Employers for each Program and subtracting benefit payments from each respective Program. Expenses incurred and investment income earned during the first Plan Year shall be allocated pro-rata based on the assets of each respective Program. This process shall be repeated each subsequent Plan Year to determine the assets as of any date of determination following the merger.

The vested benefits shall be calculated separately for each Program as of any date of determination. The records of the Plan shall be maintained such that the Program Participants can be identified separately and the vested benefit liability shall be calculated separately for each Program as if there had been no mergers.

The allocated assets will then be subtracted from the vested benefit liability for the Programs in order to calculate the unfunded vested benefits ("UVBs") of each Program. In the event the sum of UVBs for the Programs is less than the UVBs for Program A, the difference shall be allocated to each Program pro-rata based on the assets attributable to each Program.

In the event that an Employer withdraws from the Plan, its allocable UVBs shall be the sum of its allocable UVBs for each of the Programs to which it was obligated to contribute. The allocable share of UVBs for a Program shall be equal to the product of

(i) and (ii), where (i) is the UVBs of the Program as of the end of the Plan Year preceding the withdrawal reduced by the value as of the end of such Plan Year of all outstanding claims for withdrawal liability with respect to that Program which can reasonably be expected to be collected from Employers who withdrew before such Plan Year, and (ii) is a fraction, the numerator of which is the total amount required to be contributed by the Employer with respect to the Program in the 5 Plan Years ending before the withdrawal, and the denominator of which is the total amount contributed to the Program by all Employers for the last 5 Plan Years ending before the year of the withdrawal, increased by any Employer contributions to the Programs owed with respect to earlier periods which were collected in those Plan Years, and decreased by any amount contributed to the Program during those Plan Years by Employers who withdrew from the Program during those Plan Years.

6.6 Resolution of Disputes.

Any dispute between an Employer and the Trustees concerning a determination made under this Article shall be resolved through arbitration in accordance with the Multiemployer Pension Plan Arbitration Rules for Withdrawal Liability Disputes of the American Arbitration Association. Arbitration shall be initiated in accordance with ERISA Section 4221 by the Employer submitting a demand to the New York office of the American Arbitration Association with the applicable fee, and a copy of the demand shall be served on the Fund. The locale of any such arbitration shall be New York, New York.

## ARTICLE VII - TOP-HEAVY RULES

If the Plan (when aggregated with other plans, if so elected) is or becomes Top-Heavy with respect to any Employer in any Plan Year, the provisions of this Article will supersede any conflicting provisions in the Plan.

7.1 Definitions.

(a) *Key Employee.* A Key Employee means any Participant or former Participant (including any deceased Participant) who at any time during the Plan Year that includes the determination date was an officer of the contributing Employer having annual compensation greater than $130,000 (as adjusted under Code Section 416(c) for Plan Years beginning after December 31, 2002) (such amount shall be $170,000 for the 2015 Plan Year), a 5% owner of the Employer, or a 1% owner of the Employer having annual compensation of more than $150,000. For this purpose, annual compensation means compensation within the meaning of Code Section 415(c)(3). The determination of who is a Key Employee will be made in accordance with Code Section 416(i)(1) and the applicable regulations and other guidance of general applicability issued thereunder.

(b) *Top-Heavy Plan.* The Plan is Top-Heavy with respect to a contributing Employer if this Plan is part of a required aggregation group and the top-heavy ratio for the

group exceeds 60%, and the Plan is not part of a permissive aggregation group with respect to such Employer the top-heavy ratio for which is less than 60%.

(c) *Top-Heavy Ratio.*

(i) If the Employer has not maintained a defined contribution plan (including any Simplified Employee Pension Plan) which during the 5-year period ending on the determination date has or has had account balances, the top-heavy ratio is a fraction, the numerator of which is the sum of the present values of the accrued benefits of all Key Employees of the contributing Employer as of the determination date (including any part of any accrued benefit distributed in the 5-year period ending on the determination date) and the denominator of which is the sum of the present value of accrued benefits (including any amount distributed in the 5-year period ending on the determination date), determined in accordance with Code Section 416 and the regulations thereunder.

(ii) If the contributing Employer maintains or has maintained one or more defined contribution plans (including any Simplified Employee Pension Plan) which during the 5-year period ending on the determination date has or has had any account balances, the top-heavy ratio is a fraction, the numerator of which is the sum of the present value of accrued benefits under the aggregated defined benefit plans, including this Plan, for all Key Employees (determined as in (i), above), and the sum of account balances under the aggregated defined contribution plans for all Key Employees of the contributing Employer as of the determination date, and the denominator of which is the sum of the present value of accrued benefits for all Participants under the aggregated defined benefit plans of the contributing Employer, and the account balances for all Participants under the aggregated defined contribution plans as of the determination date, all determined in accordance with Code Section 416 and the regulations thereunder. The account balances under defined contribution plans in both the numerator and denominator of the top-heavy ratio are increased for any distribution of an account balance made in the 5-year period ending on the determination date.

(iii) For purposes of paragraphs (1) and (2) the value of account balances and the present value of accrued benefits will be determined as of the most recent valuation date that falls within or ends with the 12-month period ending on the determination date. The account balance and accrued benefits of a Participant (1) who is not a Key Employee but who was a Key Employee in a prior year or (2) who has not been credited with at least 1 hour of service with a contributing Employer at anytime during the 5-year period ending on the determination date will be disregarded.

(iv) The accrued benefit of Participant who is not a Key Employee shall be determined under (A) the method, if any, that applies for accrual purposes

under all defined benefit plans maintained by the Employer, or (B) if there is no such method, as if such benefit accrued not more rapidly than the slowest accrued rate permitted under the fractional rule of Code section 411(b)(1)(c).

7.2 Permissive Aggregation Group. The required aggregation group of plans with respect to a Contributing Employer plus any other plan or plans maintained by such Employer which, when considered together with the required aggregation group, would continue to satisfy the requirements of Code Sections 401(a)(4) and 410.

7.3 Required Aggregation Group. Each qualified plan maintained by the contributing Employer in which at least one Key Employee participates or participated at any time during the determination period (regardless of whether the plan has terminated), and (2) any other qualified plan of the contributing Employer which enables a plan described in (1) to meet the requirements of Code Sections 401(a)(4) or 410.

7.4 Determination Date.

The determination date with respect to any Plan Year shall be the last day of the preceding Plan Year.

7.5 Present Value.

(a) Determination of Present Values and Amounts. This subsection (g) shall apply for purposes of determining the present values of accrued benefits and the amounts of account balances of Participants as of the determination date.

(b) Distributions During the Year Ending on the Determination Date. The present value of accrued benefits and the amounts of account balances of a Participant as of the determination date shall be increased by the distributions made with respect to the Participant under the Plan and any plan aggregated with the Plan under Code Section 416(g)(2) during the 1-year period ending on the determination date. The preceding sentence also shall apply to distributions under a terminated plan which, had it not been terminated, would have been aggregated with the Plan under Code Section 416(g)(2)(A)(i). In the case of a distribution made for a reason other than severance from employment, death, or disability, this provision shall be applied by substituting "5-year period" for "1-year period."

(c) Participants Not Performing Services During the Year Ending on the Determination Date. The accrued benefits and account of any individual who has not performed services for the Employer during the 1-year period ending on the determination date shall not be taken into account.

7.6 Minimum Benefit.

(a) Notwithstanding any other provision of this Plan and except as provided in subsection (b) or (c) of this Section, for any year in which the Plan is Top-Heavy with respect to a contributing Employer, each Participant of such Employer who

(1) is neither (A) a Key Employee nor (B) a Participant in the Plan pursuant to a collective bargaining agreement to which such contributing Employer is a party and (2) completes 1,000 hours of service in such Plan Year will accrue a benefit (to be provided solely by Employer contributions and expressed as a life annuity beginning at Normal Retirement Age) of not less than 2% of his or her highest average compensation for the 5 consecutive years for which such Participant had the highest compensation.

(b) No additional benefit accruals shall be provided pursuant to (a) above to the extent that the total accruals on behalf of the Participant attributable to Employer contributions will provide a benefit expressed as a life annuity commencing at Normal Retirement Age that equals or exceeds 20% of the Participant's highest average compensation for the five consecutive years for which the Participant had the highest compensation. For this purpose, the total Employer-derived accrued benefit shall include any benefit accrued in years before the Plan became Top-Heavy with respect to such contributing Employer.

(c) The provisions of subsection (a) shall not apply to any Participant to the extent such Participant is covered under any other plan or plans of the contributing Employer and such other plan or plans provides for the minimum benefit required pursuant to subsection (a).

(d) Minimum Benefits. For purposes of satisfying the minimum benefits requirements of Code Section 416(c)(1) and the Plan, in determining years of service with the Employer, any service with the Employer shall be disregarded to the extent that such service occurs during a Plan Year when the Plan benefits (with in the meaning of Code Section 410(b)) no Key Employee or former Key Employee.

7.7 Minimum Vesting Requirement. For any Plan Year in which this Plan is Top-Heavy with respect to a contributing Employer, the following vesting schedule shall be applicable to the accrued benefit of each Participant of such contributing Employer other than a Participant who participates in this Plan pursuant to a collective bargaining agreement to which such contributing Employer is a party:

| Years of Vesting Service | Percentage of Accrued Benefit Vested |
|---|---|
| 2 | 20 |
| 3 | 40 |
| 4 | 60 |
| 5 | 80 |
| 6 or more | 100 |

## ARTICLE VIII - MISCELLANEOUS

8.1 Maximum Limitation.

Any Program provision herein to the contrary notwithstanding, the Plan shall be administered in a manner which will result in its complying with the provisions of Code Section 415.

(a) In addition to other limitations set forth in the Plan and notwithstanding any other provisions of the Plan, the accrued benefit, including the right to any optional benefits provided under the Plan (and all other defined benefit plans required to be aggregated with the Plan under the provisions of Code Section 415), shall not increase to an amount in excess of the amount permitted under Code Section 415 at any time. The cost-of-living adjustments in both the dollar limit, and, if applicable, the compensation limit provided for in Code Section 415(d) are hereby incorporated by reference and shall be automatic; provided that the annual benefit payable to a terminated Participant which is otherwise limited by the dollar limitation under Code Section 415(b)(1)(A), shall not be increased under Code Section 415(d). Effective for Plan Years beginning on and after July 1, 2009, compensation, as defined under Code Section 415, shall include military differential wage payments (as defined in Code Section 3401(h)).

(b) For purposes of applying this Section 8.1, "Limitation Year" means Plan Year.

(c) Notwithstanding the foregoing, any higher limits, or any lower limits, provided for in this Plan as in effect prior to the effective date of the final Code Section 415 regulations are hereby grandfathered to the extent permitted by applicable law.

8.2 Non-Reversion.

In no event shall any of the corpus or assets of the Fund revert to the Employers, or be subject to any claims of any kind or nature by the Employers, except for the return of an erroneous contribution within the time limits prescribed by law.

8.3 Limitation of Liability.

(a) This Plan has been established on the basis of an actuarial calculation which has been predicated, to the extent possible, on the assumption that the contributions will, if continued, be sufficient to maintain the Plan on a permanent basis, fulfilling the funding requirements of ERISA. Except for liabilities which may result from provisions of ERISA, nothing in this Plan shall be construed to impose any obligation to contribute beyond the obligation of the Employers to make contributions as stipulated in their collective bargaining agreements.

(b) There shall be no liability upon the Trustees individually or collectively or upon the Union to provide the benefits established by this Plan, if the Fund does not have assets to make such payments.

8.4 New Employers.

If an Employer is sold, merged or otherwise undergoes a change of company identity, the successor company shall participate as to the employees theretofore covered under the respective Program just as if it were the original company, provided it remains an Employer.

8.5 Benefits Accrued at Time of Death.

(a) Benefits terminate upon the death of a Pensioner or a spouse in receipt of a benefit, unless death occurs after midnight of the fifteenth day of the month, in which case the benefit for the month is payable to the Beneficiary designated by the Pensioner. If there is no designated Beneficiary, or if the spouse died, the benefit is paid in the following order of priority:

(i) To the lawful widow or widower of the deceased;

(ii) To the lawful children of the deceased; if a child is under age 21 to such person who gives proof, satisfactory to the Trustees, that he or she is supporting and maintaining such child;

(iii) To the father of the deceased;

(iv) To the mother of the deceased;

(v) To the brothers and sisters of the deceased;

(vi) To the administrator of the deceased's estate.

(b) If 2 or more persons are entitled to a benefit under this Section 8.5, the benefit is payable to the one who has paid the decedent's funeral expenses. Payment to that person shall release and discharge the Fund from any further liability.

8.6 Incompetence or Incapacity of a Pensioner or Beneficiary.

In the event it is determined to the satisfaction of the Trustees that a Pensioner or Beneficiary, as defined under each Program of the Plan, is unable to care for his or her affairs because of mental or physical incapacity, any payment due may be applied, the discretion of the Trustees to the maintenance and support of such Pensioner or Beneficiary, unless, prior to such payment, claim shall have been made for such payment by a legally-appointed guardian, committee or other legal representative appropriate to receive such payments on behalf of Pensioner or Beneficiary

8.7 Waiver of Benefits.

Notwithstanding any provision of this Plan to the contrary, a designated Beneficiary may waive his or her right to receive benefits under the Plan upon the death of an eligible Participant; provided, however, that such waiver must be given in a writing witnessed by

a notary public and in a form provided by the Plan. Any such waiver must be filed with the Plan at least 30 days prior to the earlier of (a) the date such designated Beneficiary is scheduled to commence receiving benefit payments, or (b) the death or incapacity of such designated Beneficiary. Once such a waiver has been received by the Plan, it may not be revoked.

In the event a designated Beneficiary has filed a waiver with the Plan as set forth above, then the benefit which such Beneficiary would have been entitled to receive shall be payable to the contingent Beneficiary designated by the Participant in writing and filed with the Plan prior to the Participant's death or, if none, in accordance with the provisions of Section 8.5, governing the disposition of benefits upon the death of a Participant who does not leave a surviving designated Beneficiary.

8.8 Non-Assignment of Benefits.

(a) No Participant or Pensioner entitled to any benefits under the Plan shall have the right to assign, transfer, encumber, pledge, mortgage, hypothecate, anticipate, or impair in any manner his or her legal or beneficial interest, or any interest in the assets of the Fund, or benefits under the Plan. Neither the Fund, nor any of the assets thereof, shall be liable for the debts of any Participant or Pensioner entitled to benefits under this Plan, nor be subject to attachment or execution or process in any court or action or proceeding.

(b) Notwithstanding the foregoing, or any other provision of the Plan, paragraph (a) shall not preclude:

(i) Any benefits from being paid in accordance with the applicable requirements of any Qualified Domestic Relations Order under Article V; and

(ii) Any offset of a Participant's benefits as provided under Code Section 401(a)(13) with respect to:

(A) a judgment of conviction for a crime involving the Plan;

(B) a civil judgment, consent order or decree in an action for breach or alleged breach of fiduciary duty under ERISA involving the Plan; or

(C) a settlement agreement between the Participant and either the Secretary of Labor or the Pension Benefit Guaranty Corporation ("PBGC") in connection with a breach of fiduciary duty under ERISA by a fiduciary or any other person, which court order, judgment, decree or agreement is issued or entered into on or after August 5, 1997 and specifically requires the Plan to offset against a Participant's benefits.

However, an offset under Code Section 401(a)(13) against a married Participant's benefits shall be valid only if one of the following conditions is satisfied.

(i) if the written spousal consent is obtained;

(ii) the spouse is required by a judgment, order, decree or agreement to pay the Plan any amount; or

(iii) a judgment, order, decree or agreement provides that the spouse shall receive a survivor annuity, as required by Code Section 401(a)(11), determined as if the Participant terminated employment on the offset date (with no offset to his or her benefits), to begin on or after Normal Retirement Age, and providing a 50% qualified joint and survivor annuity and a qualified pre-retirement survivor annuity based on the 50% qualified joint and survivor annuity.

8.9 No Right to Assets.

No person other than the Trustees of the Fund shall have any right, title or interest in any of the income or property of any funds received or held by or for the account of the Fund, and no person shall have any right to benefits provided by the Plan except as expressly provided herein.

8.10 Mergers.

In the case of any merger or consolidation with, or transfer of assets or liabilities to, any other plan, each Participant shall, if the Plan then terminated, receive a benefit immediately after the merger, consolidation or transfer which is equal to or greater than the benefit he or she would have been entitled to receive immediately before the merger, consolidation, or transfer, if the Plan had then terminated. This Section 8.10 shall apply only to the extent determined by the PBGC.

(a) Effective December 31, 2006, the Local 635 Fish and Seafood Workers Retirement Fund was merged into the JRF, in accordance with the terms of a merger agreement. The rights and benefits of participants, pensioners and beneficiaries for whom contributions were required to be made to the Local 635 Fish and Seafood Workers Retirement Fund, or subsequently to Program B of this Plan, are determined by a separate Program document that applies to them specifically. The eligibility and benefit provisions of that document are referred to as "Program B." Participants in the former Local 635 Fish and Seafood Workers Retirement Fund shall be entitled to benefits on a termination basis immediately after the merger which are equal to benefits such participants, pensioners and beneficiaries would receive on a termination basis immediately before the merger.

(b) Effective December 31, 2006, the Local 635 Smoked Fish Workers Retirement Fund was merged into the JRF, in accordance with the terms of a merger agreement. The rights and benefits of participants, pensioners and beneficiaries for whom contributions were required to be made to the Local 635 Smoked Fish

Workers Retirement Fund, or subsequently to Program C of this Plan, are determined by a separate Program document that applies to them specifically. The eligibility and benefit provisions of that document are referred to as "Program C." Participants in the former Local 635 Smoked Fish Workers Retirement Fund shall be entitled to benefits on a termination basis immediately after the merger which are equal to benefits such participants, pensioners and beneficiaries would receive on a termination basis immediately before the merger.

(c) Effective December 31, 2008, the United Mechanics 150 Pension Fund was merged into the JRF, in accordance with the terms of a merger agreement. The rights and benefits of participants, pensioners and beneficiaries for whom contributions were required to be made to the United Mechanics 150 Pension Fund, or subsequently to Program D of this Plan, are determined by a separate Program document that applies to them specifically. The eligibility and benefit provisions of that document are referred to as "Program D." Participants in the former United Mechanic 150 Pension Fund shall be entitled to benefits on a termination basis immediately after the merger which are equal to benefits such participants, pensioners and beneficiaries would receive on a termination basis immediately before the merger.

(d) Effective December 31, 2008, the Fur Service Employees' Pension Fund was merged into the JRF, in accordance with the terms of a merger agreement. The rights and benefits of participants, pensioners and beneficiaries for whom contributions were required to be made to the Fur Service Employees' Pension Fund, or subsequently to Program E of this Plan, are determined by a separate Program document that applies to them specifically. The eligibility and benefit provisions of that document are referred to as "Program E." Participants in the former Fur Service Employees' Pension Fund shall be entitled to benefits on a termination basis immediately after the merger which are equal to benefits such participants, pensioners and beneficiaries would receive on a termination basis immediately before the merger.

8.11 Amendment.

The Trustees may amend or modify this Plan at any time in accordance with the Trust Agreement. The Plan document consisting of this Basic Plan Document and Programs A through E have been adopted by the Trustees on the basis of an actuarial estimate which has established (to the extent possible) that the income and accruals of the Fund will be fully sufficient to support this Plan on a permanent basis. However, it is recognized as possible that in the future, the income and/or liabilities of the Fund may be substantially different from those previously anticipated. The Trustees shall have prepared annually an actuarial valuation of the Fund. Upon the basis of all the circumstances, the Trustees may, from time to time, increase or decrease the benefit amounts subject to the following limitations:

(a) No amendment enlarging the rights and responsibilities of the Trustees shall be made without their consent;

(b) No amendment, merger or termination shall decrease the Accrued Benefit of a Participant or Beneficiary as of the effective date of the amendment, merger or termination. Notwithstanding the foregoing, effective for Plan Years beginning after December 31, 2007, no amendment to the Plan shall decrease the accrued benefit of any Participant unless the amendment satisfies the requirements of Code Section 412(d)(2) and the regulations thereunder. In addition, any amendment to the Plan shall be subject to and in compliance with the restrictions on amendments contained in Code Section 432 (for plans in endangered or critical status), to the extent those rules apply;

(c) No amendment, merger or termination shall deprive a Participant or Beneficiary currently receiving or entitled to receive benefits of any benefits so designated as of the effective date of the amendment;

(d) No amendment, merger or termination shall provide for diversion of any part of the Trust Fund other than for the exclusive benefit of Participants or Beneficiaries, except as permitted by law; and

(e) No amendment shall deprive a Participant of an accrued benefit in violation of Code Section 411(d)(6) or ERISA Section 204(g)(1);

provided, however, that the Trustees may make any amendment they determine necessary or desirable, with or without retroactive effect, to comply with ERISA. However, the amount of benefits which at the time of any modification, alteration, or amendment has accrued for a Participant, Pensioner, or Beneficiary shall not be adversely affected or reduced.

8.12 Termination.

The Trustees shall have the right to discontinue or terminate this Plan in whole or in part. In the event of a termination of this Plan, the rights of all affected Participants to benefits then accrued, to the extent then funded, shall thereupon become 100% vested and nonforfeitable. Upon a termination of the Plan, the Trustees shall take such steps as they deem necessary or desirable to comply with ERISA Sections 4041A and 4281.

8.13 Governing Law.

The provisions of the Plan shall be construed, regulated and administered under the laws of the State of New York, to the extent not preempted by ERISA or other federal law.

8.14 Gender and Number.

Wherever any words are used herein in the masculine, feminine or neutral gender, they shall be construed as though they were also used in another gender in all cases where they would so apply, and whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply.

## ARTICLE IX - PLAN TERMINATION

9.1 Termination of the Plan.

In the Plan Year beginning January 1, 2013 and ending December 31, 2013, the Plan experienced a termination by the withdrawal of every employer from the Plan and the permanent cessation of the obligation of all contributing employers to contribute to the Plan, in accordance with ERISA Section 4041A(2). Notwithstanding any other provision of this Plan to the contrary, on and after December 31, 2013 (the "Plan Termination Date"), the Trustees shall continue to administer the Plan in accordance with applicable statutory provisions, regulations, and Plan provisions, until a trustee is appointed under ERISA Section 4042 or until Plan assets are distributed in accordance with Subpart D of PBGC Regulation Section 4041A. In addition, the Trustees shall be responsible for the specific duties described in this Article.

9.2 Payment of Benefits.

(a) Except to the extent provided in the next sentence, the Trustees shall not pay benefits in excess of the amount that is nonforfeitable under the Plan as of the Plan Termination Date, unless authorized to do so by the PBGC. Subject to the restriction in (b) below, however, the Trustees may pay a qualified pre-retirement survivor annuity with respect to a Participant who died after the date of termination.

(b) The payment of benefits subject to reduction shall be discontinued to the extent provided in PBGC Regulation Section 4281.31 if the Trustees determine that, in accordance with PBGC Regulation Section 4041A.24, the Plan's assets are insufficient to provide all nonforfeitable benefits.

(c) Except as provided in (d) below, the Trustee shall pay any benefit attributable to employer contributions, other than a death benefit, only in the form of an annuity.

(d) The Trustees may pay a benefit in a form other than an annuity if:

(1) The Plan distributes Plan assets in accordance with Subpart D of PBGC Regulation Section 4041A;

(2) The PBGC approves the payment of the benefit in an alternative form; or

(3) The value of the entire applicable nonforfeitable benefit does not exceed $1,750.

(e) The Trustees shall, to the extent provided in PBGC Regulation Section 4281.41, suspend the payment of nonguaranteed benefits if the Trustees determine that, in accordance with PBGC Regulation Section 4041A.25, the Plan is insolvent.

(f) The Trustees shall, to the extent required by PBGC Regulation Section 4281.42, make retroactive payments of suspended benefits if they determine under that section that the level of the Plan's available resources requires such payments.

9.3 Vesting.

Notwithstanding anything herein to the contrary, a Participant shall earn no vesting credit for services rendered after the Plan Termination Date.

9.4 Benefit Accruals.

No additional benefits shall be earned or accrued beginning as of the Plan Termination Date.

9.5 Payments Upon Disability.

Notwithstanding anything herein to the contrary, no pension benefit that is contingent upon a Participant becoming disabled shall be payable with respect to a disability that commenced after the Plan Termination Date.

9.6 Death Benefits.

Notwithstanding anything herein to the contrary, no qualified pre-retirement survivor annuities shall be payable for Participants who die after the Plan Termination Date if the Plan's assets are insufficient to provide all nonforfeitable benefits. Notwithstanding anything herein to the contrary, no pre-retirement death benefits (excluding qualified pre-retirement survivor annuities) or other lump sum death benefits shall be payable for Participants who die after April 30, 2013.

9.7 Withdrawal Liability.

Until Plan assets are distributed in accordance with Subpart D of PBGC Regulation Section 4041A, or until the end of the Plan Year as of which the PBGC determines that Plan assets (exclusive of claims for withdrawal liability) are sufficient to satisfy all nonforfeitable benefits under the Plan, the Trustee shall determine, impose and collect withdrawal liability (including the liability arising as a result of the Mass Withdrawal), in accordance with Subpart C of PBGC Regulation Section 4219 and ERISA Sections 4201 through 4225.

9.8 Annual Plan Valuations and Determinations of Plan Solvency.

The Trustees shall perform annual Plan valuations and Plan monitoring in accordance with PBGC Regulation Section 4041A.24, and shall amend the Plan to reduce benefits when appropriate under that section. The Trustees shall further perform periodic determinations of the Plan's solvency when appropriate in accordance with PBGC Regulation Section 4041A.25.

9.9 Application for Financial Assistance.

If appropriate under PBGC Regulation Section 4041A.26, the Trustees shall apply for financial assistance from the PBGC in accordance with PBGC Regulation Section 4281.47.

9.10 Closeout.

If the Plan's assets, excluding any claim of the Plan for unpaid withdrawal liability, are sufficient to satisfy all obligations for nonforfeitable benefits provided under the Plan, the Trustees may close out the Plan in accordance with Subpart D of PBGC Regulation Sections 4041A through 4041A.44.

# PROGRAM A

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# OFFICIAL TEXT OF THE PENSION PLAN

# LEATHER GOODS, PLASTICS, HANDBAGS AND NOVELTY WORKERS' UNION LOCAL 1, JOINT RETIREMENT FUND

**AMENDED AND RESTATED AS OF JANUARY 1, 2015**

## PROGRAM A
## JOINT RETIRMENT FUND

This Program A applies with respect to individuals who accrued benefits under the Plan on or before December 30, 2006 and Employees who are covered under a Collective Bargaining Agreement requiring an Employer to make contributions to the Fund for Program A on their behalf pursuant to the terms of the Collective Bargaining Agreement. Whenever used in Program A, all capitalized terms have the meaning set forth in Article I of the Basic Plan Document, except for those terms defined herein. All Section references in Program A are to the relevant sections of Program A unless otherwise indicated.

The Plan was terminated by Mass Withdrawal effective December 31, 2013. As of December 31, 2013, no additional vesting credit or benefit accruals may be earned under the Plan. Notwithstanding anything herein to the contrary, the provisions of this Program A are subject to the terms of Article IX of the Basic Plan Document.

## ARTICLE I - DEFINITIONS

1.1 "Collective Bargaining Agreement" means an agreement between the Union and an Employer which requires contributions to the Fund for Program A.

1.2 "Employee" means a person who is employed by a Program A Employer for whom the Program A Employer is obligated to make contributions to the Fund for Program A pursuant to a Collective Bargaining Agreement. For purposes of participation, nondiscrimination, vesting and benefit limits, all leased employees as defined in Code Section 414(n) or 414(o) who have performed services for a Program A Employer on a substantially full-time basis for a period of at least one year shall be treated as employed by a Program A Employer except to the extent such leased employees are excluded under the safe harbor exemption of Code Section 414(n)(5).

1.3 "Industry" means the leather goods, plastics, handbag and novelty and related items industry in the Greater New York Metropolitan Area.

1.4 "Local 1 Participant" means a Program A Participant working in Covered Employment under a Collective Bargaining Agreement between a Program A Employer and the Leather Goods, Plastics, Handbags and Novelty Workers Union, New York, Local 1, AFL-CIO.

1.5 "Local 121 Participant" means a Program A Participant working in Covered Employment under a Collective Bargaining Agreement between a Program A Employer and the Novelty Workers Union, Local 121 of the International Leather Goods, Plastics and Novelty Workers Union.

1.6 "Prior Plan" means the Novelty Workers Union Local 121 Pension Fund, merged into this Plan, effective December 31, 1999.

1.7 "Program A" means the program of benefits that is described in this document as adopted by the Trustees and as thereafter amended by the Trustees. "Program A" is a continuation of the JRF. For purposes hereof, any references in a Collective Bargaining Agreement to the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund shall be deemed to be in reference to Program A.

1.8 "Program A Beneficiary" means any person designated to receive benefits under

Program A upon the death of the Program A Participant; or any person (other than a Program A Participant) otherwise entitled to receive such benefits pursuant to Program A.

1.9 "Covered Employment" means employment of an Employee by a Program A Employer for which the Program A Employer is obligated to make contributions to the Fund for Program A pursuant to a Collective Bargaining Agreement. "Covered Employment" shall also constitute employment with a Program A Employer in the years before such Program A Employer was obligated to contribute to the Fund for Program A, provided that such employment was performed in categories of work now covered by a Collective Bargaining Agreement.

1.10 "Program A Employer" means a person, firm, partnership, corporation or other entity which now or hereafter is signatory to a Collective Bargaining Agreement with the Union requiring contributions to the Fund for Program A.

1.11 "Program A Participant" means a Program A Pensioner or an Employee who meets the requirements for participation in the Plan as set forth in Article II of Program A and whose status as a Program A Participant has not been terminated under Section 2.2.

1.12 "Program A Pensioner" means a person to whom a pension under Program A is being paid or to whom a pension would be paid but for time for administrative processing of an application thereof. A Program A Pensioner who has returned to Covered Service and is accruing benefits on the same basis as other Employees as of the effective date of a benefit increase will not be considered a Program A Pensioner for purposes of that benefit increase.

1.13 "Service" means (a) each day for which an Employee is paid, or entitled to payment, by the Program A Employer(s), directly or indirectly, for the performance of duties, (b) each day for which an Employee is paid or entitled to payments for periods when no duties are performed, including vacations, illness, jury duty, or military service, and (c) each day for which back pay, irrespective of mitigation of damages, is awarded or agreed to by the Program A Employer. For purposes of determining hours of Service, an Employee shall be credited with 10 hours of Service for each day of credited service.

1.14 "Spouse" means the person to whom a Program A Participant is legally married, as

defined under applicable federal law, for at least the twelve months immediately preceding his Annuity Starting Date or, if he should die while he was in employment and before his Annuity Starting Date, the person to whom he was legally married, as defined under applicable federal law, for at least twelve months immediately preceding his death. However, if a Program A Participant has been married to an individual for less than twelve months on his Annuity Starting Date, the individual will be treated as the Program A Participant's Spouse if they remain married for at least twelve months.

1.15 "UFCW Plan" means the United Food and Commercial Workers' International Pension Plan.

1.16 "Union" means the Leather Goods, Plastics, Handbags and Novelty Workers Union, New York, Local 1, AFL-CIO and the Novelty Workers Union, Local 121 of the International Leather Goods, Plastics and Novelty Workers Union or any successor thereto.

1.17 "Work" means a period in which an Employee performed services and for which he was paid or was entitled to payment.

1.18 "Year of Participation"

For purposes of compliance with Department of Labor Regulation Section 2530, a "Year of Participation" means a Calendar Year in which a Program A Participant has completed 220 days of Service in Covered Employment during a Contribution Period.

1.19 "Other Terms"

Other terms are specifically defined as follows:

| Term | | Section(s) |
|---|---|---|
| **(a)** | **Normal Pension** | **3.2 and 3.3** |
| **(b)** | **Early Retirement Pension** | **3.4 and 3.5** |
| **(c)** | **Vested Pension** | **3.6 and 3.8** |
| **(d)** | **Pension Credits** | **4.1** |
| **(e)** | **Disability Pension** | **3.9, 3.10** |
| **(f)** | **Year of Vesting Service** | **4.2** |

| | | |
|---|---|---|
| **(g)** | **Break-in-Service (One-Year Break-in-Service, Permanent Break-in-Service)** | **4.3** |
| **(h)** | **Participant-and-Spouse Pension** | **5.1** |

## ARTICLE II - EMPLOYEE PARTICIPATION

2.1 PARTICIPATION

(a) An Employee who was a Participant in the JRF prior to December 31, 2008 shall be a Program A Participant.

(b) An Employee who is engaged in Covered Employment under a Collective Bargaining Agreement between a Program A Employer and Leather Goods, Plastics, Handbags and Novelty Workers Union, New York, Local 1, AFL-CIO and who is not a Program A Participant under Section 2.1(a) shall become a Local 1 Participant on the earliest January 1 or July 1 following completion of a 12-consecutive month period during which he/she worked at least 87 days in Covered Employment or in other employment with the same Program A Employer, provided such other employment is continuous with the Covered Employment. The initial and succeeding 12 consecutive month period shall begin on the first day on which the Employee worked in Covered Employment.

(c) An Employee who is engaged in Covered Employment under a Collective Bargaining Agreement between a Program A Employer and the Novelty Workers Union, Local 121 of the International Leather Goods, Plastics and Novelty Workers Union and who is not a Program A Participant under Section 2.1(a) shall become a Local 121 Participant on the earliest January 1 or July 1 following completion of a 12 consecutive month period during which he/she worked at least 5 months in Covered Employment or in other employment with the same Program A Employer, provided such other employment is continuous with the Covered Employment. The initial 12 consecutive month period shall begin on the first date on which the Employee worked in Covered Employment

2.2 TERMINATION OF PARTICIPATION

A person who incurs a One-Year Break-in-Service (as defined in Section 4.3) shall cease to be a Program A Participant as of the last day of the Calendar Year which constituted the One-Year Break-in-Service, unless such Program A Participant is a Program A Pensioner or has acquired the right to a pension whether immediate or deferred.

## 2.3 REINSTATEMENT OF PARTICIPATION

An employee who has lost his/her status as a Program A Participant in accordance with Section 2.2 shall again become a Program A Participant by meeting the requirements of Section 2.1 within a Calendar Year on the basis of Covered Employment after the Calendar Year during which his/her participation terminated. Once the Employee has met the above requirements, he/she shall again become a Program A Participant as of the beginning of the earliest 12 consecutive month period in which he/she completed 87 days or 5 months, as applicable, of Covered Employment.

## ARTICLE III - PENSION ELIGIBILITY AND AMOUNTS

3.1 GENERAL

This Article sets forth the eligibility requirements and benefit amounts for the pensions provided by Program A. The accumulation and retention of service credits for eligibility are governed by the provisions of Article IV of Program A. The benefit amounts are subject to reduction on account of the Participant-and-Spouse Pension governed by Article V. The Basic Plan Document governs the application and payment of pension benefits for Program A.

3.2 NORMAL PENSION - ELIGIBILITY

(a) A Local 1 Participant who has worked at least one hour in Covered Employment on or after January 1, 1999, may receive a Normal Pension if he/she meets the following requirements:

(i) Attains age 65; and

(ii) Earns at least 5 Years of Pension Credit

(b) A Local 121 Participant may receive a Normal Pension if he/she meets the following requirements:

(i) Attains age 65; and

(ii) Earns at least 20 years of Pension Credit.

3.3 NORMAL PENSION - AMOUNT

(a) For a Local 1 Participant who works at least one hour in Covered Employment on or after January 1, 1998, the monthly amount of the Normal Pension is equal to $8.50 times the number of Pension Credits earned.

(b) For Local 121 Participants, the monthly amount of the Normal Pension is $130.00.

3.4 EARLY RETIREMENT PENSION - ELIGIBILITY

(a) A Local 1 Participant may receive an Early Retirement Pension if he/she meets

the following requirements:

(i) Attains age 62; and

(ii) Earns at least 15 Years of Pension Credit; and

(iii) Works in Covered Employment for at least 44 days in a Calendar Year which began after he/she attained age 60.

(b) A Local 121 Participant may receive an Early Retirement Pension if he/she meets the following requirements:

(i) Attains age 62; and

(ii) Earns at least 20 years of Pension Credit.

3.5 EARLY RETIREMENT PENSION - AMOUNT

(a) The monthly amount of the Early Retirement Pension for a Local 1 Participant is the Local 1 Normal Pension amount reduced by five-ninths (5/9) of one percent (1%) for each month which the commencement of the pension precedes the Local 1 Participant's attainment of age 65.

(b) The monthly amount of the Early Retirement Pension for a Local 121 Participant is the Local 121 Normal Pension amount reduced by one-half of one percent for each month which the commencement of the pension precedes the Local 121 Participant's Normal Retirement Age.

3.6 VESTED PENSION - ELIGIBILITY

A Program A Participant who has worked at least one hour in Covered Employment on or after January 1, 1999, is eligible to receive a Vested Pension if he/she earns at least five years of Vesting Service or has attained Normal Retirement Age. Such Vested Pension shall also be payable early upon attainment of the age and service requirements for commencement of an Early Retirement Pension.

3.7 CHANGE IN VESTING SCHEDULE

When there is a change in the Vesting Schedule, Program A Participants with at least 3 years of service may elect to keep the former schedule.

3.8 VESTED PENSION - AMOUNT

(a) After Normal Retirement Age

(i) If a Local 1 Participant worked in Covered Employment at least one hour on or after January 1, 1998, the amount of the Vested Pension is calculated in the same manner as the Normal Pension.

(ii) The amount of the Vested Pension for a Local 121 Participant will be $6.50 times the number of the Local 121 Participant's Pension Credits earned during his/her Years of Service, but not exceeding $130 in total.

(b) Before Normal Retirement Age

(i) The monthly amount of the Vested Pension for a Local 1 Participant shall be an amount calculated pursuant to subsection (a)(i) above, reduced by five-ninths of one percent for each month by which the commencement of the pension precedes the Local 1 Participant's Normal Retirement Age.

(ii) The monthly amount of the Vested Pension for a Local 121 Participant shall be an amount calculated pursuant to subsection (a)(ii) above, reduced by one-half of one percent for each month by which the commencement of the pension precedes the Local 121 Participant's Normal Retirement Age.

3.9 DISABILITY PENSION - ELIGIBILITY

(a) A Local 1 Participant may retire on a Disability Pension if he/she:

(i) Becomes totally and permanently disabled; and

(ii) Has earned at least 15 Years of Pension Credit; and

(iii) Is less than 62 years of age; and

(iv) Has worked in Covered Employment for at least 44 days within the combined period consisting of the Calendar Year in which he/she became totally and permanently disabled and the previous Calendar Year.

(b) A Local 121 Participant may retire on a Disability Pension if he/she:

(i) Has attained age 40; and

(ii) Has at least 20 Pension Credits; and

(iii) Has worked in Covered Employment and earned at least three-twelfths of a Pension Credit within the 12-month period immediately preceding the month in which he became permanently and totally disabled; and

(iv) Has made application for and has received approval for Social Security Disability Pension benefits and such approval may constitute evidence of total and permanent disability; and

(v) The Trustees, in their sole judgment, shall find on the basis of medical evidence that the Program A Participant has been totally disabled by injury or disease so as to be permanently prevented thereby from engaging in Covered Employment.

3.10 DISABILITY PENSION - COMMENCEMENT DATE AND AMOUNT

(a) The monthly amount of the Disability Pension payable so long as the Program A Participant remains eligible, will be computed in the same manner as a Normal Pension under Section 3.3.

(b) For a Local 1 Participant, the Disability Pension is payable the first day of the month following the month in which the Local 1 Participant becomes totally and permanently disabled.

(c) For a Local 121 Participant, the Disability Pension is payable on the first day of the seventh month following the month in which the disability begins.

3.11 TOTAL AND PERMANENT DISABILITY

An Employee shall be deemed "totally and permanently disabled" hereunder only if the Trustees shall find, on the basis of medical evidence, that the Employee is totally and permanently unable to engage in any employment in the Industry by reason of a medically determinable physical or mental impairment; provided, however, that such total and permanent disability did not result from service in the armed services and for which the Employee receives a pension from any branch of the armed services.

## 3.12 PROOF OF DISABILITY

A Program A Participant applying for a Disability Pension shall, upon direction of the Trustees, be required to submit to an examination by a physician or physicians selected by the Trustees. A Program A Pensioner receiving a Disability Pension (a "Disability Program A Pensioner") shall be required to submit to reexamination as deemed necessary by the Trustees to determine his/her physical or mental condition. The eligibility of a Disability Program A Pensioner shall immediately be suspended upon his/her failure or refusal to submit to such physical examination or if, upon examination, it is determined that he/she is not totally or permanently disabled. The determination of the physician or physicians designated by the Trustees to examine the Program A Participant or Disability Program A Pensioner shall be conclusive and shall be binding on the Trustees and the Program A Participant or Disability Program A Pensioner as the case may be. The Trustees may, in their sole discretion, accept evidence of the award of a Social Security disability pension as proof of continuing total and permanent disability.

## 3.13 EARNINGS AND OTHER MONEYS RECEIVED BY A DISABILITY PROGRAM A PENSIONER

A Program A Participant who is a Disability Program A Pensioner shall report to the Trustees in writing within 15 days after the end of each month in which he/she has earnings in excess of $250.00 (in any employment or gainful pursuit). A Disability Program A Pensioner who fails to comply with this provision shall not be eligible to receive Disability Pension Benefits for the month(s) in which he/she receives earnings in excess of $250.00 in any employment or gainful pursuit and shall repay any Disability Pension benefits which may have been received during that time.

No Disability Pension payments shall be made, however, for any period during which the applicant or Disability Program A Pensioner receives disability benefits under the New York State Disability Benefits Law, compensation payments under the New York State Workers' Compensation Law, or under a plan of benefits relating to employment which qualified in lieu thereof.

## 3.14 REEMPLOYMENT OF A DISABILITY PROGRAM A PENSIONER

A Disability Program A Pensioner who is no longer totally and permanently disabled may again return to Covered Employment and resume the accrual of Pension Credits and be entitled to a Normal, Early Retirement or Vested Pension unaffected by the prior receipt of a Disability Pension.

3.15 NON-DUPLICATION OF PENSIONS

No person shall be entitled to more than one type of pension under Program A as a retired Employee, at any time.

3.16 ROUNDING OF BENEFIT AMOUNTS

For the purpose of this Article, if the monthly pension benefit amount is not a multiple of fifty (50) cents, it shall be rounded to the next highest multiple of fifty (50) cents.

3.17 APPLICATION OF BENEFIT INCREASES

The amount of the pension to which a Program A Participant is entitled shall be determined under the terms of Program A as in effect at the time the Program A Participant leaves Covered Employment. A Program A Participant shall be deemed to have left Covered Employment on the last day of work in Program A Covered Employment which is followed by a One-Year Break-in-Service except if he/she subsequently earns at least one year of Pension Credit.

3.18 EMPLOYEES OF NEW PROGRAM A EMPLOYERS

Employees of new Program A Employers shall not receive credit for any period of employment with such Program A Employer prior to such Program A Employer's becoming a party signatory to a Collective Bargaining Agreement, unless and until the Trustees determine that credit for such prior employment does not adversely affect the actuarial soundness of the Fund and such Program A Employer has made contributions to the Fund for such Employees for a period of 2 years.

3.19 ALTERNATIVE REQUIRED BEGINNING DATE

(a) If a Program A Participant who is definitely located fails to file a completed application for benefits on a timely basis, the Fund will establish the Program A Participant's Required Beginning Date as the Annuity Starting Date and begin benefit payments as follows:

(i) In the form of a Participant-and-Spouse Pension calculated on the assumptions that the Program A Participant is and has been married for at least one year by the date payments start and that the Participant is 3 years older than the Spouse.

(ii) The benefit payment form specified here will be irrevocable once it begins, with the sole exception that it may be changed to a single-life annuity if the Program A Participant proves that he did not have a qualified Spouse (including an alternate payee under a qualified domestic relations order, as defined in Code Section 414(p)) on the Required Beginning Date; also, the amounts of future benefits will be adjusted based on the actual age difference between the Program A Participant and Spouse if proven to be different from the foregoing assumptions.

(iii) Federal, state and local income tax, and any other applicable taxes, will be withheld from the benefit payments as required by law or determined by the Trustees to be appropriate for the protection of the Fund and the Program A Participant.

3.20 BENEFITS ACCRUED AFTER NORMAL RETIREMENT AGE

(a) Any additional benefits earned by a Program A Participant in Covered Employment after Normal Retirement Age will be determined at the end of each Plan Year and will be payable as of February 1 following the end of the Plan Year in which it accrued, provided payment of benefits at that time is not suspended pursuant to Section 6.3 or postponed due to the Program A Participant's continued employment.

(b) Additional benefits described in subsection (a) that are not suspended or postponed will be paid in the payment form in effect for the Program A Participant as of the Annuity Starting Date most recently preceding the date the additional benefits became payable.

(c) Actuarial Adjustment for Delayed Retirement

(i) Effective as of January 1, 1989, if the Annuity Starting Date is after the Program A Participant's Normal Retirement Age, the monthly benefit will be the accrued benefit at Normal Retirement Age, actuarially increased for each complete calendar month between Normal Retirement Age and the Annuity Starting Date (for which benefits were not suspended), and then converted as of the Annuity Starting Date to the benefit payment form elected in the pension application or to the automatic form of Participant-and-Spouse Pension if no other form is elected.

(ii) If a Program A Participant first becomes entitled to additional benefits after Normal Retirement Age, whether through additional service or because of a benefit increase, the actuarial increase in those benefits will start from the date they would first have been paid rather than Normal Retirement Age.

(iii) The actuarial increase will be 1% per month for the first 60 months after Normal Retirement Age and 1.5% per month for each month thereafter.

## ARTICLE IV - PENSION CREDITS AND YEARS OF VESTING SERVICE

4.1 PENSION CREDITS

(a) **For Local 1 Participants**

(i) Employment before January 1, 1955

With respect to periods of time prior to January 1, 1955, service shall be credited as follows:

(A) A rebuttable presumption is established that an Employee was engaged in creditable service throughout the period of his/her membership in good standing in the Union prior to January 1, 1955 and therefore, each such Employee shall be credited with service for each calendar quarter of the period of membership in the Union prior to January 1, 1955.

(B) An Employee who does not quality for presumption of service credit pursuant to subsection (i) hereof shall be credited with service for the period of time during which he/she was engaged in employment in the categories of work now covered by a Collective Bargaining Agreement.

(ii) Employment on or after January 1, 1955

(A) A Local 1 Participant shall be credited with Pension Credits on the basis of days of work in Covered Employment in accordance with the following schedule:

| Employment in Quarter Years of Calendar Year | Pension Credits |
|---|---|
| **Less than 40 days** | **0** |
| **40 but less than 80 days** | **1** |
| **80 but less than 120 days** | **2** |
| **120 but less than 160 days** | **3** |
| **160 or more days** | **4** |

If, in a Calendar Year after 1975, a Local 1 Participant earns a Year of Vesting Service, he/she shall be credited with at least a pro-rata portion of a year of Pension Credits.

(B) Notwithstanding the foregoing, on or after January 1, 2002, a Local 1 Participant who works for a Program A Employer that becomes contractually obligated to contribute to the UFCW Plan on his behalf shall cease to accrue Pension Credits under Program A as of the date the Program A Employer becomes contractually obligated to contribute to the UFCW Plan.

(iii) Non-Work Periods Credited

An Employee with prior credited service shall receive Pension Credits for any calendar quarter in which he/she failed to work the number of days required by subsections (a) or (b) above, if such failure was due to absence from work for at least half of the working days of such calendar quarter because of:

(A) a period of disability not to exceed one calendar quarter for each disability, during which the Employee was compensated by disability benefits under a state disability benefits law;

(B) a period of disability arising from Covered Employment not to exceed one calendar quarter, during which the Employee was compensated by a Workmen's Compensation law; and

(C) service in the armed forces of the United States shall be credited to the extent required by law.

To protect his full rights, an Employee who left Covered Employment to enter such military service should apply for reemployment with his Program A Employer within the time prescribed by law. Furthermore, he must call his claim for credit for military service to the attention of the Trustees and be prepared to supply the evidence that the Trustees will need in order to determine his rights.

Whether or not he is so entitled under law, if an Employee leaves Covered Employment to enter active service in the Armed Forces of the United States, the period of such military service, for up to five years, shall not be counted toward a Break-in-Service. Moreover, if he returns to Covered Employment (or makes himself available for Covered Employment) within 90 days after his separation from military service, the period of military service shall, for up to five years, be credited toward Years of Vesting Service.

Whenever a quarter of service is credited under this Section, any employment during that quarter shall not be counted toward the total days worked in the Calendar Year.

(b) **For Local 121 Participants**

(i) Past Service Pension Credit

(A) A Local 121 Participant who is in the employ of, or on the seniority list of a Program A Employer, as of the date on which such Program A Employer is obligated to begin to make contributions to the Fund for Program A, shall be credited with Past Service computed to the nearest one-twelfth of a year, for each year or portion thereof, of his or her service with such Contributing and with periods of service with any other Program A Employer in a category of Work now covered by a Collective Bargaining Agreement.

(B) For purposes of establishing Past Service, the Trustees may accept as proof, records of the Program A Employer, of the Social Security Administration and/or of the Union or the Novelty Workers Union Local 121 Welfare Fund.

(ii) Future Service Pension Credit

A Local 121 Participant shall be credited with Future Service at the rate of one-twelfth of a year for each month of Work for which contributions are made to the Fund for Program A by a Program A Employer during any Plan Year. For purposes of this section, the period between the date on which contributions are first made on behalf of a Local 121 Participant and December 31 of that year shall be considered a Plan Year.

4.2 YEARS OF VESTING SERVICE

(a) **General Rule**

(i) A Local 1 Participant shall be credited with one Year of Vesting Service for each Calendar Year in which he/she worked in Covered Employment for 87 days or more.

(ii) In addition, effective January 1, 2002, a Local 1 Participant who works for a Program A Employer that becomes contractually obligated to contribute to a UFCW Plan on his behalf shall earn one Year of Vesting Service for each Calendar Year in which he/she works in Covered Employment under the UFCW Plan for 87 days or more.

(iii) A Local 121 Participant shall be credited with one Year of Vesting Service for each Calendar Year in which he/she worked in Covered Employment for five months or more.

(b) **Non-Covered Employment**

If a Program A Participant works for an employer in a job classification not covered by a Collective Bargaining Agreement and such employment is continuous with Covered Employment with that employer, his/her days of work in such non-covered employment after December 31, 1975 or after that date the employer becomes a Program A Employer, whichever is later, shall be included in

computing a Year of Vesting Service.

(c) **Exceptions**

A Program A Participant shall not be entitled to credit for a Year of Vesting Service for the following periods:

(i) Work preceding a Permanent Break-in-Service, as defined in Section 4.3(c); and

(ii) Work preceding a Permanent Break-in-Service, as defined in Section 4.3(d), (e) or (f); and

(iii) Work before January 1, 1971, unless the Program A Participant earned at least 3 years of Vesting Service after December 31, 1970.

(d) If the Trustees should amend the Vesting Schedule provided in Program A, each Program A Participant who has earned at least three (3) years of Vesting Service at the time the amendment is adopted or effective (whichever is later) shall have the option, to be exercised within sixty (60) days after the adoption of the amendment, the effective date thereof or date notice of the amendment was given the Program A Participant, whichever is later, to continue to earn Vesting Service in accordance with the provisions of Program A prior to the amendment or in accordance with the amendment.

4.3 BREAK-IN-SERVICE

(a) **General**

If a Program A Participant has a Permanent Break-in-Service, before he/she has attained Vested Status, his/her coverage under Program A shall be cancelled; that is, participation, previously credited Years of Vesting Service and previous Pension Credits shall be cancelled.

(b) **One-Year Break-in-Service**

(i) For a Local 1 Participant, a One-Year Break-in-Service shall mean any Calendar Year after 1975 in which the Local 1 Participant fails to work 44 days in Covered Employment or continuous non-covered employment,

as described in Section 4.2(b).

(ii) Notwithstanding the foregoing, effective January 1, 2002, a Local 1 Participant who works for a Program A Employer that becomes contractually obligated to contribute to a UFCW Plan on his behalf shall only incur a One-Year Break-in-Service under Program A if he or she incurs a One-Year Break-in-Service under such UFCW Plan.

(iii) For a Local 121 Participant, a One-Year Break-in-Service shall mean any Calendar Year after 1975 in which the Local 121 Participant fails to work two months in Covered Employment or continuous non-covered employment, as described in Section 4.2(b).

(iv) Cancelled coverage as a result of a One-Year Break-in-Service may be restored by earning a Year of Vesting Service after such break.

(v) A Program A Participant who is absent from Covered Employment by reason of (a) her pregnancy, (b) birth of a child of such Program A Participant, (c) placement of a child with such Program A Participant in connection with adoption of such child, or (d) care for such child for a period beginning immediately following such birth or placement, will be credited, only for the purposes of determining whether a One-Year Break-in-Service has occurred, with the days of Work that otherwise would normally have been credited to such Program A Participant but for such absence, up to a maximum of 44 days of Work for a Local 1 Participant or 3 months of service for a Local 121 Participant for each such pregnancy or placement. The days so credited shall be applied to the year in which such absence begins if doing so will prevent the Program A Participant from incurring a One-Year Break-in-Service that year; otherwise, they shall be applied to the immediately following year. As a condition of granting such credit, the Program A Participant may be required to establish to the satisfaction of the Trustees that the absence is for one of the reasons specified and the number of days for which such absence occurred.

(c) **Permanent Break-in-Service before January 1, 1976**

(i) For Local 1 Participants

(A) A Permanent Break-in-Service shall occur if a Local 1 Participant fails to earn Pension Credits in accordance with the following schedule:

| Prior Pension Credits | Consecutive Quarters of Non-Pension Credit |
|---|---|
| **Less than 15 years** | **6** |
| **15 but less than 20** | **12** |
| **20 or more** | **16** |

(B) The following periods shall not be considered in determining a Permanent Break-in-Service:

(I) Disability involving total incapacity to work at a normal job classification;

(II) One-year disability for which Social Security benefits are paid;

(III) Unlimited periods of time due to slack trade conditions; and

(IV) Unemployment periods between January 1, 1932 and December 31, 1938, which were due to lack of work in the Industry.

(d) **Permanent Break-in-Service after December 31, 1975 but before January 1, 1985**

A Permanent Break-in-Service for a Local 1 Participant shall mean consecutive One-Year Breaks-in-Service, including at least one year after 1975, that equal or exceed the number of years of Vesting Service with which a Local 1 Participant had been credited.

(e) **Permanent Break-in-Service after January 1, 1985 but before January 1, 1999**

A Local 1 Participant who has earned five or fewer years of Vesting Service has a

Permanent Break-in-Service if he has five consecutive One-Year Breaks-in-Service, including at least one after the fiscal year ending December 31, 1984. A Local 121 Participant who has earned six but less than ten Pension Credits has a Permanent Break-in-Service if he has a number of consecutive One-Year Breaks that equals or exceeds the number of Years of Vesting Service with which he has been credited.

(f) **Permanent Break-in-Service after January 1, 1999**

(i) A Local 1 Participant who has earned fewer than five years of Vesting Service has a Permanent Break-in-Service if he has five consecutive One-Year Breaks-in-Service, including at least one after the Calendar Year ending December 31, 1998.

(ii) For Local 121 Participants

(A) A Permanent Break-in-Service shall occur if a Local 121 Participant fails to earn one-twelfth of Future Service Credit in any period of two consecutive Fiscal Years.

(B) The following periods shall not be considered in determining a Permanent Break-in-Service:

(I) Periods of military service in the Armed Forces of the United States in time of war or emergency or pursuant to a National Conscription Law, provided the Employee returns to Work for an Employer within 90 days after discharge or separation or 90 days after recovery from a disability continuing after his/her discharge or separation from military service.

(II) Periods of disability for which he/she is compensated by the New York State Workers' Compensation Law or the New York State Disability Benefits Law.

(g) **Effect of Permanent Break-in-Service**

If a Program A Participant who has not attained Vested Status has a Permanent Break-in-Service, his/her previous Pension Credits and previous Years of Vesting

Service are cancelled.

## 4.4 MILITARY SERVICE

Effective as of December 12, 1994, notwithstanding any provision of this Program A to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code Section 414(u).

In the case of a Participant who dies on or after January 1, 2007 while performing qualified military service (as such term is defined in Code Section 414(u)), the Beneficiaries of the Participant shall be entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) that would have been provided under the Plan to such Beneficiaries as if the Participant had resumed Covered Employment, and then terminated Covered Employment on account of death. In determining the benefit of such a Participant, the Participant will be credited with service for vesting purposes to which he would have been entitled under Code Section 414(u) had he resumed Covered Employment immediately prior to his death.

Notwithstanding anything in the Plan to the contrary, for years beginning after December 31, 2008, (i) an individual receiving a differential wage payment, as defined by Section 3401(h)(2) of the Code shall be treated as an Employee of the Employer making the differential wage payment, solely to the extent required by law, (ii) the differential wage payment shall be treated as compensation for purposes of the Code, solely to the extent required by law, and (iii) the Plan shall not be treated as failing to meet the requirements of any provision described in Section 414(u)(1)(C) of the Code by reason of any contribution or benefit which is based on the differential wage payment.

## ARTICLE V - PARTICIPANT-AND-SPOUSE PENSION

5.1 GENERAL

The Participant-and-Spouse Pension provides a lifetime pension for a married Program A Participant plus a lifetime pension for his/her surviving Spouse, commencing after the death of the Program A Participant. The benefit of any Program A Participant who is married upon retirement will be paid as a 50% Participant-and-Spouse Pension unless, effective January 1, 2009, the Program A Participant elects a 75% Participant-and-Spouse Pension. The monthly amount to be paid to the surviving Spouse with a 50% Participant-and-Spouse Pension shall be 50% of the monthly amount paid to the Program A Participant. The monthly amount to be paid to the surviving Spouse with a 75% Participant-and-Spouse Pension shall be 75% of the monthly benefit paid to the Program A Participant. When a Participant-and-Spouse Pension is in effect, the monthly amount of the Program A Participant's pension is reduced in accordance with the provisions of Section 5.6.

5.2 UPON RETIREMENT

(a) If a pension is payable, the pension shall be paid in the form of a Participant-and-Spouse Pension, unless the Program A Participant has filed with the Trustees in writing a timely rejection of that form of pension, subject to all of the conditions of this Section. No rejection shall be effective unless the Spouse of the Program A Participant has consented in writing to such rejection, and acknowledged the effect thereof, and such rejection is witnessed by a notary public.

(b) A Program A Participant may reject the Participant-and-Spouse Pension (or revoke a previous rejection) at any time within the period beginning 180 days before the Participant's Annuity Starting Date. A Participant shall in any event have the right to exercise this choice up to 180 days after he has received a notice from the Trustees (or their authorized representative) in nontechnical language containing a general explanation of: (1) the terms of the Participant-and-Spouse Pension, (2) the Participant's right to elect to waive the Participant-and-Spouse Pension, and the effect of such election, (3) the rights of the Participant's Spouse to consent to such a waiver, (4) the right to revoke such a waiver, and the effect of such revocation, and (5) the general financial effect of a rejection of the Participant-and-Spouse Pension, including the relative value of other optional

forms of benefit.

(c) Notwithstanding any other provision of Program A, spousal consent in accordance with subsection 5.2(a) is not required if the Program A Participant establishes to the satisfaction of the Trustees that:

(i) there is no Spouse;

(ii) the Spouse cannot be located;

(iii) the Program A Participant and Spouse are legally separated; or

(iv) the Program A Participant has been abandoned by the Spouse as confirmed by a court order.

If the Spouse is legally incompetent, consent under this Section 5.2 may be given by his or her legal guardian, including the Program A Participant if authorized to act as the Spouse's legal guardian.

5.3 DEATH OF A PROGRAM A PARTICIPANT BEFORE RETIREMENT

(a) If a Program A Participant dies at a time when he has achieved Vested Status and is eligible for an immediate or deferred pension and has earned one or more days of Service after August 22, 1984, the surviving Spouse shall be entitled to a survivor's benefit (a "Pre-Retirement Surviving Spouse Benefit"), unless the Program A Participant has filed with the Trustees in writing a timely rejection of that form of pension, subject to all of the conditions of this Section. No rejection shall be effective unless the Spouse of the Program A Participant has consented in writing to such rejection, and acknowledged the effect thereof, and such rejection is witnessed by a notary public. No consent shall be required if it has been demonstrated to the satisfaction of the Trustees that there is no Spouse or the Spouse cannot be located.

(b) Upon the death of the Program A Participant, the eligible surviving Spouse shall be paid in the 50% Participant-and-Spouse Pension form (or, if elected by the Program A Participant in accordance with Section 5.2 above, in the 75% Participant-and-Spouse Pension form) at the earliest possible date upon which the Program A Participant could have retired under Program A had he lived. The amount of such benefit shall be determined as if the Program A Participant had

left Covered Employment on the date of his death, retired on a 50% Participant-and-Spouse Pension (or 75% Participant-and-Spouse Pension, if applicable) when he reached the earliest possible retirement age and died on the last day of the month in which he reached the earliest possible retirement age.

(c) This Section shall also apply to an inactive Program A Participant who has achieved Vested Status, had one or more days of Service after September 1, 1976 and dies after August 22, 1984 only if the inactive Program A Participant had elected this form of pension in writing to the Fund Office prior to death.

5.4 BENEFIT ADJUSTMENTS IF PAYMENT POSTPONED

Notwithstanding any other provisions of Program A, if the Annuity Starting Date for the Pre-Retirement Surviving Spouse Benefit is after the Program A Participant's earliest retirement date, the benefit shall be determined as if the Program A Participant had died on the surviving Spouse's Annuity Starting Date after retiring with a 50% Participant-and-Spouse Pension the day before, taking into account any actuarial adjustments to the Program A Participant's accrued benefit that would have applied as of that date.

5.5 DEATH OF SPOUSE BEFORE BENEFIT COMMENCEMENT

If a surviving Spouse dies before the Annuity Starting Date of the Pre-Retirement Surviving Spouse Benefit, that benefit will be forfeited and (unless another/contingent Program A Beneficiary had been designated by the Program A Participant) there will be no payments to any other party.

5.6 ADJUSTMENT OF PENSION AMOUNT

(a) When a Participant-and-Spouse Pension becomes effective, the amount of the Program A Participant's monthly pension shall be reduced in accordance with a formula or formulas adopted by the Trustees, based on the principles of overall actuarial equivalence and equitable adjustment for the cost of such annuities. A formula or formulas adopted by the Trustees may be made applicable by them from year to year, that is, the amount of reduction from the full single life pension on account of the Participant-and-Spouse Pension may be fixed in accordance with the adopted formula or formulas for:

(i) any such Annuity Starting Date of which falls within the year, and

(ii) any election of (or failure to reject) such Benefit which is exercised by the Program A Participant within the year as his/her final choice.

However, the formula is not otherwise in any respect to be deemed a vested right of any Program A Participant nor part of his/her accrued benefit, and is subject to change by the Trustees for pensions commencing later or for election (or rejections or revocations of either) which the Program A Participant has the option to make later.

(b) Any pension which becomes effective on January 1, 1984 or later, shall be adjusted for the Participant-and-Spouse Pension. For determining the amount of a Program A Participant's 50% Participant-and-Spouse Pension, the full amount otherwise payable to the Program A Participant shall be multiplied by the following factors:

(i) Non-Disability Retirement

(A) For Local 1 Participants, 91% plus .4% for each full year that the Spouse's age is greater than the Local 1 Participant's age or minus .4% for each full year that the Spouse's age is less than the Local 1 Participant's age, with a maximum factor of 99%.

(B) For Local 121 Participants, 90% plus .4% for each full year that the Spouse's age is greater than the Local 121 Participant's age, or minus .4% for each full year that the Spouse's age is less than the Local 121 Participant's age, with a maximum factor of 99%.

(ii) Disability Retirement

78.5% plus .4% for each full year that the Spouse's age is greater than the employee's age or minus .4% for each full year that the Spouse's age is less than the employee's age, with a maximum factor of 99%.

(c) For determining the amount of a Program A Participant's 75% Participant-and-Spouse Pension, the full amount otherwise payable to the Program A Participant shall be multiplied by the following factors:

(i) Non-Disability Retirement

(A) For Local 1 Participants, 87.1% plus .5% (5/10 of 1%) for each full year that the Spouse's age is greater than the Local 1 Participant's age, or

minus .5% (5/10 of 1%) for each full year that the Spouse's age is less than the Local 1 Participant's age, with a maximum factor of 99%.

(B) For Local 121 Participants, 85.7% plus .5% (5/10 of 1%) for each full year that the Spouse's age is greater than the Local 121 Participant's age, or minus .5% (5/10 of 1%) for each full year that the Spouse's age is less than the Local 121 Participant's age, with a maximum factor of 99%.

(ii) Disability Retirement

70.9% plus .5% (5/10 of 1%) for each full year that the Spouse's age is greater than the Participant's age, or minus .5% (5/10 of 1%) for each full year that the Spouse's age is less than the Participant's age, with a maximum factor of 99%.

5.7 ADDITIONAL CONDITIONS

(a) A Participant-and-Spouse Pension shall be effective in the case of the surviving Spouse of a Program A Participant only if the Spouse was married to the Program A Participant throughout the year preceding the earlier of (i) the Program A Participant's death and (ii) the Participant's Annuity Starting Date.

(b) A Participant-and-Spouse Pension shall be effective in the case of the surviving Spouse of a Program A Pensioner only if the Program A Pensioner and his Spouse were married to each other on the Annuity Starting Date of the Program A Participant's pension and for at least a one-year period.

(c) The Trustees shall be entitled to rely on a written representation last filed by the Program A Participant before the Annuity Starting Date of his pension as to whether he or she is married. If such representation later proves to be false, the Trustees may adjust for any excess benefits paid as the result of the misrepresentation.

(d) Election or rejection may not be made or altered after a pension has commenced (including commencement but for administrative delay).

(e) The monthly amount of a Participant-and-Spouse Pension shall not be increased if, within one year after the Annuity Starting Date of the pension, the Spouse is

divorced from the Program A Pensioner or the Spouse predeceases the Program A Pensioner.

## ARTICLE VI - BENEFIT PAYMENTS, AND RETIREMENT

6.1 BENEFIT PAYMENTS GENERALLY

(a) A Program A Participant who is eligible to receive benefits and makes application in accordance with the rules of Article IV of the Basic Plan Document shall be entitled upon retirement to receive the monthly benefits provided for the remainder of his/her life, subject to the provisions of the Plan.

(b) In no event, shall benefits be payable later than the 60th day after the later of:

(i) the close of the Calendar Year in which the Program A Participant attains Normal Retirement Age, or

(ii) the close of the Calendar Year in which the Program A Participant terminates Covered Employment and retires in accordance with Section 6.2 of this Article, or

(iii) a Program A Participant may, however, elect in writing filed with the Trustees to receive benefits first payable for a later month, provided that no such election may postpone the commencement of benefits to a date later than that Required Beginning Date, as defined in Section 2.6(d) of the Basic Plan Document.

(c) Pension payments shall end with the payment for the month in which the death of the Pensioner occurs except as provided in accordance with a Participant-and-Spouse Pension.

6.2 RETIREMENT

(a) Before Normal Retirement Age

To be considered retired, a Program A Participant may not be employed or self-employed as a leather goods, plastics, handbags or novelty worker.

(b) After Normal Retirement Age

To be deemed retired, after attainment of the Normal Retirement Age, a Program A Participant must cease and refrain from employment or self-employment for more than thirty-nine hours per month as a leather goods, plastics, handbags or

novelty worker within the jurisdiction of the Union.

6.3 SUSPENSION OF BENEFITS

(a) If a Program A Pensioner takes employment of the type described in Section 6.2 above, his pension benefits shall be suspended for any calendar month in which he is so employed.

(b) If a Program A Pensioner takes employment of the type described in Section 6.2 above, he must notify the Trustees in writing within fifteen (15) days of commencing such employment.

(c) **Definition of Suspension**

"Suspension of benefits" for a month means non-entitlement to benefits for the month. If benefits were paid for a month for which benefits were later determined to be suspendable, the overpayment shall be recoverable through deductions from future pension payments, pursuant to subsection (f) of this Section.

(d) **Notices**

(i) Upon a Program A Participant's attainment of Normal Retirement Age and/or the commencement of pension payments, the Trustees shall notify the Program A Participant of Program A's rules governing suspension of benefits, including the identity of the industries and geographic area covered by the Program. Upon resumption of pension payments following suspension, new notification shall be given to the Program A Pensioner if there has been any material change in the suspension rules or the identity of the industries or areas covered by Program A.

(ii) A Program A Pensioner shall notify the Trustees in writing within 15 days after starting any work of a type under Section 6.2(a) or (b) and without regard to the number of hours of such work (that is, whether or not less than 40 hours in a month). If a Program A Pensioner has worked in such employment in any month and has failed to give timely notice to the Plan of such employment, the Trustees shall presume that he worked for at least 40 hours in such month and any subsequent month before the Program A Pensioner gives notice that he has ceased the employment. The Program A

Pensioner shall have the right to overcome such presumption by establishing that his work was not in fact an appropriate basis, under the Plan for suspension of his benefits. The Trustees shall inform all Program A Pensioners at least once every 12 months of the reemployment notification requirements and the presumptions set forth in this paragraph.

(iii) A Program A Pensioner whose pension has been suspended shall notify the Trustees when employment has ended. The Trustees shall have the right to hold back benefit payments until such notice is filed with the Plan.

(iv) A Program A Pensioner may ask the Trustees whether a particular employment will result in a suspension of benefits. The Trustees shall provide the Program A Pensioner with their determination, which shall be subject to review in accordance with subparagraph (e) below.

(e) **Review**

A Program A Participant shall be entitled to a review of a suspension determination or a status determination under Section 6.3(d)(iv) in accordance with the appeal procedure set forth in Section 4.5 of the Basic Plan Document.

(f) **Resumption of Benefit Payments**

(i) Benefits shall be resumed for months after the last month during which the Program A Pensioner is employed. Payments shall begin no later than the third month after such period, provided the Program A Participant has complied with the notification requirements of paragraph (d)(ii) above.

(ii) Overpayments attributable to payments for any month or months in which the Program A Pensioner was employed shall be deducted from pension payments otherwise paid or payable subsequent to the period of suspension. A deduction from a monthly benefit for a month after the Program A Pensioner attained Normal Retirement Age shall not exceed 25% of the amount of the Program A Pensioner's monthly benefits (before deduction), except that the Trustees may withhold up to 100% of the first payment made upon resumption after a suspension (which may include up to three months' benefits) in order to recoup such overpayment. If a Program A Pensioner dies before recoupment of overpayments has been

completed, deductions shall be made from the benefits payable to his Program A Beneficiary or Spouse receiving a pension, subject to the 25% limitation on the rate of deduction.

(g) **Exception to Preserve Nonforfeitable Benefits**

Suspension before Normal Retirement Age because of employment of a type for which benefits could not be suspended after Normal Retirement Age shall not have the effect of reducing the value of the Program A Participant's pension for payment at his Normal Retirement Age, and to the extent necessary to avoid reduction, the monthly amount of the pension shall be adjusted so as not to deprive the Program A Pensioner of the value of his benefit as payable from his Normal Retirement Age.

6.4 BENEFIT PAYMENTS FOLLOWING SUSPENSION

A Program A Pensioner who returns to Covered Employment for an insufficient period of time to complete a Year of Vesting Service shall not be entitled to a higher pension amount on subsequent termination of employment.

If a Program A Pensioner who returns to Covered Employment completes a Year of Vesting Service, he shall, upon his subsequent retirement, be entitled to a recomputation of his pension amount.

6.5 NO SUSPENSION AFTER REQUIRED BEGINNING DATE

No benefits will be suspended under this Article for months starting on and after a Program A Participant's Required Beginning Date, as defined in Section 2.6(d) of Basic Plan Document.

6.6 VESTED STATUS OR NON-FORFEITABILITY

The benefits to which a Program A Participant is entitled under the terms of this Program A upon attainment of Normal Retirement Age are Vested (non-forfeitable), subject, however, to retroactive amendment made within the limitations of Code Section 411(a)(3)(C) and ERISA Section 302(c)(8). The benefits to which his or her surviving Spouse may be entitled shall likewise be non-forfeitable. "Vested" or "Vested Status" means fulfillment by a Program A Participant of the service requirements for receipt of a non-forfeitable pension. A Program A Participant who attains Normal Retirement Age

while working in Covered Employment shall have a non-forfeitable right to his/her accrued benefit. A Program A Participant who has completed at least one hour of Vesting Service on or after January 1, 1999, has a non-forfeitable right to 100% of his/her accrued benefit upon completion of five years of Vesting Service.

## 6.7 FULFILLMENT OF ELIGIBILITY

A Program A Participant who has once fulfilled both the age and service requirements for a Normal or Early Retirement Pension shall not thereafter suffer ineligibility or a reduction in monthly benefit amount through postponement of filing an application for a pension to a subsequent Calendar Year. However, this shall not be construed to provide retroactive payment of pension benefits.

# PROGRAM B

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# OFFICIAL TEXT OF THE PENSION PLAN

# LEATHER GOODS, PLASTICS, HANDBAGS AND NOVELTY WORKERS' UNION LOCAL 1, JOINT RETIREMENT FUND

**AMENDED AND RESTATED AS OF JANUARY 1, 2015**

## PROGRAM B
## LOCAL 635 FISH AND SEAFOOD WORKERS RETIRMENT FUND

**THIS PROGRAM B** of the Plan is established pursuant to the merger of the Local 635 Fish and Seafood Workers Retirement Fund into the JRF, effective December 31, 2006. It reflects the continuing provisions of the former Local 635 Fish and Seafood Workers Retirement Fund under the JRF. This Program B applies with respect to individuals who were Participants in the Local 635 Fish and Seafood Workers Retirement Fund as of December 30, 2006 and Employees who are covered under a collective bargaining agreement requiring an Employer to make contributions on their behalf to the Fund for Program B.

Whenever used in Program B, all capitalized terms have the meaning set forth in Article I of the Basic Plan Document, except for those terms defined herein. All Section references in Program B are to the relevant sections of Program B unless otherwise indicated.

The Plan was terminated by Mass Withdrawal effective December 31, 2013. As of December 31, 2013, no additional vesting credit or benefit accruals may be earned under the Plan. Notwithstanding anything herein to the contrary, the provisions of this Program B are subject to the terms of Article IX of the Basic Plan Document.

## ARTICLE I - DEFINITIONS

1.1 ACCRUED BENEFIT. "Accrued Benefit" means the monthly pension benefit to commence at the Employee's Normal Pension Date that is related to the Employee's Pension Service that the Employee has accrued to such particular date. Such monthly pension benefit is expressed in a form that is not the Participant-and-Spouse Pension. The amount of such Accrued Benefit at a particular date for an Employee is the appropriate unit monthly pension benefit rate found in the following table, associated with the date of determination, multiplied by the Employee's years of Pension Service.

| Date of Determination | Unit Monthly Pension Benefit |
|---|---|
| Prior to July 1, 1985 | $6.67 |
| July 1, 1985 to May 31, 1991 | 10.00 |
| June 1, 1991 to May 31, 1992 | 13.33 |
| June 1, 1992 to Present | 16.67 |

Notwithstanding the above table, if the Employee has Interrupted Service to the Employee's credit, the amount of the Employee's Accrued Benefit is the sum of the products of the Employee's years of Pension Service earned during each segment of Interrupted Service multiplied by the appropriate unit monthly pension benefit rate in effect for then-future Program B Pensioners at the end of each segment.

For monthly pension benefits payable prior to June 1, 1991, there is a maximum of 30 years of Pension Service that could be utilized in determining an Employee's Accrued Benefit.

1.2 BREAK YEAR. A "Break Year" means a Plan Year in which the Employee (whether a Program B Participant or not) earns less than 250 hours of Vesting Service. A Break Year shall not be charged to an Employee for any Plan Year in which the Employee was:

(i) for more than one-half of such Plan Year, disabled to such an extent that the Employee is receiving a benefit under a Worker's Compensation Law or the New York State Disability Benefits Law or is receiving a Disability Pension under this Program B; or

(ii) for more than one-half of such Plan Year, in required military service of the U.S.A., or in voluntary military service of the U.S.A. during a national

emergency.

Furthermore, no Break Year shall be charged to a Program B Participant for a Plan Year after December 31, 1985 during which the Program B Participant absents himself from employment that would earn Pension Service or Vesting Service because the Program B Participant becomes pregnant and gives birth, experiences an otherwise termination of pregnancy, fathers a child, adopts a child, or cares for the Program B Participant's child immediately following such child's birth or adoption. However, if the Plan Year in which the event described in the preceding sentence occurs is not a Break Year for the Program B Participant without the exclusion provided by such, then the immediately following Plan Year shall not be a Break Year for the Program B Participant. In either case the provision of this paragraph shall not operate, alone, to protect the Program B Participant from having a portion of the Program B Participant's Pension Service classified as interrupted Pension Service. For the limited purposes of applying different unit monthly benefit rates to different segments of a Program B Participant's Interrupted Pension Service, a Break Year shall also mean a Plan Year which would otherwise be considered a Break Year except for the exceptions contained in this paragraph.

1.3 COMMENCEMENT OF PARTICIPATION. "Commencement of Participation" for any Program B Participant, means the date upon which the Program B Participant becomes a Program B Participant in accordance with Article II. In the event a Program B Participant incurs a Break-in-Service (as defined in Section 4.2) when the Program B Participant is not vested and the Program B Participant's lost Pension Service and Vesting Service are not reinstated as a result of the provisions of Section 4.5, the Program B Participant shall be considered to have no Commencement of Participation. However, should the Program B Participant again satisfy the participation requirements of Article II, the Program B Participant shall be assigned a new Commencement of Participation based upon the Program B Participant's reemployment.

1.4 EMPLOYEE. "Employee" means a person in the employ of a Program B Employer or working in a classification for which the Union acted or shall act as collective bargaining representative. The term shall also mean an employee of a Program B Employer that is required to make contributions on his behalf to the Fund for Program B in accordance with an agreement between such Employer and the Trustees.

1.5 PENSION SERVICE. "Pension Service" means:

(a) time for which contributions to the Fund for Program B are required by the terms of a collective bargaining agreement between an Employer and the Union, or in an agreement between an Employer and the Trustees; and

(b) time for service in the Armed Forces of the U.S.A. provided the Employee had earned Pension Service under Program B at the time the Employee entered the Armed Forces and provided the Employee was available for employment that would earn Pension Service under Program B within 90 days of the Employee's discharge; and

(c) time for service while the Employee was disabled, to a maximum of 2 quarters, provided the disability arose while working in Covered Employment and provided the disability is compensated by the Worker's Compensation Law and is supported by medical evidence satisfactory to the Trustees.

1.6 PRIOR FUND. "Prior Fund" means the Local 635 Fish and Seafood Workers Trust Fund.

1.7 PRIOR PLAN. "Prior Plan" means the plan of benefits that was provided by the Local 635 Fish and Seafood Workers Trust Fund.

1.8 PROGRAM B. "Program B" means the program of benefits that is described in this document as adopted by the Trustees and as thereafter amended by the Trustees. "Program B" is a continuation of the plan of benefits that was provided by the Local 635 Fish and Seafood Workers Trust Fund prior to the merger of the Local 635 Fish and Seafood Workers Trust Fund into the Fund. For purposes hereof, any references in a collective bargaining agreement to the Prior Fund shall be deemed to be in reference to Program B.

1.9 PROGRAM B BENEFICIARY. "Program B Beneficiary" means any person designated to receive benefits under Program B upon the death of the Program B Participant; or any person (other than a Program B Participant) otherwise entitled to receive such benefits pursuant to Program B.

1.10 COVERED EMPLOYMENT. "Covered Employment" means employment of an Employee by a Program B Employer for which the Program B Employer is obligated to

make contributions to the Fund for Program B pursuant to a collective bargaining agreement. "Covered Employment" shall also constitute employment with a Program B Employer (or is) in the years before such Program A Employer was obligated to contribute to the Fund for Program B, provided that such employment was performed in categories of work now covered by a collective bargaining agreement.

1.11 PROGRAM B EMPLOYER. "Program B Employer" means any employer who is required to pay contributions to the Fund for Program B as the result of an agreement between such Program B Employer and the Union, or between such Program B Employer and the Trustees.

1.12 PROGRAM B PARTICIPANT. "Program B Participant" means a Program B Pensioner, an Employee or a former Employee who has met the requirements for participation in Program B or the Prior Plan as set forth in Article II and whose status as a Program B Participant has not been terminated under Section 2.3.

1.13 PROGRAM B PENSIONER. "Program B Pensioner" means a person to whom a pension under Program B is being paid, or to whom a pension would be paid but for the time for administrative processing of an application thereof.

1.14 SPOUSE. "Spouse" means the individual to whom a Program B Participant is legally married, as defined under applicable federal law, for at least the twelve months immediately preceding his Annuity Starting Date or, if he should die while he was in employment and before his Annuity Starting Date, the person to whom he was legally married, as defined under applicable federal law, for at least twelve months immediately preceding his death. However, if a Program B Participant has been married to an individual for less than twelve months on his Annuity Starting Date, the individual will be treated as the Program B Participant's Spouse if they remain married for at least twelve months.

1.15 PROGRAM B UNION. "Program B Union" means Local Union No. 342-50, or its successor.

1.16 VESTING SERVICE. "Vesting Service" means:

(a) Pension Service; and

(b) employment after December 31, 1975 by an Employee with a Program B

Employer for which such Program B Employer is not required by agreement with the Union or with the Trustees to contribute to the Fund for Program B, provided such employment is not separated from at least 1 hour of Pension Service that the Employee earns with the same Program B Employer, by a quit, discharge, or retirement. Such employment includes, during the time that the Program B Employer is required to contribute to the Fund for Program B:

(i) each such hour for which the Employee is paid, or entitled to payment, for the performance of duties for the Program B Employer;

(ii) each such hour for which the Employee is paid, or entitled to payment, by the Program B Employer on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty (in the U.S. armed forces), or leave of absence, provided such non-work period of time immediately succeeds the Employee's employment in a position described in the above subsection (b)(i) or in Section 1.5. Notwithstanding the preceding sentence:

(A) no more than 501 hours of Vesting Service shall be credited under this subsection to an Employee on account of any single continuous period during which the Employee performs no duties;

(B) an hour for which the Employee is directly or indirectly paid, or entitled to payment, on account of a period during which no duties are performed shall not be credited to the Employee if such payment is made or due under the Plan or Prior Plan maintained solely for the purpose of complying with applicable worker's compensation, or unemployment compensation, or disability insurance laws; and

(C) hours shall not be credited for a payment which solely reimburses an Employee for medical or medically related expenses incurred by the Employee.

For purposes of this subsection, a payment shall be deemed to be made by, or due from the Program B Employer regardless of whether such payment is made by or due from the

Program B Employer directly, or indirectly through, among others, a trust fund, or insurer, to which the Program B Employer contributes or pays premiums and regardless of whether contributions made or due to the trust fund, insurer, or other entity are for the benefit of particular Employees or are on behalf of a group of Employees in the aggregate.

(iii) Each such hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Program B Employer. Such hour shall be credited to the Employee as if it had been worked on the date for which the award is made. The same hours of service shall not be credited both under subsection (b)(i) or subsection (b)(ii), as the case may be, and under this subsection (b)(iii).

(iv) The number of hours to be credited hereunder for reasons other than the performance of duties shall be determined under Department of Labor Regulation Section 2530.200b-2 (b) & (c), which is herein incorporated by reference.

## ARTICLE II - PARTICIPATION

2.1 COMMENCEMENT OF PARTICIPATION

(a) An Employee who was a participant of the Prior Plan on December 30, 2006 is a Program B Participant.

(b) An Employee of a Program B Employer covered under a collective bargaining agreement that requires contributions to the Fund for Program B and who is not a Program B Participant under Section 2.1(a) shall become a Program B Participant on the first day of the Plan Year immediately following the Plan Year in which the Employee earned at least 1,000 hours of Vesting Service

2.2 ALTERNATE COMMENCEMENT OF PARTICIPATION AFTER 1988. An Employee who earns at least 250 hours of Pension Service during a Plan Year ending after 1988 shall become a Program B Participant on the January 1st next following such Plan Year, unless the Employee is already a Program B Participant.

2.3 TERMINATION OF PARTICIPATION. A Program B Participant's participation shall cease on the earliest of:

(a) the Program B Participant's death;

(b) the time when the Program B Participant no longer has any Pension Service or Vesting Service hereunder in the Program B Participant's account; and

(c) if receiving a periodic benefit hereunder, the date when such benefit ceases permanently.

## ARTICLE III - PENSION SERVICE AND VESTING SERVICE

3.1 PENSION SERVICE. Beginning January 1, 1954, an Employee shall be granted Pension Service at the rate of one quarter of a year of Pension Service for each 400 hours of Pension Service which the Program B Participant earns in a Plan Year.

3.2 LIMIT ON EARNING PENSION SERVICE. No more than one year of Pension Service may be earned by an Employee in any one Plan Year.

3.3 SELF-EMPLOYMENT. No Pension Service shall be granted for any self-employed time.

3.4 VESTING SERVICE. An Employee shall be granted a year of Vesting Service for each Plan Year after 1953 and before 1976 in which the Employee is credited with at least a year of Pension Service, and for each Plan Year after 1975 in which the Employee is credited with at least 1,000 hours of Vesting Service.

In addition, in any one Plan Year an Employee can earn partial years of Vesting Service. After 1975 one quarter of a year of Vesting Service will be granted for each 250 hours of Vesting Service, to a maximum of one year of Vesting Service in any one Plan Year. Before 1976 one quarter of a year of Vesting Service will be granted for each 400 hours of Pension Service, to a maximum of one year of Vesting Service in any one year.

## ARTICLE IV - VESTING, BREAK IN SERVICE, AND INTERRUPTED PENSION SERVICE

4.1 VESTING & BREAK-IN-SERVICE. Once an Employee is "vested" the Employee shall, except for death, have a non-forfeitable right to the Employee's Accrued Benefit.

If a Break-in-Service occurs after the Employee is vested, the Employee's Pension Service and Vesting Service shall not be forfeited.

4.2 BREAK IN SERVICE. If an Employee experiences two consecutive Plan Years after 1953 and before 1976, during which two Plan Year period the Employee does not earn a total of at least one-quarter of a year of Pension Service in either Plan Year, the Employee shall incur a Break-in-Service. If an Employee experiences two consecutive Break Years after 1975, the Employee shall incur a Break-in-Service.

If an Employee incurs a Break-in-Service, all of the Employee's Pension Service and Vesting Service earned before the end of the two Plan Year period which caused the Break-in-Service shall be forfeited unless the break occurs after the Employee is vested. The provisions of this Section are subject to the provisions of Section 4.5.

An Employee who is absent from Covered Employment by reason of (a) her pregnancy, (b) birth of a child of such Program B Participant, (c) placement of a child with such Program B Participant in connection with adoption of such child, or (d) care for such child for a period beginning immediately following such birth or placement, will be credited with the normal work hours during such absence for the purpose, only, of preventing a Break Year from being charged to him.

Such special crediting shall be for the Plan Year in which the absence starts. However, if the Employee is already protected against a Break Year in such Plan Year, the special crediting shall apply to the immediately following Plan Year and shall include such hours even though occurring in the preceding Plan Year.

4.3 VESTING. A Program B Participant shall be considered vested (i.e., has a non-forfeitable (except for death) right to the Accrued Benefit associated with the Employee's accumulated Pension Service hereunder) once the Employee satisfies the age and service requirements for a Normal or Early Pension hereunder. Alternately, the Employee is vested if the Employee has earned 10 years of Vesting Service (or, effective January 1, 1989, 5 years of Vesting Service earned for work outside a collective bargaining

agreement with the Union). Further an Employee shall be vested is such Employee has at least five years of Vesting Service and earns at least one hour of Vesting Service after December 31, 1997.

4.4 INTERRUPTED PENSION SERVICE. If a Break-in-Service occurs after the Employee is vested, his Pension Service and Vesting Service shall not be forfeited. However, all of the Employee's Pension Service shall then be classified as Interrupted Pension Service. In addition, after 1975, an Employee's Pension Service will be classified as Interrupted Pension Service, even if the Employee does not incur a Break-in-Service, if the Employee experiences two consecutive Plan Years in which the Employee fails to earn at least 400 hours of Pension Service, in either Plan Year.

A segment of Interrupted Pension Service means, for an Employee, any one of the following:

(a) a period of time during which the Employee is a Program B Participant that does not contain a consecutive two Plan Year period which causes a Break-in-Service for the Employee;

(b) a period of two consecutive Plan Years, during which the Employee is a Program B Participant or a participant in the Prior Plan, that causes a Break-in-Service but which is not lost because of Program B's vesting provisions, or is later reinstated; or

(c) each successive period of two consecutive Break Years (for the Employee) immediately succeeding a period described in (b) and which is not lost because of Program B's vesting provisions, or is later reinstated.

4.5 REINSTATEMENT. If an Employee who has experienced a Break-in-Service after 1975, and is not vested at the time of such Break-in-Service, earns at least 250 hours of Vesting Service in a succeeding Plan Year and such Plan Year occurs before the number of consecutive Break Years charged to the Employee equals the number of years of Vesting Service (or 5, if greater, and such Break-in-Service occurred after 1985) that the Employee had immediately prior to the Break-in-Service, then the Pension Service and Vesting Service lost by such Break-in-Service shall be reinstated. However, all of the Employee's Pension Service shall be then classified as Interrupted Pension Service.

4.6 MILITARY SERVICE. Notwithstanding any provision of this Program B to the contrary, effective December 12, 1994, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code Section 414(u).

In the case of a Participant who dies on or after January 1, 2007 while performing qualified military service (as such term is defined in Code Section 414(u)), the Beneficiaries of the Participant shall be entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) that would have been provided under the Plan to such Beneficiaries as if the Participant had resumed Covered Employment, and then terminated Covered Employment on account of death. In determining the benefit of such a Participant, the Participant will be credited with service for vesting purposes to which he would have been entitled under Code Section 414(u) had he resumed Covered Employment immediately prior to his death.

Notwithstanding anything in the Plan to the contrary, for years beginning after December 31, 2008, (i) an individual receiving a differential wage payment, as defined by Section 3401(h)(2) of the Code shall be treated as an Employee of the Employer making the differential wage payment, solely to the extent required by law, (ii) the differential wage payment shall be treated as compensation for purposes of the Code, solely to the extent required by law, and (iii) the Plan shall not be treated as failing to meet the requirements of any provision described in Section 414(u)(1)(C) of the Code by reason of any contribution or benefit which is based on the differential wage payment.

## ARTICLE V - ELIGIBILITY FOR PENSION BENEFIT

5.1 GENERAL. This Article sets forth the eligibility requirements and benefit amounts for the pensions provided by Program B.

5.2 NORMAL PENSION DATE. The Normal Pension Date for an Employee retiring from the status of Employee hereunder shall be the first day of the month coinciding with or, otherwise, next following the latest of (a), (b), (c), and (d) below:

(a) the Employee's 65th birthday;

(b) the completion of 10 years of Vesting Service (or 5 years of Vesting Service earned for work outside a collective bargaining agreement with the Union), or the attainment of the 5th anniversary of the Employee's Commencement of Participation in Program B or the Prior Plan;

(c) the date of the Employee's proper application for pension; and

(d) the date of the Employee's complete withdrawal from work as an Employee.

5.3 EARLY PENSION DATE. The Early Pension Date for an Employee hereunder shall be the first day of the month coinciding with or, otherwise, next following the latest of (a), (b), (c), and (d) below:

(a) the Employee's 62nd birthday;

(b) the completion of at least 10 years of Vesting Service;

(c) the date of the Employee's proper application for pension; and

(d) the date of the Employee's complete withdrawal from work as an Employee.

5.4 DISABILITY PENSION DATE. The Disability Pension Date for an Employee who becomes totally disabled shall be the first day of the month following the Employee's cessation of employment because of such total disability, upon which all of the following conditions are met:

(a) the Employee has accumulated at least 10 years of Vesting Service;

(b) the Employee is totally disabled and has earned at least 250 hours of Pension

Service during the Plan Year in which the effective date of the Employee's disability pension under this Program B or the Prior Plan occurred or in one of the immediately preceding two Plan Years and when the accident that caused the Employee's disability occurred, the Employee was not in a period of gainful work outside employment covered by Program B or the Prior Plan;

(c) the Employee has not yet received a Normal or Early Pension benefit hereunder;

(d) the Employee has submitted a proper application for a pension hereunder; and

(e) he has not reached his 65th birthday.

An Employee shall be considered "totally disabled" for a calendar month only if he is entitled to a Social Security Disability Benefit for such month. In addition, the Trustees shall be the sole and final judges of total and permanent disability and the entitlement to a Disability Pension.

Upon recovery from disability prior to age 65, an Employee's Pension Service and Vesting Service shall be reinstated, his Disability Pension shall be terminated, and he shall thereafter be treated in the same manner as any other Employee.

## ARTICLE VI - PENSION BENEFITS

6.1 NORMAL PENSION BENEFIT. Each Employee who attains their Normal Pension Date shall be granted a pension hereunder. Such pension, provided the Employee is not receiving the pension benefit in the Participant-and-Spouse Pension form, shall be a monthly benefit equal to the products of the Employee's years of Pension Service and the appropriate unit monthly pension benefit determined by the date of the Employee's Normal Pension Date in accordance with the following table:

| Date of Determination | Unit Monthly Pension Benefit |
|---|---|
| **Prior to July 1, 1985** | **$ 6.67** |
| **July 1, 1985 to May 31, 1991** | **10.00** |
| **June 1, 1991 to May 31, 1992** | **13.33** |
| **June 1, 1992 to Present** | **16.67** |

However, if the Employee has any segment of Interrupted Pension Service, the Employee's monthly benefit shall be the sum of the products of the number of years of Pension Service in each segment and the unit monthly pension benefit in effect for each year of Pension Service for then future Program B Pensioners at the end of each such segment.

In addition, for monthly pension benefits effective prior to June 1, 1991 there is a maximum of 30 years of Pension Service that can be utilized in determining an Employee's Normal Pension Benefit.

6.2 EARLY PENSION BENEFIT. Each Employee who attains their Early Pension Date under Section 5.3 shall be granted a pension hereunder.

Such pension shall be calculated as if it were a Normal Pension and then reduced by 1/2 of 1% for each whole calendar month that the Employee's Early Pension Date precedes the Employee's earliest Normal Pension Date.

6.3 DISABILITY PENSION BENEFIT. Each Employee who attains their Disability Pension Date under Article V shall be granted a monthly benefit hereunder. Such pension shall be a monthly benefit calculated as if it were a Normal Pension.

6.4 POSTPONED RETIREMENT. Section 6.1 notwithstanding, if a Program B Participant submits a proper pension application later than the date on which the Program B Participant attains their Normal Retirement Age, the Program B Participant's Normal Pension Benefit effective on their Normal Pension Date as defined in Section 5.2 shall be the larger of (a) and (b) as follows:

(a) the Program B Participant's Normal Pension Benefit as defined in Section 6.1; and

(b) the actuarial equivalent of the Program B Participant's Accrued Pension Benefit as defined in Section 1.1 on the first of the month coinciding with or otherwise next following the day on which the Program B Participant attains Normal Retirement Age. Such actuarial equivalence shall be calculated using the Unisex Pension 1984 mortality table set forward one year, and a 5% interest rate.

In addition, if a Program B Participant satisfies the eligibility requirements of Section 5.4 but fails to submit a proper application, when the Program B Participant does submit the application, the Disability Pension will be payable retroactive to the date the Program B Participant satisfied the requirements of Section 5.4, but not more than twelve months prior to the date the Employee submitted a proper application.

Any contrary provisions of this Article notwithstanding, payment of benefits from the Plan to a Program B Participant shall begin no later than the Required Beginning Date, as defined in Section 2.6(d) of the Basic Plan Document.

6.5 DURATION OF NORMAL AND EARLY PENSIONS. Each Normal or Early Pension shall be paid in monthly installments starting with the Employee's Pension Date and, unless the pension is being paid as a Participant-and-Spouse Pension, ending with the payment due for the month in which the death of the Program B Pensioner occurs.

6.6 DURATION OF DISABILITY PENSIONS. Each Disability Pension shall be paid in monthly installments starting with the Program B Participant's Disability Pension Date and ending with the payment due for the month in which the Program B Pensioner dies, or for the month immediately preceding the month for which the Program B Participant ceases being entitled to a disability benefit, or for the month the Program B Participant attains age 65, whichever occurs first. If the Program B Participant ceases being disabled prior to age 65, the Program B Participant's Disability Pension shall cease; the Program B Participant shall then be considered an active Employee.

## 6.7 SMALL PENSION AMOUNTS

In the event the present value of an applied-for Early, Normal or Pre-Retirement Surviving Spouse Pension is no more than $3,500, such present value shall be paid in a lump sum as full payment of such pension.

## ARTICLE VII - SUSPENSION OF BENEFTS

7.1 GENERAL. In the event an Early or Normal Program B Pensioner works at least 40 hours in Prohibited Employment, in the Program B Area in a month for which the Program B Pensioner is entitled to an Early or Normal Pension payment hereunder as the result of the Program B Pensioner's successful application for such payment, the Program B Pensioner's pension payment hereunder for such month shall be withheld and forfeited, provided the proper notice is provided to the Program B Pensioner by the Trustees. Such withholding and forfeiture shall not apply to that part of the Program B Pensioner's pension payment derived from the Program B Pensioner's own contributions.

7.2 PROHIBITED EMPLOYMENT. For the purposes of this Article, Prohibited Employment means an hour of employment (whether union or non-union, whether in self-employment or employed, whether actually working or supervising such work, whether contributions are required to be made to the Fund on account of such hour or not) for which the Program B Pensioner is compensated by the Program B Employer;

(a) in the same industry in which Employees covered by Program B worked at the effective date of the effected Employee's Pension; and

(b) in the same profession, trade or craft in which the effected Employee worked at any time that was classified as Pension Service for the Employee.

7.3 PROGRAM B AREA. For the purposes of this Article, Program B Area means New York State.

(a) NOTIFICATION. No pension benefit payments may be withheld from a Program B Pensioner in any month unless, and until, during the first such month the Trustees notify the Program B Pensioner of the suspension. Such notification shall be delivered personally or by first class mail and shall contain:

(b) a description of the reason pension payments are being suspended;

(c) a general description of this Article;

(d) a copy of this Article;

(e) a statement that an appeal of the Trustees' decision in this matter may be accomplished using the Plan's claim denial appeal procedure; and

(f) a statement that the regulations dealing with suspension of benefits may be found in Department of Labor Regulation Section 2530.203-3.

7.4 PRESUMPTION. Subject to correction by actual evidence, the Trustees may presume that a Program B Pensioner who works at least some time in Prohibited Employment in a month has or shall work at least 40 hours in such Prohibited Employment in that month unless, within 5 days of the start of such employment, the Program B Pensioner notifies the Trustees of such commencement and does not refuse to cooperate with reasonable requests by the Trustees to assist them in administering the provisions of this Article.

7.5 RESUMPTION OF PENSION PAYMENTS. In order for the payment of monthly pension benefits be resumed under this Plan once a suspension described in the first section of this Article has taken place, the Program B Pensioner must notify the Trustees in writing that he has ceased working at Prohibited Employment. The Trustees shall resume the pension payments to the Program B Pensioner, in the same monthly amount that he had been receiving prior to suspension, with the first day of the third calendar month following the calendar month in which the Trustees receive the Program B Pensioner's notice called for in the prior sentence subject to the following sections, should the Program B Pensioner be due any payments that were withheld for months prior to the resumption of payments in which the Program B Pensioner did not work the prescribed duration of Prohibited Employment, such withheld payments shall be paid upon recommencement of pension payments.

7.6 RECOVERY. In the event a Program B Pensioner receives a monthly pension payment for a month for which the Trustees have the right to withhold and forfeit such payment, the Trustees shall recover such payment by reducing the payment otherwise payable to the Program B Pensioner for the month immediately following the Program B Pensioner's cessation of work in Prohibited Employment for which payment is not due until the third month following the Program B Pensioner's notification to the Trustees required by Section 7.5 above. If the reductions described in the prior sentence are not sufficient to permit recovery of payments that should not have been made, the Trustees shall recover such unrecovered difference by reducing the otherwise size of future recommended monthly pension payments by no more than 25% until such recovery is complete.

7.7 STATUS DETERMINATION. A Program B Pensioner or Employee may write to the Trustees to determine if an actual or contemplated employment is Prohibited

Employment and the Trustees shall reply to such request for information after securing enough details to make such a judgment.

7.8 SUSPENSION OF BENEFITS BEFORE 1982. If a Normal or Early Program B Pensioner becomes employed before 1982 in the same industry, in the same trade, and in the same geographical area covered by this Plan, or by a plan with which this Plan has a reciprocal agreement, at his Pension Date, the Program B Pensioner's pension benefit payment shall not be payable for any month before 1982 in which the Program B Pensioner works at such employment or self-employment for any length of time.

## ARTICLE VIII - PARTICIPANT-AND-SPOUSE PENSION

8.1 STANDARD FORM. The Participant-and-Spouse Pension provides a reduced lifetime pension for a Program B Participant who is legally married and has satisfied the age and service requirements for an Early or Normal Pension, plus a lifetime pension for his surviving Spouse commencing after his death. The Participant-and-Spouse Pension will be paid as a 50% Participant-and-Spouse Pension unless (i) effective January 1, 2009, the Program B Participant elects a 75% Participant-and-Spouse Pension; or (ii) the Program B Participant and the Program B Participant's lawful Spouse have properly elected to forego receiving such pension in the form of a Participant-and-Spouse Pension. The monthly amount to be paid to the surviving Spouse with a 50% Participant-and-Spouse Pension shall be 50% of the monthly amount paid to the Program B Pensioner. The monthly amount to be paid to the surviving Spouse with a 75% Participant-and-Spouse Pension shall be 75% of the monthly benefit paid to the Program B Pensioner.

8.2 ACTUARIAL REDUCTION. The amount of the monthly benefit payable to the Program B Pensioner at the Program B Pensioner's retirement in the form of a Participant-and-Spouse Pension shall be the reduced actuarial equivalent of the monthly amount calculated in accordance with Article 6 hereof. Actuarial equivalence shall be based upon the 1951 Group Annuity Table, Male for Participants and the 1951 Group Annuity Table, Female for Beneficiaries and 4½% interest.

The reduction shall be effective on the Program B Pensioner's effective date of pension.

8.3 ELECTION. In order for a Program B Participant to properly elect to forego receiving the 50% Participant-and-Spouse Pension, the Program B Participant (and, if the effective date of such pension is after 1984, the Program B Pensioner's lawful Spouse) must, on forms prescribed by the Trustees, make such election no more than 180 days prior to the starting date of the Program B Pensioner's pension. The Program B Pensioner (and, if the effective date of such pension is after 1984, the Program B Pensioner's lawful Spouse) may also change, on forms prescribed by the Trustees, the Program B Pensioner's (their) election any time prior to the starting date of the Program B Pensioner's pension, including the relative value of other optional forms of payment.

8.4 ELECTION INFORMATION. Not more than 180 days or less than 30 days prior to the starting date of the Program B Pensioner's pension, the Program B Pensioner shall receive a written notice from the Trustees (or their authorized representative) in

nontechnical language containing a general explanation of: (1) the terms and conditions of the 50% Participant-and-Spouse Pension, (2) the Program B Pensioner's right to make and the effect of an election to waive such form of benefit, (3) the rights of a Program B Pensioner's Spouse to consent to such waiver, if spousal consent is required, (4) the right to make, and the effect of, a revocation of such a waiver, and (5) the general financial effect of a rejection of such form of payment.

## ARTICLE IX - PRE-RETIREMENT SURVIVING SPOUSE PENSION

9.1 ELIGIBILITY. If an Employee dies before the effective date of the Employee's Early or Normal Pension, the Employee's surviving Spouse shall be entitled to a Pre-Retirement Surviving Spouse Pension provided the Surviving Spouse is legally married to the Employee at the Employee's date of death and provided, further, that the Employee's date of death is after August 22, 1984, the Employee is vested or partially vested, and the Employee has been lawfully married to the Employee's Spouse for at least one continuous year prior to the Employee's death. In the case of an Employee who is at least partially vested, the effective date of the Pre-Retirement Surviving Spouse Pension shall be the earliest day that the deceased Employee could have commenced an Early or Normal Pension had he lived (and earned no more Pension or Vesting Service), or the first day of the month following the Employee's death, if later. The amount of such pension shall be calculated in accordance with Section 9.3 based upon the Employee's accrued vested pension benefit.

9.2 FORM. Such Pre-Retirement Surviving Spouse Pension is a monthly benefit payable to the surviving Spouse for life, commencing with the later of the first day of the month following the Employee's death and what would have been the Employee's earliest Early or Normal Pension Date had the Employee lived but earned no more Pension or Vesting Service, to cease with the last such monthly payment due immediately preceding such surviving Spouse's death.

9.3 AMOUNT. The amount of the monthly benefit to be paid to the eligible surviving Spouse of the deceased Employee is 50% of the amount that would have been the monthly pension payable to the Employee if the starting date of the Employee's surviving Spouse's Pension had been the starting date of an Early or Normal Pension benefit for the Employee hereunder and such pension were to be paid as a 50% Participant-and-Spouse Pension described in Article VIII.

9.4 OPTIONAL LUMP SUM. If the Program B Participant's death is after August 22, 1984, in place of any deferred pension benefit to which a surviving Spouse may be entitled, the surviving Spouse may elect a lump sum equivalent. In order to make such election of the optional lump sum effective, the surviving Spouse must make the election, on a form provided by the Trustees, within 60 days of the offer by the Trustees.

For the purposes of this Section, "deferred benefit" means a monthly pension to the

surviving Spouse whose effective date is later than the first day of the month immediately following the Employee's death.

At any time, and from time to time, each Employee and Program B Pensioner who is, or becomes, eligible for any lump sum death benefit coverage described in this Program B shall have the unrestricted right to designate the Program B Beneficiary or Beneficiaries to receive the death benefit and to revoke such designation. However, notwithstanding the preceding sentence, if an eligible Spouse elects to waive the Participant-and-Spouse Pension as described in Section 8.1, the eligible Spouse shall have the unrestricted right to designate the Program B Beneficiary or Beneficiaries to receive the death benefit and to revoke such designation unless the eligible Spouse waives this right. Each such designation shall be evidenced by a written instrument filed with the Trustees. Any such designation or revocation received by the Trustees after the Employee's or Program B Pensioner's death (or after the eligible Spouse's death, if applicable) shall be invalid.

# PROGRAM C

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# OFFICIAL TEXT OF THE PENSION PLAN

# LEATHER GOODS, PLASTICS, HANDBAGS AND NOVELTY WORKERS' UNION LOCAL 1, JOINT RETIREMENT FUND

**AMENDED AND RESTATED AS OF JANUARY 1, 2015**

## PROGRAM C
## LOCAL 635 SMOKED FISH WORKERS RETIRMENT FUND

**THIS PROGRAM C** of the Plan was established pursuant to the merger of the Local 635 Smoked Fish Workers Retirement Fund into the JRF effective December 31, 2006. It reflects the continuing provisions of the former Local 635 Smoked Fish Workers Retirement Fund under the JRF. This Program C applies with respect to individuals who were Participants in the Local 635 Smoked Fish Workers Retirement Fund as of December 30, 2006, and Employees who are covered under a collective bargaining agreement requiring an Employer to make contributions on their behalf to the Fund for Program C.

Whenever used in Program C of the Plan, all capitalized terms have the meaning set forth in Article I of the Basic Plan Document, except for those terms defined herein. All Section references in Program C are to the relevant sections of Program C unless otherwise indicated.

The Plan was terminated by Mass Withdrawal effective December 31, 2013. As of December 31, 2013, no additional vesting credit or benefit accruals may be earned under the Plan. Notwithstanding anything herein to the contrary, the provisions of this Program C are subject to the terms of Article IX of the Basic Plan Document.

## ARTICLE I - DEFINITIONS

1.1 ACCRUED BENEFIT. "Accrued Benefit" for an Employee means, on a particular date, the monthly pension benefit, to commence at the Employee's Normal Pension Date, that is related to the Employee's Pension Service that the Employee has accrued to such particular date. Such monthly pension benefit is expressed in a form that is not the Participant-and-Spouse Pension. The amount of such Accrued Benefit at a particular date for an Employee is the appropriate unit monthly pension benefit rate found in the following table, associated with the date of determination, multiplied by the Employee's years of Pension Service.

| Date of Determination | Unit Monthly Pension Benefit |
|---|---|
| **Prior to March 1, 1985** | **$6.67** |
| **March 1, 1985 to February 28, 1988** | **13.33** |
| **March 1, 1988 to December 31, 1989** | **16.67** |
| **January 1, 1990 to Present** | **20.00** |

Notwithstanding the above table, if the Employee has Interrupted Pension Service to the Employee's credit, the amount of the Employee's Accrued Benefit is the sum of the products of the Employee's years of Pension Service earned during each segment of Interrupted Pension Service multiplied by the appropriate unit monthly pension benefit rate in effect for then-future Pensioners at the end of each such segment.

For monthly pension benefits payable prior to 1988, there is a maximum of 30 years of Pension Service that could be utilized in determining an employee's Accrued Benefit.

1.2 BREAK YEAR. A "Break Year" means a Plan Year in which the Employee (whether a Program C Participant or not) earns less than 250 hours of Vesting Service. A Break Year shall not be charged to an Employee for any Plan Year in which the Employee was:

(a) for more than one-half of such Plan Year, disabled to such an extent that the Employee is receiving a benefit under a Worker's Compensation Law or the New York State Disability Benefits Law or is receiving a Disability Pension under

Program C of the Plan; or

(b) for more than one-half of such Plan Year, in required military service of the U.S.A., or in voluntary military service of the U.S.A. during a national emergency.

Furthermore, no Break Year shall be charged to a Program C Participant for a Plan Year after December 31, 1985 during which the Program C Participant absents himself from employment that would earn Pension Service or Vesting Service because the Program C Participant becomes pregnant and gives birth, experiences an otherwise termination of pregnancy, fathers a child, adopts a child, or cares for the Program C Participant's child immediately following such child's birth or adoption. However, if the Plan Year in which the event described in the preceding sentence occurs is not a Break Year for the Program C Participant without the exclusion provided by such, then the immediately following Plan Year shall not be a Break Year for the Program C Participant. In either case the provision of this paragraph shall not operate, alone, to protect the Program C Participant from having a portion of the Program C Participant's Pension Service classified as Interrupted Pension Service. For the limited purposes of applying different unit monthly benefit rates to different segments of a Program C Participant's Interrupted Pension Service, a Break Year shall also mean a Plan Year which would otherwise be considered a Break Year except for the exceptions contained in this paragraph.

1.3 COMMENCEMENT OF PARTICIPATION. "Commencement of Participation" for any Program C Participant, means the date upon which the Program C Participant becomes a Program C Participant in accordance with Article II of Program C. In the event a Program C Participant incurs a Break in Service when the Program C Participant is not vested and the Program C Participant's lost Pension Service and Vesting Service are not reinstated as a result of the provisions of Section 4.5, the Program C Participant shall be considered to have no Commencement of Participation. However, should the Program C Participant again satisfy the participation requirements of Article II, the Program C Participant shall be assigned a new Commencement of Participation based upon the Program C Participant's reemployment.

1.4 EMPLOYEE. "Employee" means a person in the employ of a Program C Employer who worked, or shall work in a classification for which the Union acted or shall act as collective bargaining representative. The term shall also mean the employee of an Program C Employer that is required to make contributions on his behalf to the Fund for

Program C in accordance with an agreement between such Program C Employer and the Trustees.

1.5 NORMAL RETIREMENT AGE. The "Normal Retirement Age" for an Employee is the later of the Program C Participant's 65th birthday and the day that is the 5th anniversary of the Program C Participant's Commencement of Participation.

1.6 PENSION SERVICE. "Pension Service" means:

(a) time for which contributions to the Fund for Program C are required by the terms of a collective bargaining agreement between a Program C Employer and the Union, or in an agreement between a Program C Employer and the Trustees; and

(b) time for service in the Armed Forces of the U.S.A provided the Employee had earned Pension Service under the Plan at the time the Employee entered the Armed Forces and provided the Employee was available for employment that would earn Pension Service under this Plan within 90 days of the Employee's discharge.

1.7 PRIOR FUND. "Prior Fund" means the Local 635 Smoked Fish Workers Retirement Fund.

1.8 PRIOR PLAN. "Prior Plan" means the plan of benefits that was provided by the Local 635 Smoked Fish Workers Retirement Fund.

1.9 PROGRAM C. "Program C" means the program of benefits that is described in this document as adopted by the Trustees and as thereafter amended by the Trustees. "Program C" is a continuation of the plan of benefits that was provided by the Local 635 Smoked Fish Workers Retirement Fund and Plan prior to the merger of the Local 635 Smoked Fish Workers Retirement Fund into the Fund. For purposes hereof, any references in a collective bargaining agreement to the Prior Fund shall be deemed to be in reference to Program C.

1.10 PROGRAM C BENEFICIARY. "Program C Beneficiary" means any person designated to receive benefits under Program C upon the death of the Program C Participant or any person (other than a Program C Participant) otherwise entitled to receive such benefits pursuant to Program C.

1.11 COVERED EMPLOYMENT. "Covered Employment" means employment of an

Employee by a Program C Employer for which the Program C Employer is obligated to make contributions to the Fund for Program A pursuant to a collective bargaining agreement. "Covered Employment" shall also constitute employment with a Program C Employer (or is) in the years before such Program C Employer was obligated to contribute to the Fund for Program C, provided that such employment was performed in categories of work now covered by a collective bargaining agreement.

1.12 PROGRAM C EMPLOYER. "Program C Employer" means any employer who is required to pay contributions to the Fund for Program C as the result of an agreement between such Program C Employer and the Union, or between such Program C Employer and the Trustees.

1.13 PROGRAM C PARTICIPANT. "Program C Participant" means a Program C Pensioner, an Employee or a former Employee who has met the requirements for participation in Program C of the Plan as set forth in Article II and whose status as a Program C Participant has not been terminated under Section 2.3.

1.14 PROGRAM C PENSIONER. "Program C Pensioner" means a person to whom a pension under Program C or the Prior Plan is being paid, or to whom a pension would be paid but for the time for administrative processing of an application thereof.

1.15 SPOUSE. "Spouse" means the individual to whom a Program C Participant is legally married, as defined under applicable federal law, for at least the twelve months immediately preceding his Annuity Starting Date or, if he should die while he was in employment and before his Annuity Starting Date, the person to whom he was legally married, as defined under applicable federal law, for at least twelve months immediately preceding his death. However, if a Program C Participant has been married to an individual for less than twelve months on his Annuity Starting Date, the individual will be treated as the Program C Participant's Spouse if they remain married for at least twelve months.

1.16 UNION. "Union" means Local Union No. 342-50, or its successor.

1.17 VESTING SERVICE. "Vesting Service" means:

(a) Pension Service; and

(b) employment after December 31, 1975 by an Employee with a Program C

Employer for which such Program C Employer is not required by agreement with the Union or with the Trustees, to contribute to the Fund for Program C, provided such employment is not separated from at least one hour of Pension Service that the Employee earns with the same Program C Employer, by a quit, discharge, or retirement. Such employment includes, during the time that the Program C Employer is required to contribute to the Fund for Program C:

(i) each such hour for which the Employee is paid, or entitled to payment, for the performance of duties for the Program C Employer;

(ii) each such hour for which the Employee is paid, or entitled to payment, by the Program C Employer on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty (in the U.S. armed forces), or leave of absence, provided such non-work period of time immediately succeeds the Employee's employment in a position described in subsection (b)(i) above, or in Section 1.6. Notwithstanding the preceding sentence:

(A) no more than 501 hours of Vesting Service shall be credited under this subsection to an Employee on account of any single continuous period during which the Employee performs no duties;

(B) an hour for which the Employee is directly or indirectly paid, or entitled to payment, on account of a period during which no duties are performed shall not be credited to the Employee if such payment is made or due under Program C or Prior Plan maintained solely for the purpose of complying with applicable worker's compensation, or unemployment compensation, or disability insurance laws; and

(C) hours shall not be credited for a payment which solely reimburses an Employee for medical or medically related expenses incurred by the Employee.

For purposes of this subsection, a payment shall be deemed to be made by, or due from the Program C Employer regardless of whether such payment is made by or

due from the Program C Employer directly, or indirectly through, among others, a trust fund, or insurer, to which the Program C Employer contributes or pays premiums and regardless of whether contributions made or due to the trust fund, insurer, or other entity are for the benefit of particular Employees or are on behalf of a group of Employees in the aggregate.

(iii) each such hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Program C Employer. Such hour shall be credited to the Employee as if it had been worked on the date for which the award is made. The same hours of service shall not be credited both under subsection (b)(i) or subsection (b)(ii), as the case may be, and under this subsection (b)(iii).

(iv) the number of hours to be credited hereunder for reasons other than the performance of duties shall be determined under Department of Labor Regulation Section 2530.200b-2 (b) & (c), which is herein incorporated by reference.

## ARTICLE II - PARTICIPATION

2.1 COMMENCEMENT OF PARTICIPATION

(a) An Employee who was participant in the Prior Plan as of December 30, 2006 is a Program C Participant.

(b) An Employee of a Program C Employer covered under a collective bargaining agreement that requires contributions to the Fund for Program C and who is not a Program C Participant under Section 2.1(a) shall become a Program C Participant on the first day of the Plan Year immediately following the Plan Year in which the Employee earned at least 1,000 hours of Vesting Service.

2.2 ALTERNATE COMMENCEMENT OF PARTICIPATION AFTER 1988. An Employee who earns at least 250 Hours of Pension Service during a Plan Year ending after 1988 shall become a Program C Participant on the January 1st next following such Plan Year, unless the Employee is already a Program C Participant.

2.3 TERMINATION OF PARTICIPATION. A Program C Participant's participation in Program C shall cease on the earliest of:

(a) the Program C Participant's death;

(b) the time when the Program C Participant no longer has any Pension Service or Vesting Service hereunder in the Program C Participant's account; and

(c) if receiving a periodic benefit hereunder, the date when such benefit ceases permanently.

## ARTICLE III - PENSION SERVICE AND VESTING SERVICE

3.1 PENSION SERVICE. Beginning January 1, 1954, an Employee shall be granted Pension Service at the rate of one quarter of a year of Pension Service for each 400 hours of Pension Service which the Program C Participant earns in a Plan Year.

3.2 LIMIT ON EARNING PENSION SERVICE. No more than one year of Pension Service may be earned by an Employee in any one Plan Year.

3.3 SELF-EMPLOYMENT. No Pension Service shall be granted for any self-employed time.

3.4 VESTING SERVICE. An Employee shall be granted a year of Vesting Service for each Plan Year after 1953 and before 1976 in which the Employee is credited with at least a year of Pension Service, and for each Plan Year after 1975 in which the Employee is credited with at least 1,000 hours of Vesting Service.

In addition, in any one Plan Year an Employee can earn partial years of Vesting Service. After 1975, one quarter of a year of Vesting Service will be granted for each 250 hours of Vesting Service, to a maximum of one year of Vesting Service in any one Plan Year. Before 1976 one quarter of a year of Vesting Service will be granted for each 400 hours of Pension Service, to a maximum of one year of Vesting Service in any one Plan Year.

## ARTICLE IV - VESTING, BREAK IN SERVICE, AND INTERRUPTED PENSION SERVICE

4.1 VESTING & BREAK IN SERVICE. Once an Employee is "vested" the Employee shall, except for death, have a non-forfeitable right to the Employee's Accrued Benefit.

If a Break in Service occurs after the Employee is vested, the Employee's Pension Service and Vesting Service shall not be forfeited.

4.2 BREAK IN SERVICE. If an Employee experiences two consecutive Plan Years after 1953 and before 1976, during which two Plan Year period the Employee does not earn a total of at least one-quarter of a year of Pension Service in either Plan Year, the Employee shall incur a Break in Service. If an Employee experiences two consecutive Break Years after 1975, the Employee shall incur a Break in Service.

If an Employee incurs a Break in Service, all of the Employee's Pension Service and Vesting Service earned before the end of the two Plan Year period which caused the Break in Service shall be forfeited unless the Break in Service occurs after the Employee is vested. The provisions of this Section are subject to the provisions of Section 4.5.

4.3 VESTING. A Program C Participant shall be considered vested (i.e., has a non-forfeitable (except for death) right to the Accrued Benefit associated with the Employee's accumulated Pension Service hereunder) once the Employee satisfies the age and service requirements for a Normal or Early Pension hereunder. Alternately, the Employee is vested if the Employee has earned 10 years of Vesting Service (or, effective January 1, 1989, 5 years of Vesting Service earned for work outside a collective bargaining agreement with the Union). Further, an Employee shall be vested if such Employee has at least five years of Vesting Service and earns at least one hour of Vesting Service after December 31, 1997.

4.4 INTERRUPTED PENSION SERVICE. If a Break in Service occurs after the Employee is vested, his Pension Service and Vesting Service shall not be forfeited. However, all of the Employee's Pension Service shall then be classified as Interrupted Pension Service.

In addition, after 1975, an Employee's Pension Service will be classified as Interrupted Pension Service, even if the Employee does not incur a Break in Service, if the employee experiences two consecutive Plan Years in which the Employee fails to earn at least 250 hours of Pension Service in either Plan Year.

A segment of interrupted Pension service means, for an Employee, any one of the following:

(a) a period of time during which the Employee is a Program C Participant that does not contain a consecutive two Plan Year period which causes a Break in Service for the Employee;

(b) a period of two consecutive Plan Years, during which the Employee is a Program C Participant, that causes a Break in Service but which is not lost because of Program C's vesting provisions, or is later reinstated; or

(c) each successive period of two consecutive Break Years (for the Employee) immediately succeeding a period described in (b) and which is not lost because of Program C's vesting provisions, or is later reinstated.

4.5 REINSTATEMENT. If an Employee who has experienced a Break in Service after 1975, and is not vested at the time of such Break in Service, earns at least 250 hours of Vesting Service in a succeeding Plan Year and such Plan Year occurs before the number of consecutive Break Years charged to the Employee equals the number of years of Vesting Service (or 5, if greater, and such Break in Service occurred after 1985) that the Employee had immediately prior to the Break in Service, then the Pension Service and Vesting Service lost by such Break in Service shall be reinstated. However, all of the Employee's Pension Service shall be then classed as Interrupted Pension Service.

4.6 MILITARY SERVICE. Notwithstanding any provision of this Program C to the contrary, effective December 12, 1994, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code Section 414(u).

In the case of a Participant who dies on or after January 1, 2007 while performing qualified military service (as such term is defined in Code Section 414(u)), the Beneficiaries of the Participant shall be entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) that would have been provided under the Plan to such Beneficiaries as if the Participant had resumed Covered Employment, and then terminated Covered Employment on account of death. In determining the benefit of such a Participant, the Participant will be credited with service for vesting purposes to which he would have been entitled under Code Section 414(u) had he resumed Covered Employment immediately prior to his death.

Notwithstanding anything in the Plan to the contrary, for years beginning after December 31, 2008, (i) an individual receiving a differential wage payment, as defined by Section 3401(h)(2) of the Code shall be treated as an Employee of the Employer making the differential wage payment, solely to the extent required by law, (ii) the differential wage payment shall be treated as compensation for purposes of the Code, solely to the extent required by law, and (iii) the Plan shall not be treated as failing to meet the requirements of any provision described in Section 414(u)(1)(C) of the Code by reason of any contribution or benefit which is based on the differential wage payment.

## ARTICLE V - ELIGIBILITY FOR PENSION BENEFIT

5.1 GENERAL. This Article sets forth the eligibility requirements and benefit amounts for the pensions provided by Program C.

5.2 NORMAL PENSION DATE. The Normal Pension Date for an Employee retiring from the status of Employee hereunder shall be the first day of the month coinciding with or, otherwise, next following the latest of (a), (b), (c), and (d) below:

(a) the Employee's 65th birthday;

(b) the completion of 10 years of Vesting Service (or 5 years of Vesting Service earned for work outside a collective bargaining agreement with the Union), or the attainment of the 5th anniversary of the Employee's Commencement of Participation in Program C or the Prior Plan;

(c) the date of the Employee's proper application for pension; and

(d) the date of the Employee's complete withdrawal form work as an Employee.

5.3 EARLY PENSION DATE. The Early Pension Date for an Employee hereunder shall be the first day of the month coinciding with or, otherwise, next following the latest of (a), (b), (c) and (d) below:

(a) the Employee's 62nd birthday;

(b) the completion of at least 10 years of Vesting Service;

(c) the date of the Employee's proper application for pension; and

(d) the date of the Employee's complete withdrawal from work as an Employee.

5.4 DISABILITY PENSION DATE. The Disability Pension Date for an Employee who becomes totally disabled shall be the first day of the month following the Employee's cessation of employment because of such total disability, upon which all of the following conditions are met:

(a) the Employee has accumulated at least 10 years of Vesting Service;

(b) the Employee is totally disabled and has earned at least 250 hours of Pension

Service during the Plan Year in which the effective date of the Employee's disability pension under Program C or the Prior Plan occurred or in one of the immediately preceding two Plan Years and when the accident that caused the Employee's disability occurred, the Employee was not in a period of gainful work outside employment covered by Program C or the Prior Plan;

(c) the Employee has not yet received a Normal or Early Pension benefit hereunder;

(d) the Employee has submitted a proper application for a pension hereunder; and

(e) he has not reached his 65th birthday.

An Employee shall be considered "totally disabled" for a calendar month only if he is entitled to a Social Security Disability Benefit for such month. In addition, the Trustees shall be the sole and final judges of total and permanent disability and the entitlement to a disability pension.

Upon recovery from disability prior to age 65, an Employee's Pension Service and Vesting Service shall be reinstated, his Disability Pension shall be terminated, and he shall thereafter be treated in the same manner as any other Employee.

## ARTICLE VI - PENSION BENEFITS

6.1 NORMAL PENSION BENEFIT. Each Employee who attains their Normal Pension Date shall be granted a pension hereunder. Such pension, provided the Employee is not receiving the pension benefit as a Participant-and-Spouse Pension, shall be a monthly benefit equal to the products of the Employee's years of Pension Service and the appropriate unit monthly pension benefit determined by the date of the Employee's Normal Pension Date in accordance with the following table:

| Date of Determination | Unit Monthly Pension Benefit |
|---|---|
| **Prior to March 1, 1985** | **$6.67** |
| **March 1, 1985 to February 28, 1988** | **13.33** |
| **March 1, 1988 to December 31, 1989** | **16.67** |
| **January 1, 1990 to Present** | **20.00** |

However, if the Employee has any segment of Interrupted Pension Service, the Employee's monthly benefit shall be the sum of the products of the number of years of Pension Service in each segment and the unit monthly pension benefit in effect for each year of Pension Service for then future Program C Pensioners at the end of each such segment.

In addition, for monthly pension benefits effective prior to 1988, there is a maximum of 30 years of Pension Service that can be utilized in determining an Employee's Normal Pension Benefit.

6.2 EARLY PENSION BENEFIT. Each Employee who attains their Early Pension Date under Section 5.3 shall be granted a pension hereunder.

Such pension shall be calculated as if it were a Normal Pension and then reduced by 1/2 of 1% for each whole calendar month that the Employee's Early Pension Date precedes the Employee's earliest Normal Pension Date.

6.3 DISABILITY PENSION BENEFIT. Each Employee who attains their Disability Pension Date under Section 5.4 shall be granted a monthly benefit hereunder. Such

pension shall be a monthly benefit calculated as if it were a Normal Pension.

6.4 POSTPONED RETIREMENT. Section 6.1 notwithstanding, if a Program C Participant submits a proper pension application later than the date on which the Program C Participant attains their Normal Retirement Age as defined in Section 1.7, the Program C Participant's Normal Pension Benefit effective on their Normal Pension Date as defined in Section 5.2 shall be the larger of (a) and (b) as follows:

(a) the Program C Participant's Normal Pension Benefit as defined in Section 6.1; and

(b) the actuarial equivalent of the Program C Participant's Accrued Pension Benefit, as defined in Section 1.1, on the first of the month coinciding with or otherwise next following the day on which the Program C Participant attains Normal Retirement Age. Such actuarial equivalence shall be calculated using the Unisex Pension 1984 mortality table set forward one year, and a 5% interest rate.

In addition, if an Employee satisfies the eligibility requirements of Article 5.4 but fails to submit a proper application, when the Employee does submit the application, the Disability Pension will be payable retroactive to the date the Employee satisfied the requirements of Article 5.4, but not more than twelve months prior to the date the Employee submitted a proper application.

Any contrary provisions of this Article notwithstanding, payment of benefits from a Program C Participant shall begin no later than the Required Beginning Date as defined in Section 2.6(d) of the Basic Plan Document.

6.5 DURATION OF NORMAL AND EARLY PENSIONS. Each Normal or Early Pension shall be paid in monthly installments starting with the Employee's Pension Date and, unless the pension is being paid a Participant-and-Spouse Pension, ending with the payment due for the month in which the death of the Program C Pensioner occurs.

6.6 DURATION OF DISABILITY PENSIONS. Each Disability Pension shall be paid in monthly installments starting with the Employee's Disability Pension Date and ending with the payment due for the month in which the Program C Pensioner dies, or for the month immediately preceding the month for which the Program C Participant ceases being entitled to a disability benefit, or for the month the Program C Participant attains age 65, whichever occurs first. If the Program C Participant ceases being disabled prior

to age 65, the Program C Participant's Disability Pension shall cease; the Program C Participant shall then be considered an active Employee.

6.7 SMALL PENSION AMOUNTS

In the event the present value of an applied-for Early, Normal or Pre-Retirement Surviving Spouse Pension is no more than $3,500, such present value shall be paid in a lump sum as full payment of such pension.

## ARTICLE VII - SUSPENSION OF EARLY AND NORMAL PENSION BENEFIT

7.1 GENERAL. In the event an Early or Normal Program C Pensioner works at least 40 hours in Prohibited Employment, in the Program C Area in a month, after 1981, for which the Program C Pensioner is entitled to an Early or Normal Pension payment hereunder as the result of the Program C Pensioner's successful application for such payment, the Program C Pensioner's pension payment hereunder for such month shall be withheld and forfeited provided the proper notice is provided to the Program C Pensioner by the Trustees. Such withholding and forfeiture shall not apply to that part of the Program C Pensioner's pension payment derived from the Program C Pensioner's own contributions.

7.2 PROHIBITED EMPLOYMENT. For the purposes of this Article, Prohibited Employment means an hour of employment (whether union or non-union, whether in self-employment or employed, whether actually working or supervising such work, whether contributions are required to be made to the Fund on account of such hour or not) for which the Program C Pensioner is compensated by the Program C Employer;

(a) in the same industry in which Employees covered by Program C worked at the effective date of the effected Employee's Pension; and

(b) in the same profession, trade, or craft in which the effected Employee worked at any time that was classed as Pension Service for the Employee.

7.3 PROGRAM C AREA. For the purposes of this Article, Program C Area means New York State.

7.4 NOTIFICATION. No pension benefit payments may be withheld from a Program C Pensioner in any month unless, and until, during the first such month the Trustees notify the Program C Pensioner of the suspension. Such notification shall be delivered personally or by first class mail and shall contain:

(a) a description of the reason pension payments are being suspended;

(b) a general description of this Article;

(c) a copy of this Article;

(d) a statement that an appeal of the Trustees' decision in this matter may be

accomplished using the Plan's claim denial appeal procedure; and

(e) a statement that the Department of Labor regulations dealing with suspension of benefits may be found in Section 2530.203-3 of the Code of Federal Regulations.

7.5 PRESUMPTION. Subject to correction by actual evidence, the Trustees may presume that a Program C Pensioner who works at least some time in Prohibited Employment in a month has or shall work at least 40 hours in such Prohibited Employment in that month unless, within 5 days of the start of such employment, the Program C Pensioner notifies the Trustees of such commencement and has not refused to cooperate with reasonable requests by the Trustees to assist them in administering the provisions of this Article.

7.6 RESUMPTION OF PENSION PAYMENTS. In order for the payment of monthly pension benefits be resumed under Program C once a suspension described in the first section of this Article has taken place, the Program C Pensioner must notify the Trustees in writing that he has ceased working at Prohibited Employment. The Trustees shall resume the pension payments to the Program C Pensioner, in the same monthly amount that he had been receiving prior to suspension, with the first day of the third calendar month following the calendar month in which the Trustees receive the Program C Pensioner's notice called for in the prior sentence. Subject to the following sections, should the Program C Pensioner be due any payments that were withheld for months prior to the resumption of payments in which the Program C Pensioner did not work the prescribed duration of Prohibited Employment, such withheld payments shall be paid upon recommencement of pension payments.

7.7 RECOVERY. In the event a Program C Pensioner receives a monthly pension payment for a month for which the Trustees have the right to withhold and forfeit such payment, the Trustees shall recover such payment by reducing the payment otherwise payable to the Program C Pensioner for the month immediately following the Program C Pensioner's cessation of work in Prohibited Employment for which payment is not due until the third month following the Program C Pensioner's notification to the Trustees called for in the preceding section. If the reductions described in the prior sentence are not sufficient to permit recovery of payments that should not have been made, the Trustees shall recover such unrecovered difference by reducing the otherwise size of future recommended monthly pension payments by no more than 25% until such recovery is complete.

7.8 STATUS DETERMINATION. A Program C Pensioner or Employee may write to the Trustees to determine if an actual or contemplated employment is Prohibited Employment and the Trustees shall reply to such request for information after securing enough details to make such a judgment.

7.9 SUSPENSION OF BENEFITS BEFORE 1982. If a Normal or Early Program C Pensioner becomes employed before 1982 in the same industry, in the same trade, and in the same geographical area covered by this Plan, or by a plan with which this Plan has a reciprocal agreement, at his Pension Date, the Program C Pensioner's pension benefit payment shall not be payable for any month before 1982 in which the Program C Pensioner works at such employment or self-employment for any length of time.

## ARTICLE VIII - PARTICIPANT-AND-SPOUSE PENSION

8.1 STANDARD FORM.

The Participant-and-Spouse Pension provides a reduced lifetime pension for a Program C Participant who is legally married and has satisfied the age and service requirements for an Early or Normal Pension, plus a lifetime pension for his surviving Spouse commencing after his death, provided that the person who was the Program C Pensioner's Spouse is living at the Program C Pensioner's date of death and has been married to the Program C Pensioner continuously during the one-year period ending on the earlier of (i) the date of the Program C Pensioner's death or (ii) the effective date of the Program C Pensioner's Pension, with (ii) above to be deemed satisfied if the Spouse is married to the Program C Pensioner continuously during a one-year period containing the effective date of the Program C Pensioner's Pension. The Participant-and-Spouse Pension will be paid as a 50% Participant-and-Spouse Pension, unless (i) effective January 1, 2009, the Program C Participant elects a 75% Participant-and-Spouse Pension or (ii) the Program C Participant and the Program C Participant's lawful Spouse have properly elected to forego receiving such pension in the Participant-and-Spouse Pension.

The monthly amount to be paid to the surviving Spouse with a 50% Participant-and-Spouse Pension shall be 50% of the monthly amount paid to the Program C Pensioner. The monthly amount to be paid to the surviving Spouse with a 75% Participant-and-Spouse Pension shall be 75% of the monthly benefit paid to the Program C Pensioner.

8.2 ACTUARIAL REDUCTION. The amount of the monthly benefit payable to the Program C Pensioner at the Program C Pensioner's retirement in the form of a Participant-and-Spouse Pension shall be the reduced actuarial equivalent of the monthly amount calculated in accordance with Article VI hereof. Actuarial equivalence shall be based upon the 1951 Group Annuity Table, Male for Participants and the 1951 Group Annuity Table, Female for Beneficiaries and 4½% interest.

The reduction shall be effective on the Program C Pensioner's effective date of pension.

8.3 ELECTION. In order for a Program C Participant to elect, properly, to forego receiving the 50% Participant-and-Spouse Pension, the Program C Participant (and the Program C Pensioner's lawful Spouse) must, on forms prescribed by the Trustees, make such election no more than 180 days prior to the starting date of the Program C Pensioner's pension. The Program C Pensioner (and the Program C Pensioner's Spouse) may also

change, on forms prescribed by the Trustees, the Program C Pensioner's (and the Program Pensioner's Spouse's) election any time prior to the starting date of the Program C Pensioner's pension.

8.4 ELECTION INFORMATION. Not more than 180 days or less than 30 days prior to the starting date of the Program C Pensioner's pension, the Program C Pensioner shall receive a written notice from the Trustees (or their authorized representative) in nontechnical language containing a general explanation of: (1) the terms and conditions of the 50% Participant-and-Spouse Pension, (2) the Program C Pensioner's right to make and the effect of an election to waive such form of benefit, (3) the rights of a Program C Pensioner's Spouse to consent to such waiver, if spousal consent is required, (4) the right to make, and the effect of, a revocation of such a waiver, and (5) the general financial effect of a rejection of such form of payment.

## ARTICLE IX - LUMP SUM DEATH BENEFIT

9.1 ELIGIBILITY. Each Program C Pensioner who has not retired under the Participant-and-Spouse Pension outlined in Article VIII, and each Program C Participant with at least 5 years of Pension Service, shall be covered for a lump sum death benefit in the event of their death. Such benefit shall be payable as described in this Article.

9.2 AMOUNT. The amount of the lump sum death benefit will be $100.00 times years of Pension Service earned after 1950, subject to a maximum of $1,000.00. The amount of the lump sum death benefit after retirement shall be the lump sum death benefit calculated in the preceding sentence reduced in accordance with the following table:

| **Number of Completed Months Since Retirement Date** | **% Reduction In Lump Sum Death Benefit** |
|---|---|
| **Less than 11 months** | **0%** |
| **11 months** | **10%** |
| **12 to 23 months** | **20%** |
| **24 to 35 months** | **30%** |
| **36 to 47 months** | **40%** |
| **48 months or more** | **50%** |

9.3 COORDINATION WITH PRE-RETIREMENT SURVIVING SPOUSE PENSION. Should an eligible surviving Spouse become entitled to a benefit under Section 10.3 or 10.4, then the Program C Participant's eligible surviving Spouse will be given the option of receiving the present value of the Pre-Retirement Surviving Spouse Pension as a lump sum settlement. If the surviving Spouse elects the lump sum value of the deferred pension, the excess of the value of the lump sum death benefit over the lump sum settlement for the Pre-Retirement Surviving Spouse Pension (if any) would then be paid to the Employee's designated Program C Beneficiary.

Notwithstanding the foregoing, if the actuarial present value of a Participant's applied-for pension benefit does not exceed $5,000 at his benefit commencement date, such pension

benefit shall be paid in the form of a lump sum. The actuarial equivalent lump sum value shall be the amount calculated using the following interest rate and mortality table: the annual interest rate on 30-year Treasury securities in effect during the November immediately preceding the Plan Year in which the distribution is made, and the applicable mortality table used for the purposes of satisfying the requirements of Code Section 417(e), which is the table prescribed in Rev. Rul. 2001-62.

At any time, and from time to time, each Employee and Pensioner who is, or becomes, eligible for the protection of any lump sum death benefit coverage described in Program C, shall have the unrestricted right to designate the Program C Beneficiary or Beneficiaries to receive the death benefit and to revoke such designation. However, and notwithstanding the preceding sentence, if after 1984 an eligible Spouse elects to waive the Participant-and-Spouse Pension as described in Section 8.1, the eligible Spouse shall have the unrestricted right to designate the Program C Beneficiary or Beneficiaries to receive the death benefit and to revoke such designation unless the eligible Spouse waives this right. Each such designation shall be evidenced by a written instrument filed with the Trustees. Any such designation or revocation received by the Trustees after the Employee's or Program C Pensioner's death (or after the eligible Spouse's death if applicable) shall be invalid.

## ARTICLE X - PRE-RETIREMENT SURVIVING SPOUSE PENSION

10.1 ELIGIBILITY. If a Program C Participant dies before the effective date of the Program C Participant's Early or Normal Pension, the Program C Participant's surviving Spouse shall be entitled to a Pre-Retirement Surviving Spouse Pension provided the surviving Spouse is legally married to the Program C Participant at the Program C Participant's date of death and provided, further, that the Program C Participant's date of death is after August 22, 1984, the Program C Participant is vested, and the Program C Participant has been lawfully married to the Program C Participant's Spouse for at least one continuous year prior to the Employee's death.

10.2 FORM. Such Pre-Retirement Surviving Spouse Pension is a monthly benefit payable to the surviving Spouse for life, commencing with the later of the first day of the month following the Program C Participant's death and what would have been the Program C Participant's earliest Early or Normal Pension Date had the Employee lived but earned no more Pension or Vesting Service, and ceasing with the last such monthly payment due immediately preceding such surviving Spouse's death.

10.3 AMOUNT. The amount of the monthly benefit to be paid to the eligible surviving Spouse of the deceased Program C Participant is 50% of the amount that would have been the monthly pension payable to the Program C Participant if the starting date of the Program C Participant's surviving Spouse's Pension had been the starting date of an Early or Normal Pension benefit for the Program C Participant hereunder and such pension were to be paid as a 50% Participant-and-Spouse Pension described in Article VIII.

10.4 OPTIONAL LUMP SUM. In place of any deferred pension benefit to which a surviving Spouse may be entitled, the surviving Spouse may elect a lump sum equivalent. In order to make such election of the optional lump sum effective, the surviving Spouse must make the election, on a form provided by the Trustees, with 60 days of the offer by the Trustees. For purposes of this Section, "deferred benefit" means a monthly pension to the surviving Spouse whose effective is later than the first day of the month immediately following the Program C Participant's death.

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# OFFICIAL TEXT OF THE PENSION PLAN

# LEATHER GOODS, PLASTICS, HANDBAGS AND NOVELTY WORKERS' UNION LOCAL 1, JOINT RETIREMENT FUND

**AMENDED AND RESTATED AS OF JANUARY 1, 2015**

## PROGRAM D
## UNITED MECHANICS 150 PENSION FUND

**THIS PROGRAM D** of the Plan is established pursuant to the merger of the United Mechanics 150 Pension Fund Plan and Rules into JRF, effective December 31, 2008. It reflects the continuing provisions of the former United Mechanics 150 Pension Fund Plan under the JRF. This Program D applies with respect to individuals who were Participants in the United Mechanics 150 Pension Fund as of December 30, 2008 and Employees who are covered under a Collective Bargaining Agreement requiring an Employer to make contributions on their behalf to the Fund for Program D.

Whenever used in Program D, all capitalized terms have the meaning set forth in Article I of the Basic Plan Document, except for those terms defined herein. All Section references in Program D are to the relevant sections of Program D unless otherwise indicated.

The Plan was terminated by Mass Withdrawal effective December 31, 2013. As of December 31, 2013, no additional vesting credit or benefit accruals may be earned under the Plan. Notwithstanding anything herein to the contrary, the provisions of this Program D are subject to the terms of Article IX of the Basic Plan Document.

## ARTICLE I - DEFINITIONS

1.1 Actuarial Equivalent means a benefit of equivalent monetary value as computed by the actuary on the basis of the actuarial assumptions last adopted for this purpose.

1.2 Agreement means a written collective bargaining agreement which obligates a Program D Employer to make contributions to the Fund for Program D.

1.3 Benefit Service has the meaning described in Section 2.2.

1.4 Break in Service has the meaning described in Section 2.5.

1.5 Credited Hour of Service has the meaning described in Section 2.4.

1.6 Date of Employment means the first date on which an Employee earns a Credited Hour of Service.

1.7 Disability has the meaning described in Section 3.4.

1.8 Disability Retirement means retirement under the conditions described in Section 3.3.

1.9 Early Retirement means retirement under the conditions described in Section 3.2.

1.10 Employee means an employee in Covered Employment. Employee also means an employee of the Union or any other employee benefit trust fund affiliated with the Union, provided such employee's Program D Employer agrees to contribute to the Fund for Program D on the same basis as any other Program D Employer.

1.11 Normal Retirement Age means 65 or the age of the Program D Participant on the fifth anniversary of the date of the commencement of participation in Program D or the Prior Fund, whichever is later.

1.12 Occupation means a job covered by an Agreement, including continuous employment in the Occupation before it is covered by an Agreement.

1.13 One-Year Break means any calendar year beginning on or after January 1, 1975 in which a Program D Participant fails to achieve 500 hours of Credited Service and any calendar year ending on or before December 31, 1974 during which a Program D Participant did not receive credit for Covered Employment for at least one calendar quarter during that calendar year.

1.14 Prior Fund means the United Mechanics 150 Pension Fund.

1.15 Prior Plan means the plan of benefits that was provided by the United Mechanics 150 Pension Fund.

1.16 Program D means the program of benefits that is described in this document as adopted by the Trustees and as thereafter amended by the Trustees. Program D is a continuation of the plan of benefits that was provided by the United Mechanics 150 Pension Fund prior to the merger of the United Mechanics 150 Pension Fund into the Fund. For purposes hereof, any references in an Agreement to the Prior Fund shall be deemed to be in reference to Program D.

1.17 Program D Beneficiary means any person designated to receive benefits under Program D upon the death of the Program D Participant; or any person (other than a Program D Participant) otherwise entitled to receive such benefits pursuant to Program D.

1.18 Covered Employment means employment in an Occupation.

1.19 Program D Employer means an employer who is obligated by an Agreement to contribute to the Fund for Program D. Program D Employer also means the Union or to the Fund or any other employee benefit trust fund on behalf of its Employees affiliated with the Union, provided such employer agrees to contribute to the Fund for Program D on the same basis as any other Program D Employer.

1.20 Program D Participant means a Program D Pensioner, an Employee or a former Employee who has met the requirements for participation in Program D of the Plan as set forth in Article II and whose status as a Program D Participant has not been terminated under Section 2.6

1.21 Program D Pensioner means a person to whom a pension under Program D or the Prior Plan is being paid, or to whom a pension would be paid but for time for administrative processing.

1.22 Reciprocal Plan means a plan described in Section 6.2.

1.23 Separation from Service has the meaning described in Section 2.6.

1.24 Spouse means the person to whom an Employee is legally married, as defined under applicable federal law, for at least the twelve months immediately preceding his Annuity Starting

Date or, if he should die before his Annuity Starting Date, the person to whom he was legally married, as defined under applicable federal law, for at least twelve months immediately preceding his death. However, if an Employee has been married to an individual for less than twelve months on his Annuity Starting Date, the individual will be treated as the Employee's Spouse if they remain married for at least twelve months.

1.25 Union means United Food and Commercial Workers Union Local 174, AFL-CIO as successor by merger to United Food and Commercial Workers Union Local 1-3 FLM-FJC, AFL–CIO and its successors.

1.26 Vesting Service has the meaning described in Section 2.3.

1.27 1,000-Hour Test means that a Program D Participant earns no less than 1,000 Credited Hours of Service during a specified Calendar Year.

## ARTICLE II - PARTICIPATION, BENEFIT SERVICE CREDIT, AND BREAK IN SERVICE

2.1 Participation

(a) An Employee who was a participant in the Prior Plan as of December 30, 2008 and who had not then and has not since suffered a Break in Service is a Program D Participant.

(b) An Employee of a Program D Employer covered under an Agreement that requires contributions to the Fund for Program D and who is not a Program D Participant under Section 2.1(a) shall become a Program D Participant on the January 1 or July 1 following completion of a twelve consecutive month period of employment beginning on the Employee's Date of Employment and anniversaries of that date in which the Employee completes at least 1,000 credited Hours of Service.

(c) Participation terminates on the death of the Program D Participant. It also terminates upon the Program D Participant's Separation from Service unless the Program D Participant (i) then retires, or (ii) is then eligible for a benefit under Article III.

(d) After a Separation from Service, an Employee who has not suffered a Break in Service again becomes a Program D Participant on the first day of his reemployment. An Employee who has suffered a Break in Service must reenter Program D as a new Employee.

2.2 Benefit Service

A Program D Participant's Benefit Service is the sum of his Benefit Service prior to January 1, 1975 and after December 31, 1974, since his last Break in Service, as follows:

(a) a Program D Participant will earn Benefit Service for periods of employment prior to January 1, 1955 during which he was either (a) employed in a job covered by a collective bargaining agreement even if the collective bargaining agreement did not require contributions to Program D or the Prior Fund, or (b) for periods of employment in a job before it was covered by a collective bargaining agreement if his employer was thereafter required to contribute to Program D and the Program

D Participant was then in the Program D Employer's employ.

In either case, periods of employment before January 1, 1940 are not counted.

(b) A Program D Participant will earn Benefit Service for periods of employment between January 1, 1955 and December 31, 1958 during which he was either (a) employed in a job covered by a collective bargaining agreement requiring contributions to Program D or the Prior Fund or (b) employed in a job covered by a collective bargaining agreement with an employer who became a Program D Employer during the Employee's period of employment with said Program D Employer.

(c) A Program D Participant will earn Benefit Service for periods of employment between January 1, 1959 and December 31, 1969 during which he was either (a) employed in a job covered by a collective bargaining agreement requiring contributions to Program D or the Prior Fund or (b) employed in a job covered by a collective bargaining agreement with an employer who became a Program D Employer during the Employee's employment with said Program D Employer, provided that said Program D Participant earned at least $1,000 in a calendar year or $250 in a calendar quarter during the period January 1, 1955 through December 31, 1966 and at least $2,100 in a calendar year or $525 in a calendar quarter during the period January 1, 1967 and December 31, 1969.

(d) A Program D Participant's Benefit Service for periods of employment between January 1, 1970 and December 31, 1974 is determined by his number of years and fractions of a year calculated by years of employment by a Program D Employer pursuant to an Agreement, provided that said Program D Participant earned at least $2,100 in a calendar year or $252 in a calendar quarter during such period.

(e) The plan in effect during the respective foregoing periods determines the Benefit Service earned by the Program D Participant during each of these periods.

(f) After December 31, 1974 a Program D Participant earns one year of Benefit Service for each Plan Year after December 31, 1974 during which he has at least 1,000 Credited Hours of Service.

(g) Provided that (a) reemployment is initiated after December 12, 1994 and (b) the requirements of 38 U.S.C. Section 4312 are met, a Program D Participant will

earn Benefit Service for a period of military service which immediately follows Covered Employment.

2.3 Vesting Service

(a) A Program D Participant's Vesting Service before January 1, 1975 is determined by his years of Covered Employment under the provisions of the Prior Plan in effect on December 31, 1974.

(b) For each Plan Year beginning on January 1, 1975, an Employee earns one year of Vesting Service if he has 1,000 or more Credited Hours of Service during that Plan Year.

(c) An employee is not credited with any Vesting Service for any period before a Break in Service or for any employment prior to the date his employer became a Program D Employer.

(d) A Program D Participant who earns one Credited Hour of Service on or after January 1, 1976 and who completes ten years of Vesting Service, including three years after 1970, has a nonforfeitable right to a benefit under Program D or the Prior Plan.

(e) A Program D Participant who earns one Credited Hour of Service on or after January 1, 1999, and who completes five years of Vesting Service has a nonforfeitable right to a benefit under Program D or the Prior Plan.

2.4 Credited Hours of Service

Beginning January 1, 1975, Credited Hours of Service means:

(a) Each hour for which an Employee is paid, or entitled to payment, for the performance of duties in Covered Employment. These hours are credited to the Employee for the Plan Year in which duties are performed.

(b) Each hour for which an Employee is paid, or entitled to payment, for periods when no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty, or leave of absence. Except in the case of military service on or after December 12, 1994, no more than the

hourly equivalent of 26 weeks of service may be credited under this Section for any single continuous period (whether or not such period occurs in a single Plan Year). Hours under this Section are calculated and credited pursuant to Department of Labor Regulation Section 2530.200b-2, which are incorporated herein by reference for hourly Employees and piece-work Employees, and 38 U.S.C. Section 4312.

(c) Each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Program D Employer. Such hours are credited to the Employee for the year or years to which the award or agreement pertains rather than the year in which the award, agreement, or payment is made, and they may not duplicate hours credited under (1) or (2) of this Section.

(d) Hours are measured by actual hours.

2.5 Break in Service

(a) A Break in Service will be deemed to have occurred prior to January 1, 1975, if a Program D Participant sustained a Break in Service under the terms of the Prior Plan in effect at the time the Program D Participant separated from service within the meaning of Section 2.6.

(b) A Break in Service will be deemed to have occurred on or after January 1, 1975, if an Employee fails to earn at least 501 Credited Hours of Service in any year of Vesting Service.

(i) If an Employee incurs a Break in Service on or after January 1, 1975 but before January 1, 1987, all prior Benefit Service will be cancelled if the consecutive years of the Employee's Break in Service exceeded his years of Vesting Service accrued prior to the Break in Service. If an Employee returns to work for a Program D Employer and the consecutive years of his Break in Service do not exceed his years of Vesting Service accrued prior to his Break in Service, and he earns one year of Vesting Service following his resumption of employment, measured from his Reemployment Commencement Date, in accordance with Department of Labor Regulation Section 2530.200b-4 (b) (iii) and (iv), which is incorporated herein by reference, his Benefit Service accrued prior to his Break in Service shall be reinstated.

(ii) If an Employee incurs a Break in Service on or after January 1, 1987, all prior Benefit Service will be cancelled if:

(A) The years of Vesting Service accrued prior to the Break in Service are less than five and the consecutive years of the Employee's Break in Service are equal to or greater than five.

(B) The years of Vesting Service accrued prior to the Break in Service are five or more, but less than ten, and the consecutive years of the Employee's Break in Service are equal to or greater than the number of years of Vesting Service.

(iii) If an Employee incurs a Break in Service on or after January 1, 1999, all prior Benefit Service will be cancelled if the years of Vesting Service accrued prior to the Break in Service are less than five and the consecutive years of the Employee's Break in Service are equal to or greater than five.

(c) No Break in Service shall be charged to an Employee for military service in the armed forces of the United States if the following conditions are met:

(i) If reemployment with an Program D Employer is initiated prior to December 12, 1994: Approved leave of absence due to military service in the armed forces of the United States in a time of national emergency or enlisted military service of up to four years' duration (or five years' if the fifth year is at the request of the government of the United States) will not cause a Break in Service, provided the Employee returns to work after the conclusion of such military service within the time period prescribed by federal law in effect on the date reemployment is initiated.

(ii) If reemployment with an Program D Employer is initiated on or after December 12, 1994, such period of military service did not exceed the applicable maximum period stated in 38 U.S.C. Section 4312, provided that the Program D Participant meets the requirements of 38 U.S.C. Section 4312 (e).

(d) Effective January 1, 1987, no Break in Service shall be charged to an Employee for any year of Vesting Service in which the failure to earn 501 Credited Hours of Service is due to pregnancy of the Employee, the birth of a child to the Employee,

the placement of a child with the Employee in connection with the adoption of such child by the Employee or for purposes of caring for such child for a period beginning immediately following such birth or placement. If the preceding sentence is not necessary to prevent a Break in Service from being charged in the year of Vesting Service in which an event described in that sentence occurs, then no Break in Service shall be charged to such individual in the immediately following year of Vesting Service.

(e) Notwithstanding the prior provisions of this Section, Benefit Service will not be cancelled if an Employee terminates his employment after having become eligible for a Deferred Vested Benefit as provided in Section 3.5.

2.6 Separation from Service

A Separation from Service occurs on the day on which a Program D Participant quits, retires, is discharged, dies while actively employed, or otherwise severs his employment status with the Program D Employer, or on the December 31 of the calendar year in which a Program D Participant has a One-Year Break, whichever is earliest. A Separation from Service is disregarded if the Program D Participant is thereafter credited with a year of Vesting Service before he has a Break in Service.

2.7 Transfers to or from Bargaining Unit

A Program D Participant's employment by the same Program D Employer immediately before or after his transfer into or out of Covered Employment is counted in determining his eligibility for Participation, his Vesting Service, and in determining whether he has incurred a One-Year Break.

2.8 Military Service

Effective as of December 12, 1994, notwithstanding any provision of this Program D to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code Section 414(u).

In the case of a Participant who dies on or after January 1, 2007 while performing qualified military service (as such term is defined in Code Section 414(u)), the Beneficiaries of the Participant shall be entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) that would have been

provided under the Plan to such Beneficiaries as if the Participant had resumed Covered Employment, and then terminated Covered Employment on account of death. In determining the benefit of such a Participant, the Participant will be credited with service for vesting purposes to which he would have been entitled under Code Section 414(u) had he resumed Covered Employment immediately prior to his death.

Notwithstanding anything in the Plan to the contrary, for years beginning after December 31, 2008, (i) an individual receiving a differential wage payment, as defined by Section 3401(h)(2) of the Code shall be treated as an Employee of the Employer making the differential wage payment, solely to the extent required by law, (ii) the differential wage payment shall be treated as compensation for purposes of the Code, solely to the extent required by law, and (iii) the Plan shall not be treated as failing to meet the requirements of any provision described in Section 414(u)(1)(C) of the Code by reason of any contribution or benefit which is based on the differential wage payment.

## ARTICLE III - ELIGIBILITY FOR PENSIONS

3.1 Normal Retirement

A Program D Participant who either (i) has at least 20 years of Benefit Service or (ii) does not incur a One-Year Break in each of the Plan Years of and preceding his attainment of Normal Retirement Age caused by a Separation from Service, is entitled to retire on a non-forfeitable Normal Retirement Benefit under Program D, commencing as of the first day of any month coincident with or after the date on which he attains Normal Retirement Age.

3.2 Early Retirement

A Program D Participant is eligible to receive an Early Retirement Benefit on the first day of any month coincident with or after both (i) the attainment of age 62, and (ii) the completion of at least twenty years of Benefit Service.

3.3 Disability Retirement

A Program D Participant is eligible to receive a Disability Retirement Benefit on the first day of the month coincident with or after the date on which he (i) either becomes totally disabled before or within twelve months of the date on which he incurs a Separation from Service, and (ii) completes at least fifteen years of Benefit Service, except that the Disability Retirement Benefit of a Program D Participant who is receiving statutory disability benefits shall begin the month following the termination of said disability benefits.

3.4 Disability Defined

(a) A Program D Participant is deemed to be totally disabled only if, on the basis of proof satisfactory to the Trustees, he is totally unable to engage in any gainful occupation whatsoever.

(b) The Trustees may require a Program D Participant applying for or receiving a Disability Benefit to submit to an examination by a physician selected by them as a condition of receiving or continuing to receive the benefit, but not more frequently than annually. No examination may be required after the Program D Participant attains Normal Retirement Age.

(c) The Trustees are the sole and final judges of the existence of total disability and of entitlement to a Disability Benefit. They may accept as such proof a determination by the Social Security Administration that the Employee is entitled to a Social Security Disability Benefit. They may from time to time require proof of continued entitlement to the Social Security Disability Benefit.

3.5 Deferred Vested Benefits

A Program D Participant with at least three years of Vesting Service after 1970 who incurs a Separation from Service, after he has completed at least five years of Vesting Service but before he has (i) completed twenty years of Benefit Service and (ii) become eligible for either an Early Retirement Benefit or a Normal Retirement Benefit under Program D, is entitled to receive a Deferred Vested Benefit commencing as of the first day of the month coinciding with or next following the date on which he attains Normal Retirement Age.

## ARTICLE IV - COMPUTATION AND PAYMENT OF RETIREMENT BENEFITS

4.1 Normal Retirement Benefit

(a) Retirement before January 1, 1975:

(i) The monthly retirement benefit payable to a Program D Participant who retires before January 1, 1975 under the Normal Retirement provision of Program D is the benefit to which said Program D Participant was entitled under the terms of the Program D in effect on the date of his retirement, as the same may have been increased by amendments to said plan of benefits adopted and made effective on or before and December 31, 1974.

(ii) If the pension of a Program D Participant who retired under Subsection (i) of this Section 4.1(a) (or the Spouse's pension of the Spouse of such Program D Participant) is still in pay status on December 31, 1977, the amount of said pension (or Spouse's pension) shall be increased by $4.00 or 5%, whichever is greater, effective January 1, 1978.

(iii) If the pension of a Program D Participant who retired under Subsection (i) of this Section 4.1(a) (or the Spouse's pension of the Spouse of such Program D Participant) is still in pay status on December 31, 1980, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1981.

(iv) If the pension of a Program D Participant who retired under Subsection (i) of this Section 4.1(a) (or the Spouse's pension of the Spouse of such Program D Participant) is still in pay status on January 1, 1983, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1983.

(v) If the pension of a Program D Participant who retired under Subsection (i) of this Section 4.1(a) (or the Spouse's pension of the Spouse of such Program D Participant) is still in pay status on December 31, 1986, the amount of said pension (or Spouse's pension) shall be increased by 10%, effective January 1, 1987.

(vi) If the pension of a Program D Participant who retired under Subsection (i)

of this Section 4.1(a) (or the Spouse's pension of the Spouse of such Program D Participant) is still in pay status on January 1, 1993, the amount of said pension (or Spouse's pension) shall be increased by an additional $5.00 or 5%, whichever is greater, effective January 1, 1993; provided, however, that if the amount of said pension was less than $100 as of December 31, 1992, the increase in said pension shall be $10.

(vii) If the pension of a Program D Participant who retired under Subsection (i) of this Section 4.1(a) (or the Spouse's pension of a Spouse of such Program D Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1997.

(viii) If the pension of a Program D Participant who retired, under Subsection (i) of this Section 4.1(a) (or the Spouse's pension of a Spouse of such Program D Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 15%, effective January 1, 1999.

(b) Retirement on or after January 1, 1975 through December 31, 1977:

(i) The monthly retirement benefit payable to a Program D Participant who retires on or after January 1, 1975, but before January 1, 1978, under the Normal Retirement provision, is the greater of either:

(A) an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each additional year of Benefit Service in excess of ten years, but not to exceed a benefit of $100.00 per month; or

(B) for Program D Participants in Covered Employment on December 31, 1974, an amount computed as follows: that part of the retirement benefit based upon Covered Employment before January 1, 1975 is computed as a fraction of what the Program D Participant's benefit would have been under the plan in effect on December 31, 1974 if the Program D Participant had continued in Covered Employment under Program D of the Plan until Normal Retirement Age. The fraction is determined by dividing the years

of Benefit Service at December 31, 1974 by the sum of these years plus the additional years of Benefit Service the Program D Participant would have if he continued in full-time Covered Employment until his Normal Retirement Age. The retirement benefit derived from Covered Employment after January 1, 1975 is computed at the rate of $3.00 for each of the first ten years of Benefit Service and $3.50 for each additional year of Benefit Service up to thirty years, but not to exceed $100.00 per month.

(ii) If the pension of a Program D Participant who retired under Subsection (i) of this Section 4.1(b) (or the Spouse's pension of the Spouse of such Program D Participant) is still in pay status on December 31, 1977, the amount of said pension (or Spouse's pension) shall be increased by $4.00 or 5%, whichever is greater, effective January 1, 1978.

(iii) If the pension of a Program D Participant who retired under Subsection (i) of this Section 4.1(b) (or the Spouse's pension of the Spouse of such Program D Participant) is still in pay status on December 31, 1980, the amount of said pension (or Spouse's pension) shall be increased by 10%, effective January 1, 1981.

(iv) If the pension of a Program D Participant who retired under Subsection (i) of this Section 4.1(b) (or the Spouse's pension of a Spouse of such Program D Participant) is still in pay status on January 1, 1983, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1983.

(v) If the pension of a Program D Participant who retired under Subsection (i) of this Section 4.1(b) (or the Spouse's pension of the Spouse of such Program D Participant) is still in pay status on December 31, 1986, the amount of said pension (or Spouse's pension) shall be increased by 10%, effective January 1, 1987.

(vi) If the pension of a Program D Participant who retired under Subsection (i) of this Section 4.1(b) (or the Spouse's pension of the Spouse of such Program D Participant) is still in pay status on January 1, 1993, the amount of said pension (or Spouse's pension) shall be increased by an

additional $5.00 or 5%, whichever is greater, effective January 1, 1993; provided, however, if the amount of said pension was less than $100 as of December 31, 1992, the increase in said pension shall be $10.

(vii) If the pension of a Program D Participant who retired under Subsection (i) of this Section 4.1(b) (or the Spouse's pension of a Spouse of such Program D Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1997.

(viii) If the pension of a Program D Participant who retired under Subsection (i) of this Section 4.1(b) (or the Spouse's pension of a Spouse of such Program D Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 15%, effective January 1, 1999.

(c) Retirement on or after January 1, 1978, through December 31, 1980:

(i) The monthly lifetime retirement benefit payable to a Program D Participant who retires on or after January 1, 1978 but before January 1, 1981, under the Normal Retirement provision, and who meets the 1,000-Hour Test in 1977 or any subsequent year is an amount equal to $3.60 per month for each of the first ten years of Benefit Service plus $4.80 per month for each additional year of Benefit Service in excess of ten years, but not to exceed a benefit of $180 per month.

(ii) The monthly lifetime retirement benefit payable to a Program D Participant who retires on or after January 1, 1978 but before January 1, 1981, under the Normal Retirement provision, but who does not meet the 1,000-Hour Test in 1977 or any subsequent year is the greater of either:

(A) an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each additional year of Benefit Service in excess of ten years, but not to exceed a benefit of $100.00 per month; or

(B) for Program D Participants in Covered Employment on December 31, 1974, an amount computed as follows: that part of the

retirement benefit based upon Covered Employment before January 1, 1975 is computed as a fraction of what the Program D Participant's benefit would have been under the plan in effect on December 31, 1974 if the Program D Participant had continued in Covered Employment until Normal Retirement Age. The fraction is determined by dividing the years of Benefit Service at December 31, 1974 by the sum of these years plus the additional years of Benefit Service the Program D Participant would have if he continued in full-time Covered Employment until his Normal Retirement Age. The retirement benefit derived from Covered Employment after January 1, 1975 is computed at the rate of $3.00 for each of the first ten years of Benefit Service and $3.50 for each additional year of Benefit Service up to thirty years, but not to exceed $100.00 per month. The benefit calculated pursuant to 4.1(c)(ii)(A) or (B) is then increased by $4.00 or 5%, whichever is greater.

(iii) If the pension of a Program D Participant who retired under Subsection (i) or (ii) of this Section 4.1(c) (or the Spouse's pension of the Spouse of such Program D Participant) is still in pay status on December 31, 1980, the amount of said pension (or Spouse's pension) shall be increased by 10%, effective January 1, 1981.

(iv) If the pension of a Program D Participant who retired under Subsection (i) or (ii) of this Section 4.1(c) (or the Spouse's pension of the Spouse of such Program D Participant) is still in pay status on January 1, 1983, the amount of said pension (or Spouse's pension) shall be increased by 10%, effective January 1, 1983.

(v) If the pension of a Program D Participant who retired under Subsection (i) or (ii) of this Section 4.1(c) (or the Spouse's pension of the Spouse of such Program D Participant) is still in pay status on December 31, 1986, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1987.

(vi) If the pension of a Program D Participant who retired under Subsection (i) or (ii) of this Section 4.1(c) (or the Spouse's pension of the Spouse of such

Program D Participant) is still in pay status on January 1, 1993, the amount of said pension. (or Spouse's pension) shall be increased by an additional $5.00 or 5%, whichever is greater, effective January 1, 1993; provided, however, if the amount of said pension was less than $100 as of December, 1992, the increase in said pension shall be $10.

(vii) If the pension of a Program D Participant who retired under Subsection (i) or (ii) of this Section 4.1(c) (or the Spouse's pension of a Spouse of such Program D Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1997.

(viii) If the pension of a Program D Participant who retired under Subsection (i) or (ii) of this Section 4.1(c) (or the Spouse's pension of a Spouse of such Program D Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 15%, effective January 1, 1999.

(d) Retirement on or after January 1, 1981 through December 31, 1982:

(i) The monthly lifetime retirement benefit payable to a Program D Participant who retires on or after January 1, 1981 but before January 1, 1983, under the Normal Retirement provision, and who meets the 1,000-Hour Test in 1980 or any subsequent year is an amount equal to the sum of $5.00 for each year of Benefit Service.

(ii) The monthly lifetime retirement benefit payable to a Program D Participant who retires on or after January 1, 1981, but before January 1, 1983, under the Normal Retirement provision, who does not meet the 1,000-Hour Test in 1980 or any subsequent year but who meets the I,000-Hour Test in 1977, 1978 or 1979, is an amount equal to the sum of $3.60 for each of the first ten years of Benefit Service plus $4.80 for each year of Benefit Service in excess of ten years but not more than $180. The total is then increased by 10%.

(iii) The monthly lifetime retirement benefit payable to a Program D Participant who retires on or after January 1, 1981 but before January 1, 1983, under the Normal Retirement provision, who does not meet the

requirements of either Subsection (i) or (ii) of this Section 4.1(d), is an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3,50 for each year of Benefit Service in excess of ten years, but not more than $100. The total is then increased by 15%.

(iv) If the pension of a Program D Participant who retired under Subsection (i), (ii) or (iii) of this Section 4.1(d) (or the Spouse's pension of the Spouse of such Program D Participant) is still in pay status on January 1, 1983, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1983.

(v) If the pension of a Program D Participant who retires under Subsection (i), (ii) or (iii) of this Section 4.1(d) (or the Spouse's pension of the Spouse of such Program D Participant) is still in pay status on December 31, 1986, the amount of said pension (or Spouse's pension) shall be increased by 10%, effective January 1, 1987.

(vi) If the pension of a Program D Participant who retired under Subsection (i), (ii) or (iii) of this Section 4.1(d) (or the Spouse's pension of the Spouse of such Program D Participant) is still in pay status on January 1, 1993, the amount of said pension (or Spouse's pension) shall be increased by an additional $5.00 or 5%, whichever is greater, effective January 1, 1993; provided, however, if the amount of said pension was less than $100 as of December, 1992, the increase in said pension shall be $10.

(vii) If the pension of a Program D Participant who retired under Subsection (i), (ii) or (iii) of this Section 4.1(d) (or the Spouse's pension of a Spouse of such Program D Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1997.

(viii) If the pension of a Program D Participant who retired under Subsection (i), (ii) or (iii) of this Section 4.1(d) (or the Spouse's pension of a Spouse of such Program D Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 15%, effective January 1, 1999.

(e) Retirement on or after January 1, 1983 through December 31, 1986:

(i) The monthly lifetime retirement benefit payable to a Program D Participant who retires on or after January 1, 1983 but before January 1, 1987, under the Normal Retirement provision, and who meets the 1,000-Hour Test in 1982 or any subsequent year is an amount equal to the sum of $7.50 for each year of Benefit Service.

(ii) The monthly lifetime retirement benefit payable to a Program D Participant who retires on or after January 1, 1983 but before January 1, 1987, under the Normal Retirement provision, who does not meet the 1,000-Hour Test in 1982 or any subsequent year but who meets the 1,000-Hour Test in 1980 or 1981, is an amount equal to the sum of $5.00 for each year of Benefit Service. The total is then increased by 10%.

(iii) The monthly retirement benefit payable to a Program D Participant who retires on or after January 1, 1983 but before January 1, 1987, under the Normal Retirement provision, who does not meet the 1,000-Hour Test in 1980 or any subsequent year but who meets the 1,000-Hour Test in 1977, 1978 or 1979 is an amount equal to the sum of $3.60 for each of the first ten years of Benefit Service plus $4.80 for each year of Benefit Service in excess of ten years but not more than $180. The total is then increased by 10%. The total is then increased by an additional 10%.

(iv) The monthly lifetime retirement benefit payable to a Program D Participant who retires on or after January 1, 1983 but before January 1, 1987, under the Normal Retirement provision, who does not meet the requirements of Subsection (i), (ii) or (iii) of this Section 4.1(e), is an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each year of Benefit Service in excess of ten years, but not more than $100. The total is then increased by 25%.

(v) If the pension of a Program D Participant who retired under Subsection (i), (ii), (iii) or (iv) of this Section 4.1(e) (or the Spouse's pension of the Spouse of such Program D Participant) is still in pay status on December 31, 1986, the amount of said pension (or Spouse's pension) shall be increased by 10%, effective January 1, 1987.

(vi) If the pension of a Program D Participant who retired under Subsection (i), (ii), (iii) or (iv) of this Section 4.1(e) (or the Spouse's pension of the Spouse of such Program D Participant) is still in pay status on January 1, 1993, the amount of said pension (or Spouse's pension) shall be increased by an additional $5.00 or 5%, whichever is greater, effective January 1, 1993; provided, however, if the amount of said pension was less than $100 as of December, 1992, the increase in said pension shall be $10.

(vii) If the pension of a Program D Participant who retired under Subsection (i), (ii), (iii) or (iv) of this Section 4.1(e) (or the Spouse's pension of a Spouse of such Program D Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1997.

(viii) If the pension of a Program D Participant who retired under Subsection (i), (ii), (iii) or (iv) of this Section 4.1(e) (or the Spouse's pension of a Spouse of such Program D Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 15%, effective January 1, 1999.

(f) Retirement on or after January 1, 1987 through December 31, 1992:

(i) The monthly lifetime retirement benefit payable to a Program D Participant who retires on or after January 1, 1987 but before January 1, 1993, under the Normal Retirement provision and who meets the 1000-Hour Test in 1986 or any subsequent year, is an amount equal to the sum of $10.00 for each year of Benefit Service.

(ii) The monthly lifetime benefit payable to a Program D Participant who retires on or after January 1, 1987 but before January 1, 1993, under the Normal Retirement provision, who does not meet the 1000-Hour Test in 1982, 1983, 1984 or 1985 is an amount equal to the sum of $7.50 for each year of Benefit Service. The total is then increased by 10%.

(iii) The monthly retirement benefit payable to a Program D Participant who retires on or after January 1, 1987 but before January 1, 1993, under the Normal Retirement provision, who did not meet the 1,000-Hour Test in 1982 or any subsequent year but who meets the 1000-Hour Test in 1980 or

1981, is an amount equal to the sum of $5.00 for each year of Benefit Service. The total is then increased by 10%. The total is then increased by an additional 10%.

(iv) The monthly lifetime retirement benefit payable to a Program D Participant who retires on or after January 1, 1987 but before January 1, 1993, under the Normal Retirement provision, who does not meet the 1,000-Hour Test in 1980 or any subsequent year, but who meets the 1,000-Hour Test in 1977, 1978, or 1979 is an amount equal to the sum of $3.60 for each of the first ten years of Benefit Service plus $4.80 for each year of Benefit Service in excess of ten years, but not more than $180. The total is then increased by 10%. The total is then increased by an additional 10%. The total is then increased by an additional 10%.

(v) The monthly lifetime retirement benefit payable to a Program D Participant who retires on or after January 1, 1987 but before January 1, 1993, under the Normal Retirement provision, who does not meet the requirements of Subsection (i), (ii), (iii) or (iv) of this Section 4.1(f) is an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each year of Benefit Service in excess of ten years, but not more than $100. The total is then increased by 25%.

(vi) If the pension of a Program D Participant who retires under Subsection (i), (ii), (iii), (iv) or (v) of this Section 4.1(f) (or the Spouse's pension of the Spouse of such Program D Participant) is still in pay status on January 1, 1993, the amount of said pension (or Spouse's pension) shall be increased by an additional $5.00 or 5%, whichever is greater, effective January 1, 1993; provided, however, if the amount of said pension was less than $100 as of December, 1992, the increase in said pension shall be $10.

(vii) If the pension of a Program D Participant who retired under Subsection (i), (ii), (iii), (iv) or (v) of this Section 4.1(f) (or the Spouse's pension of a Spouse of such Program D Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1997.

(viii) If the pension of a Program D Participant who retired under Subsection (i),

(ii), (iii), (iv) or (v) of this Section 4.1(f) (or the Spouse's pension of a Spouse of such Program D Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 15%, effective January 1, 1999.

(g) Retirement on or after January 1, 1993:

(i) The monthly lifetime retirement benefit payable to a Program D Participant who retires on or after January 1, 1993, under the Normal Retirement provision, and who meets the 1,000-Hour Test in 1992 or any subsequent year is an amount equal to the sum of $10.50 for each year of Benefit Service earned prior to January 1, 1993 and $11.50 for each year of Benefit Service earned after January 1, 1993.

(ii) The monthly lifetime retirement benefit payable to a Program D Participant who retires on or after January 1, 1993, under the Normal Retirement provision, who does not meet the 1,000-Hour Test in 1992 or any subsequent year, but who meets the 1,000-Hour Test in 1986, 1987, 1988, 1989, 1990 or 1991, is an amount equal to the sum of $10.00 for each year of Benefit Service.

(iii) The monthly retirement benefit payable to a Program D Participant who retires on or after January 1, 1993, under the Normal Retirement provision, who does not meet the 1000-Hour Test in 1986 or any subsequent year but who meets the 1,000-Hour Test in 1982, 1983, 1984 or 1985 is an amount equal to the sum of $7.50 for each year of Benefit Service. The total is then increased by 10%.

(iv) The monthly lifetime retirement benefit payable to a Program D Participant who retires on or after January 1, 1993, under the Normal Retirement provision, who does not meet the 1,000-Hour Test in 1982 or any subsequent year, but who meets the 1,000-Hour Test in 1980 or 1981, is an amount equal to the sum of $5.00 for each year of Benefit Service. The total is then increased by 10%. The total is then increased by an additional 10%.

(v) The monthly lifetime retirement benefit payable to a Program D Participant who retires on or after January 1, 1993, under the Normal

Retirement provision, who does not meet the 1,000-Hour Test in 1980 or any subsequent year, but who meets the 1,000-Hour Test in 1977, 1978, or 1979, is an amount equal to $3.60 for each of the first ten years of Benefit Service plus $4.80 for each year of Benefit Service in excess of ten years, but not more than $180. The total is then increased by 10%. The total is then increased by an additional 10%. The total is then increased by an additional 10%.

(vi) The monthly retirement benefit payable to a Program D Participant who retires on or after January 1, 1993, under the Normal Retirement provision, who does not meet the requirements of Subsection (i), (ii), (iii), (iv) or (v) of this Section 4.1(g) is an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each year of Benefit Service in excess of ten, but not more than $100. The total is then increased by 15%. The total is then increased by an additional 10%. The total is then increased by an additional 10%.

(vii) If the pension of a Program D Participant who retires under Subsection (i), (ii), (iii), (iv) or (v) of this Section 4.1(g) (or the Spouse's pension of the Spouse of such Program D Participant) is still in pay status on January 1, 1993, the amount of said pension (or Spouse's pension) shall be increased by an additional $5.00 or 5%, whichever is greater, effective January 1, 1993; provided, however, if the amount of said pension was less than $100 as of December 1992, the increase in said pension shall be $10.

(viii) If the pension of a Program D Participant who retired under Subsection (i), (ii), (iii), (iv), (v) or (vi) of this Section 4.1(g) (or the Spouse's pension of a Spouse of such Program D Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1997.

(ix) If the pension of a Program D Participant who retired under Subsection (i), (ii), (iii), (iv), (v) or (vi) of this Section 4.1(g) (or the Spouse's pension of a Spouse of such Program D Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 15%, effective January 1, 1999.

(h) Retirement on or after January 1, 1997

(i) Effective January 1, 1997, the amount of the monthly lifetime retirement benefit otherwise payable under the Normal Retirement provisions to a Program D Participant who retires on or after January 1, 1997 and prior to January 1, 1999 shall be increased by 10%.

(ii) Effective January 1, 1999, the amount of the monthly lifetime retirement benefit otherwise payable under the Normal Retirement provisions to a Program D Participant who retires on or after January 1, 1997 and prior to January 1, 1999 shall be increased by 15%.

4.2 Early Retirement Benefit

(i) The monthly lifetime retirement benefit payable to a Program D Participant who is entitled to receive an Early Retirement Benefit pursuant to Section 3.2 and who elects, prior to January 1, 1993, to commence receiving his pension prior to attaining his Normal Retirement Age is an amount equal to that to which the Program D Participant would have been eligible if he had then attained Normal Retirement Age multiplied by the appropriate factor from the following table:

| **Attained Age at Pension Commencement** | **Factor** |
|---|---|
| **62** | **73.2%** |
| **63** | **81.0%** |
| **64** | **90.0%** |

(ii) The monthly lifetime retirement benefit payable to a Program D Participant who is entitled to receive an Early Retirement Benefit pursuant to Section 3.2 and who elects, on or after January 1, 1993, to commence receiving his pension prior to his Normal Retirement Age is an amount equal to that which the Program D Participant would have been eligible if he had then attained Normal Retirement Age reduced by one half of one percent (0.5%) for each month by which the Program D Participant's pension commencement date precedes the date on which he attains his Normal Retirement Age.

4.3 Disability Retirement Benefit

The monthly benefit payable to a Program D Participant during his total disability prior to age sixty-five and for life thereafter is an amount equal to the Normal Retirement Benefit for which he would have been eligible if he had attained Normal Retirement Age at the time he became totally disabled. However, if the Program D Participant is receiving disability benefits from the FLM Joint Board Benefit Fund or any successor by merger on the date he is eligible for a disability retirement benefit, his disability pension will begin the month after he ceases to receive disability benefits from the FLM Joint Board Benefit Fund.

4.4 Deferred Vested Benefits

A Program D Participant who is entitled to a Deferred Vested Benefit pursuant to Section 3.5 will be entitled to receive a monthly lifetime benefit commencing on the first day of the month coincident with or next following his Normal Retirement Age.

(a) Separation from Service before January 1, 1975:

(i) If a Program D Participant incurs a Separation from Service before January 1, 1975, and such Program D Participant is entitled to a Deferred Vested Benefit under the terms of the plan of benefits in effect on the date of his Separation from Service, his monthly lifetime benefit is computed under the terms of the plan of benefits in effect on the date of his Separation from Service, as the same may have been increased by amendments to said plan of benefits adopted and made effective on or before December 31, 1974.

(ii) If the Program D Participant continues to be entitled to a Deferred Vested Benefit, whether or not that benefit is in pay status, (or his Spouse is receiving a Spouse's pension) on December 31, 1977, the amount of the benefit determined under Subsection (i) of Section 4.4(a) shall be increased by $4.00 or 5%, whichever is greater, effective January 1, 1978.

(iii) If the Program D Participant continues to be entitled to a Deferred Vested Benefit and that benefit is in pay status (or his Spouse is receiving a Spouse's pension) on December 31, 1980, the amount of the benefit determined under Subsection (ii) of Section 4.4(a) shall be increased by an

additional 10%. If the Program D Participant continues to be entitled to a Deferred Vested Benefit and that benefit is not in pay status on January 1, 1981, the amount of the benefit determined under Subsection (i) of Section 4.4(a) shall be increased by 15% effective January 1, 1981.

(iv) If the Program D Participant continues to be entitled to a Deferred Vested Benefit, and that benefit is in pay status, (or his Spouse is receiving a Spouse's pension) on January 1, 1983, the amount of the benefit determined under Subsection (iii) of Section 4.4(a) shall be increased by an additional 10%, effective January 1, 1983. If the Program D Participant continues to be entitled to a Deferred Vested Benefit and that benefit is not in pay status on January 1, 1983, the amount of the benefit determined under Subsection (i) of Section 4.4(a) shall be increased by 25% effective January 1, 1983.

(v) If the Program D Participant continues to be entitled to a Deferred Vested Benefit, whether or not that benefit is in pay status, (or his Spouse is receiving a Spouse's pension) on January 1, 1987, the amount of the benefit determined under Subsection (iv) of Section 4.4(a) shall be increased by an additional 10%, effective January 1, 1987.

(vi) If the Program D Participant continues to be entitled to a Deferred Vested Benefit, whether or not that benefit is in pay status, (or his Spouse is receiving a Spouse's pension) on January 1, 1993, the amount of the benefit determined under Subsection (v) of Section 4.4(a) shall be increased by an additional $5.00 or 5%, whichever is greater, effective January 1, 1993; provided, however, if the amount of said pension was less than $100 as of December 1992, the increase in said pension shall be $10.

(vii) If the Program D Participant continues to be entitled to a Deferred Vested Benefit, whether or not that benefit is in pay status, (or his Spouse is receiving a Spouse's pension) on January 1, 1997, the amount of the benefit determined under Subsection (vi) of Section 4.4(a) shall be increased by an additional 10%, effective January 1, 1997.

(viii) If the Program D Participant continues to be entitled to a Deferred Vested

Benefit, whether or not that benefit is in pay status, (or his Spouse is receiving a Spouse's pension) on January 1, 1999, the amount of the benefit determined under Subsection (vii) of Section 4.4(a) shall be increased by an additional 15%, effective January 1, 1999.

(b) Separation from Service on or after January 1, 1975 through December 31, 1982:

(i) If a Program D Participant who is entitled to a Deferred Vested Benefit pursuant to Section 3.5 incurs a Separation from Service between January 1, 1975 and January 1, 1982, his monthly lifetime benefit is computed by multiplying the benefit to which he would have been entitled at Normal Retirement Age, had he remained in Covered Employment until that time, determined in accordance with Section 4.1(a)(ii), by a fraction whose numerator is one-half the years of Benefit Service before 1975, plus the years of Benefit Service after 1974 and whose denominator is the sum of the years of Benefit Service to the date he incurs a Separation from Service, plus the additional years of Benefit Service the Program D Participant would have had if he had remained in full-time Covered Employment until his Normal Retirement Age. Years of Benefit Service before participation in the Plan are excluded from the computation.

(ii) If the Program D Participant continues to be entitled to a Deferred Vested Benefit, whether or not and that benefit is in pay status, (or his Spouse is receiving a Spouse's pension) on December 31, 1977, the amount of the benefit determined under Subsection (i) of Section 4.4(b) is increased by $4.00 or 5%, whichever is greater, effective January 1, 1978.

(iii) If the Program D Participant continues to be entitled to a Deferred Vested Benefit and that benefit is in pay status, (or his Spouse is receiving a Spouse's pension) on December 31, 1980, the amount of the benefit determined under Subsection (ii) of Section 4.4(b) shall be increased by an additional 10%. If the Program D Participant continues to be entitled to a Deferred Vested Benefit, but that benefit is not in pay status as of December 31, 1980, the amount of the benefit determined under Subsection (i) of Section 4.4(b) shall be increased by 15%, effective January 1, 1981.

(iv) If the Program D Participant continues to be entitled to a Deferred Vested Benefit, and that benefit is in pay status, (or his Spouse is receiving a Spouse's pension) on January 1, 1983, the amount of the benefit determined under Subsection (iii) of Section 4.4(b) shall be increased by an additional 10%, effective January 1, 1983. If the Program D Participant continues to be entitled to a Deferred Vested Benefit and that benefit is not in pay status on January 1, 1983, the amount of the benefit determined under Subsection (i) of Section 4.4(b) shall be increased by 25% effective January 1, 1983.

(v) If the Program D Participant continues to be entitled to a Deferred Vested Benefit, whether or not that benefit is in in pay status, (or his Spouse is receiving a Spouse's pension) on January 1, 1987, the amount of the benefit determined under Subsection (iv) of Section 4.4(b) shall be increased by an additional 10% effective January 1, 1987.

(vi) If the Program D Participant continues to be entitled to a Deferred Vested Benefit, whether or not that benefit is in pay status, (or his Spouse is receiving a Spouse's pension) on January 1, 1983, the amount of the benefit determined under Subsection (v) of Section 4.4(b) shall be increased by an additional $5.00 or 5%, whichever is greater, effective January 1, 1993; provided, however, if the amount of said pension was less than $100 as of December, 1992, the increase in said pension shall be $10.

(c) Separation from Service on or after January 1, 1983:

If a Program D Participant who is entitled to a Deferred Vested Benefit pursuant to Section 3.5 incurs a Separation from Service on or after January 1, 1983, his monthly lifetime benefit commencing as of the first day of the month coinciding with or next following the date on which he attains Normal Retirement Age shall be determined in accordance with Section 4.1 as though the Program D Participant had retired on the date of his Separation from Service.

4.5 Retirement After Program D Pensioner's Return to Covered Employment

A Program D Pensioner who returns to Covered Employment and again retires will

receive an additional benefit for his additional years of employment based, for such additional years of employment only, upon the benefit rate in effect during the period of additional Benefit Service. The benefit of a Program D Pensioner who returns to Covered Employment and again retires will be actuarially adjusted to take into account any early retirement.

4.6 Benefit Limitation.

(a) A Program D Participant is entitled to only one form of benefit under Program D except that a Program D Participant who retires on account of disability and who recovers may be entitled to a benefit thereafter, and a Program D Pensioner may also receive a benefit as the Spouse of a deceased Program D Pensioner.

(b) The benefit to which a Program D Participant is entitled is determined by the provisions of Program D or the Prior Plan, in effect when the Program D Participant incurred a Separation from Service.

4.7 Non-Forfeitability at Normal Retirement Age

A Program D Participant's right to his Normal Retirement Benefit is non-forfeitable at his Normal Retirement Age.

4.8 Service Credit

For the period from January 1, 1940 until January 1, 1952, an employee shall be credited with service for the period that he/she was engaged in an Occupation.

## ARTICLE V - DEATH OF PROGRAM D PARTICIPANT

5.1 Spouse Pre-Retirement Survivor Benefit

(a) If an Employee or Former Employee dies on or after August 22, 1984, and after he has met the age and service requirements for a Normal, Early, or Deferred Vested Pension but before the date of his retirement, his Spouse will be entitled to an immediate pre-retirement Spouse's benefit in an amount equal to 50% of the retirement income the Program D Participant would have received if such Program D Participant had retired with an immediate Participant-and-Spouse Pension, as defined in Section 5.2, on the day before the Program D Participant's date of death.

(b) If an Employee or Former employee dies on or after August 22, 1984, but before the date on which the Employee would have attained his earliest retirement age under the terms of this Plan, but after he has met the service requirements for a Normal, Early, or Deferred Vested Retirement Pension, his Spouse will be entitled to a deferred pre-retirement Spouse's benefit in an amount equal to 50% of the retirement income the Program D Participant would have received if the Program D Participant had:

(i) Separated from service on the date of death; and

(ii) Survived to his earliest retirement age under the terms of Program D of this Plan; and

(iii) Retired with an immediate Participant-and-Spouse Pension at his earliest retirement age under the terms of Program D; and

(iv) Died on the day after the day on which such Program D Participant would have attained his earliest retirement age.

The earliest period for which the surviving Spouse may receive a payment under this deferred pre-retirement Spouse's benefit is the month in which the Program D Participant would have attained his earliest retirement age under the terms of Program D.

If the actuarial value of the survivor's benefit under this Section is greater than $5,000, the surviving Spouse may elect to defer commencement of such benefit until the date that the Program D Participant would have attained Normal Retirement Age under Program

D. If the Spouse so elects, the amount of such benefit shall be determined as if the Program D Participant had died on the surviving Spouse's Annuity Starting Date, after retiring on a Participant-and-Spouse Pension, taking into account any actuarial adjustments that would have applied on such date.

5.2 Participant-and-Spouse Pension

(a) The Participant-and-Spouse Pension provides a reduced lifetime pension for a Program D Participant who has a Spouse on his Annuity Starting Date, plus a lifetime pension for his surviving Spouse commencing after his death. A Program D Participant who retires under a Normal, Early, or Deferred Vested Pension and who has a Spouse on his Annuity Starting Date (for pensions effective on or after January 1, 1985) will be paid as a 50% Participant-and-Spouse Pension unless (i) effective January 1, 2009, the Program D Participant elects a 75% Participant-and-Spouse Pension or (ii) the Program D Participant provides a timely written rejection in accordance with Section 5.3. The monthly amount to be paid to the surviving Spouse with a 50% Participant-and-Spouse Pension shall be 50% of the monthly benefit paid to the Program D Participant. The monthly amount to be paid to the surviving Spouse with a 75% Participant-and-Spouse Pension shall be 75% of the monthly benefit paid to the Program D Participant.

(b) When a Participant-and-Spouse Pension is in effect, the monthly amount of the Program D Participant's pension shall be reduced actuarially in accordance the 1971 Group Annuity Mortality Table for Males, set back 6 years in age for Spouses and 6% interest.

(c) The Participant-and-Spouse Pension is automatically cancelled if the Spouse dies before the Program D Participant's Annuity Starting Date.

(d) No spousal consent shall be required if the Program D Participant demonstrates to the satisfaction of the Trustees that there is no Spouse, the Spouse cannot be located, the Program D Participant is legally separated or the Program D Participant has been abandoned and the Program D Participant has a court order to such effect (unless a Qualified Domestic Relations Order provides otherwise).

5.3 Election to Waive the Participant-and-Spouse Pension

A Program D Participant may reject the Participant-and-Spouse Pension (or revoke a

previous rejection) at any time within the period beginning 180 days before the Annuity Starting Date. A Participant shall in any event have the right to exercise this choice up to 180 days but not less than 30 days after he has received a notice from the Trustees (or their authorized representative) in nontechnical language containing a general explanation of: (1) the terms of the Participant-and-Spouse Pension, (2) the Participant's right to elect to waive the Participant-and-Spouse Pension, and the effect of such election, (3) the rights of the Participant's Spouse to consent to such a waiver, (4) the right to revoke such a waiver, and the effect of such revocation, and (5) the general financial effect of a rejection of the Participant-and-Spouse Pension, including the relative value of other optional forms of benefit

## ARTICLE VI - RECIPROCITY WITH OTHER PENSION PLANS

6.1 Purpose

The purpose of this Article is to permit Program D Participants who lack sufficient Vesting Service for a full benefit because their years of employment were divided among Reciprocal Plans to receive a partial benefit from Program D.

6.2 Reciprocal Plans

A plan which has executed a reciprocal agreement with Program D is a Reciprocal Plan.

6.3 Vesting Service

For the purpose of this Article, the Vesting Service of a Program D Participant who has had some vesting service under a Reciprocal Plan shall be the sum of his Vesting Service under Program D and under all Reciprocal Plans. The determination of the occurrence of a Break in Service shall be measured against the sum of all such Vesting Service.

6.4 Amount of Benefit

The lifetime partial benefit of such a Program D Participant is determined by multiplying the benefit he would have received under this Program D if all of his years of Benefit Service from Program D and the Reciprocal Plans had been earned under Program D by a fraction whose numerator is the years of Benefit Service under Program D and whose denominator is the sum of all of his years of Benefit Service under Program D and the Reciprocal Plans. The benefit shall not exceed his Normal Retirement Benefit.

6.5 Payment of Pensions

The payment of a benefit under this Article is subject to all of the conditions contained in Program D of this Plan applicable to the payment of benefits.

## ARTICLE VII - BENEFIT PAYMENTS; SUSPENSION OF BENEFITS

7.1 Commencement of Benefit Payment

(a) Payment of benefits from the Plan will begin not later than the 60th day after the close of the Plan Year in which the latest of the following occurs:

(i) The attainment by the Program D Participant of age sixty-five (65) or if earlier, the Normal Retirement Age specified under Program D;

(ii) The tenth anniversary of the date on which the Program D Participant commenced Participation in Program D;

(iii) The termination of the Program D Participant's service with any Program D Employer; or

(iv) The date elected by the Program D Participant.

No benefits shall be paid under Program D, however, until a Program D Participant has filed a claim for such benefits.

(b) If a Program D Participant postpones the commencement of benefits to a date later than the date which is the later of Subsection (i), (ii) and (iii) of Section 7.1(a) above, the amount of the postponed benefit shall be the greater of:

(i) the actuarial equivalent, at the postponed Annuity Starting Date of the pension, of the Program D Participant's accrued benefit, valued at the Program D Participant's Normal Retirement Age; and

(ii) the Program D Participant's monthly accrued benefit at the postponed Annuity Starting Date of the pension.

In determining actuarial equivalence under Subsection (i) above, the actuarial bases for long-term forecasting used by the Fund's actuarial advisor in the most recent actuarial valuation of the Plan shall be used.

The benefit of a Program D Pensioner who earns additional Benefit Service after reaching the age of seventy and one-half (70½) shall be adjusted to reflect such additional Benefit Service no later than February 1 of the year after the year in which such Benefit Service is earned.

7.2 Employment After Retirement: Suspension of Benefits

The pension benefit of a Program D Pensioner who completes 40 or more Hours of Service (as defined in Department of Labor Regulation Section 2530.200(b-2(a)(1)) in a calendar month in Covered Employment or in self-employment of the kind covered by an Agreement, within the geographic area covered by the Plan, will be suspended for the month or months during which he is so employed. A Program D Pensioner who engages in such employment must notify the Trustees in writing within thirty days after such employment begins. The benefit of such Program D Pensioner will recommence on the first day of the first calendar month after the month in which the Program D Pensioner notifies the Plan that he has ceased such employment. Effective January 1, 1989, a Program D Participant's monthly benefit shall not be suspended for any month on or after April 1 of the Calendar Year after the Calendar Year in which the Program D Participant reaches the age of seventy and one-half (70½) .

# PROGRAM E

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# OFFICIAL TEXT OF THE PENSION PLAN

# LEATHER GOODS, PLASTICS, HANDBAGS AND NOVELTY WORKERS' UNION LOCAL 1, JOINT RETIREMENT FUND

**AMENDED AND RESTATED AS OF JANUARY 1, 2015**

## PROGRAM E
## FUR SERVICE EMPLOYEES' PENSION FUND

**THIS PROGRAM E** of the Plan is established pursuant to the merger of the Fur Service Employees' Pension Fund into the Pension Plan of the JRF effective December 31, 2008. It reflects the continuing provisions of the former Fur Service Employees' Pension Fund under the JRF. This Program E applies with respect to individuals who were Participants in the Fur Service Employees' Pension Fund as of December 30, 2008 and Employees who are covered under a Collective Bargaining Agreement requiring an Employer to make contributions on their behalf to the Fund for Program E.

Whenever used in Program E, all capitalized terms have the meaning set forth in Article I of the Basic Plan Document, except for those terms defined herein. All section references in Program E are to the relevant sections of Program E unless otherwise indicated.

The Plan was terminated by Mass Withdrawal effective December 31, 2013. As of December 31, 2013, no additional vesting credit or benefit accruals may be earned under the Plan. Notwithstanding anything herein to the contrary, the provisions of this Program E are subject to the terms of Article IX of the Basic Plan Document.

## ARTICLE I - DEFINITIONS

1.1 Actuarial Equivalent means a benefit of equivalent monetary value as computed by the Actuary on the basis of the actuarial assumptions last adopted for this purpose.

1.2 Agreement means a written collective bargaining agreement which obligates a Program E Employer to make contributions to the Fund for Program E or to the Fur Dressers & Dyers Pension Fund.

1.3 Benefit Service has the meaning described in Section 2.2.

1.4 Break in Service has the meaning described in Section 2.6.

1.5 Credited Hour of Service has the meaning described in Section 2.5.

1.6 Date of Employment means the first date on which an Employee earns a Credited Hour of Service.

1.7 Disability has the meaning described in Section 3.4.

1.8 Disability Retirement means retirement under the conditions described in Section 3.3.

1.9 Early Retirement means retirement under the conditions described in Section 3.2.

1.10 Employee means an employee in Covered Employment. Employee also means an employee of the Union, provided such employee's employer agrees to contribute to the Fund for Program E.

1.11 Normal Retirement Age means 65 or the age of the Participant on the fifth anniversary of the date of the commencement of participation in Program E or the Prior Fund, whichever is later.

1.12 Occupation means a job covered by an Agreement, including continuous employment in the Occupation before it is covered by an Agreement.

1.13 One Year Break means any calendar year beginning on or after January 1, 1975 in which a Participant fails to achieve 500 hours of Credited Service and any calendar year ending on or before December 31, 1974 during which a Participant did not receive credit for Covered Employment for at least one calendar quarter during that calendar year.

1.14 Prior Fund means the Fur Service Employees' Pension Fund.

1.15 Prior Plan means the plan of benefits that was provided by the Fur Service Employees' Pension Fund.

1.16 Program E means the program of benefits that is described in this document as adopted by the Trustees and as thereafter amended by the Trustees. Program E is a continuation of the plan of benefits that was provided by the Fur Service Employees' Pension Fund prior to the merger of the Fur Service Employees' Pension Fund into the Fund. For purposes hereof, any references in an Agreement to the Prior Fund shall be deemed to be in reference to Program E.

1.17 Program E Beneficiary means any person designated to receive benefits under Program E upon the death to the Program E Participant; or any person (other than a Program E Participant) otherwise entitled to receive such benefits pursuant to Program E.

1.18 Covered Employment means employment in an Occupation.

1.19 Program E Employer means an employer who is obligated by an Agreement to contribute to the Fund for Program E and/or was obligated by an Agreement to contribute to the Fur Dressers & Dyers Pension Fund on or before December 30, 1994.

1.20 Program E Participant means an Employee who has satisfied the conditions set forth in Section 2.1. Program E Participant shall also mean an individual who was a Participant in the Fur Dressers & Dyers Pension Plan on December 30, 1994.

1.21 Program E Pensioner means a person to whom a pension under Program E or the Prior Plan is being paid, or to whom a pension would be paid but for time for administrative processing.

1.22 Reciprocal Plan means a plan described in Section 6.2.

1.23 Separation from Service has the meaning described in Section 2.7.

1.24 Spouse means the person to whom an Employee is legally married, as defined under applicable federal law, for at least the twelve months immediately preceding his Annuity Starting Date or, if he should die while he was in employment and before his Annuity Starting Date, the person to whom he was legally married, as defined under applicable federal law, for at least twelve months immediately preceding his death. However, if an

Employee has been married to an individual for less than twelve months on his Annuity Starting Date, the individual will be treated as the Employee's Spouse if they remain married for at least twelve months.

1.25 Union means United Food and Commercial Workers Union Local 174, AFL-CIO as successor by merger to United Food and Commercial Workers Union Local 1-3 FLM-FJC, AFL-CIO and its successors.

1.26 Vesting Service has the meaning described in Section 2.4.

1.27 1,000-Hour Test means that a Program E Participant earns no less than 1,000 Credited Hours of Service during a specified Calendar Year.

## ARTICLE II - PARTICIPATION, BENEFIT SERVICE CREDIT, AND BREAK IN SERVICE

2.1 Participation

(a) An Employee who was a Participant in the Prior Plan as of December 30, 2008 is a Participant of Program E.

(b) An Employee of a Program E Employer covered under a collective bargaining agreement that requires contributions to the Fund for Program E and who is not a Participant under Section 2.1(a) shall become a Program E Participant on the January 1 after his Date of Employment if he has worked in Covered Employment 1,000 or more hours within the twelve consecutive months following his Date of Employment or, if later, on the January 1 of the first calendar year in which he satisfied such 1,000-hour requirement.

(c) Participation under Program E terminates on the death of the Program E Participant. It also terminates upon the Program E Participant's Separation from Service unless the Program E Participant (i) then retires, or (ii) is then eligible for a benefit under Article III.

(d) After a Separation from Service, an Employee who has not suffered a Break in Service again becomes a Program E Participant on the first day of his reemployment. An Employee who has suffered a Break in Service must reenter Program E of the Plan as a new Employee.

2.2 Benefit Service-Individuals Who Were Participants in Fur Service Employees' Pension Plan Prior to December 30, 1994

A Program E Participant's Benefit Service is the sum of his Benefit Service prior to January 1, 1975 and after December 31, 1974, since his last Break in Service, as follows:

(a) a Program E Participant earns Benefit Service for periods of employment prior to January 1, 1946 during which he was either (a) employed in a job covered by a collective bargaining agreement although the collective bargaining agreement did not require contributions to the Prior Fund, or (b) employed in a job before it was covered by a collective bargaining agreement if, while the Program E Participant was so employed, his employer was required to contribute to the Prior Fund. In

either case, the Program E Participant must have earned $1,000 during a calendar year or $250 during a calendar quarter.

(b) In no case will periods of employment before January 1, 1931 be counted.

(c) A Program E Participant earns Benefit Service for periods of employment between January 1, 1946 and December 31, 1969 during which he was either (i) employed in a job covered by an Agreement or (ii) employed in a job covered by a collective bargaining agreement with an employer who, while the Program E Participant was so employed, became a Program E Employer. In either case, the Program E Participant must have earned at least $1,000 during a calendar year or $250 during a calendar quarter for periods of employment between January 1, 1946 and December 31, 1966 and at least $2,100 during a calendar year or $525 during a calendar quarter for periods of employment between January 1, 1967 and December 31, 1969.

(d) A Program E Participant's Benefit Service for periods of employment between January 1, 1970 and December 31, 1974 is based upon periods of employment by a Program E Employer during which he earns at least $2,100 during a calendar year or $525 during a calendar quarter.

(e) After December 31, 1974, a Program E Participant earns one year of Benefit Service for each Plan Year during which he earns at least 1,000 Credited Hours of Service.

(f) Provided that (a) reemployment is initiated after December 12, 1994 and (b) the requirements of 38 U.S.C. Section 4312 are met, a Program E Participant will earn Benefit Service for a period of military service which immediately follows Covered Employment.

2.3 Benefit Service-Individuals Who Were Participants in the Fur Dressers and Dyers Pension Plan On Or Before December 30, 1994

A Program E Participant's Benefit Service is the sum of his Benefit Service prior to January 1, 1975 and after December 31, 1974, since his last Break in Service, as follows:

(a) A Program E Participant earns Benefit Service for periods of employment prior to January 1, 1950 during which he was either (a) employed in a job covered by a

collective bargaining agreement although the collective bargaining agreement did not require contributions to the Prior Fund, or (b) employed in a job before it was covered by a collective bargaining agreement if, while the Program E Participant was so employed, his Employer was required to contribute to the Prior Fund. In either case, the Program E Participant must earn $600 during a calendar year or $150 during a calendar quarter for a period of employment between January 1, 1931 and December 31, 1945 and at least $1,000 during a calendar year or $250 during a calendar quarter for periods of employment between January 1, 1946 and December 31, 1949.

In no case will periods of employment before January 1, 1931 be counted.

(b) A Program E Participant earns Benefit Service for periods of employment between January 1, 1950 and December 31, 1969 during which he was either (a) employed in a job covered by an Agreement or (b) employed in a job covered by a collective bargaining agreement with an employer who, while the Program E Participant was so employed, became an Employer. In either case, the Program E Participant must have earned at least $1,000 during a calendar year or $250 during a calendar quarter for a period of employment between January 1, 1950 and December 31, 1966 and at least $1,500 during a calendar year or $375 during a calendar quarter for periods of employment between January 1, 1967 and December 31, 1969.

(c) A Program E Participant's Benefit Service for periods of employment between January 1, 1970 and December 31, 1974 is based upon periods of employment by an Employer during which he earns at least $1,500 during a calendar year or $325 during a calendar quarter.

(d) An Employee of A. Hollander & Son earns one year of Benefit Service for each two years of Covered Employment prior to January 1, 1960, up to a maximum of ten years of Benefit Service for such employment.

(e) After December 31, 1974, a Program E Participant earns one year of Benefit Service for each Plan Year during which he earns at least 1,000 Credited Hours of Service.

(f) Provided that (a) reemployment is initiated after December 12, 1994 and (b) the requirements of 38 U.S.C. Section 4312 are met, a Program E Participant will

earn Benefit Service for a period of military service which immediately follows Covered Employment.

2.4 Vesting Service

(a) A Program E Participant's Vesting Service before January 1, 1975 is determined by his years of Covered Employment under the provisions of the Prior Plan in effect on December 31, 1974.

(b) For each Plan Year beginning on January 1, 1975, an Employee earns one year of Vesting Service if he has 1,000 or more Credited Hours of Service during that Plan Year.

(c) An Employee is not credited with any Vesting Service for any period before a Break in Service or for any employment prior to the date his employer became an Employer.

(d) A Program E Participant who earns one Credited Hour of Service on or after January 1, 1976 and who completes ten years of Vesting Service, including three years after 1970, has a nonforfeitable right to a benefit under Program E.

(e) A Program E Participant who earns one Credited Hour of Service on or after January 1, 1999, and who completes five years of Vesting Service has a nonforfeitable right to a benefit under Program E.

2.5 Credited Hours of Service

Beginning January 1, 1975, Credited Hours of Service means:

(a) Each hour for which an Employee is paid, or entitled to payment, for the performance of duties in Covered Employment. These hours are credited to the Employee for the Plan Year in which duties are performed.

(b) Each hour for which an Employee is paid, or entitled to payment, for periods when no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty, or leave of absence. No more than the hourly equivalent of 26 weeks of service may be credited under this Section for any single continuous period (whether or not such period occurs in a

single Plan Year). Hours under this Section are calculated and credited pursuant to Department of Labor Regulation Section 2530.200b-2, which is incorporated herein by reference for hourly Employees and piece-work Employees.

(c) Each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Employer. Such hours are credited to the Employee for the year or years to which the award or agreement pertains rather than the year in which the award, agreement, or payment is made, and they may not duplicate hours credited under (a) or (b) of this Section.

(d) Hours are measured by actual hours.

2.6 Break in Service

(a) A Break in Service will be deemed to have occurred prior to January 1, 1975, if a Program E Participant sustained a Break in Service under the terms of the Prior Plan in effect at the time the Program E Participant separated from service within the meaning of Section 2.7.

(b) A Break in Service will be deemed to have occurred on or after January 1, 1975, if an Employee fails to earn at least 501 Credited Hours of Service in any year of Vesting Service.

(i) If an Employee incurs a Break in Service on or after January 1, 1975 but before January 1, 1987, all prior Benefit Service will be cancelled if the consecutive years of the Employee's Break in Service exceeded his years of Vesting Service accrued prior to the Break in Service. If an Employee returns to work for an Employer and the consecutive years of his Break in Service do not exceed his years of Vesting Service accrued prior to his Break in Service, and he earns one year of Vesting Service following his resumption of employment, measured from his Reemployment Commencement Date, in accordance with Department of Labor Regulation Section 2530.200b-4(b)(iii) and (iv), which is incorporated herein by reference, his Benefit Service accrued prior to his Break in Service shall be reinstated.

(ii) If an Employee incurs a Break in Service on or after January 1, 1987, all prior Benefit Service will be cancelled if:

(A) The years of Vesting Service accrued prior to the Break in Service are less than five and the consecutive years of the Employee's Break in Service are equal to or greater than five.

(B) The years of Vesting Service accrued prior to the Break in Service are five or more, but less than ten, and the consecutive years of the Employee's Break in Service are equal to or greater than the number of years of Vesting Service.

(iii) If an Employee incurs a Break in Service on or after January 1, 1999, all prior Benefit Service will be cancelled if the years of Vesting Service accrued prior to the Break in Service are less than five and the consecutive years of the Employee's Break in Service are equal to or greater than five.

(c) No Break in Service shall be charged to an Employee for military service in the armed forces of the United States if the following conditions are met:

(i) If reemployment with an Employer is initiated prior to December 12, 1994: Approved leave of absence due to military service in the armed forces of the United States in a time of national emergency or enlisted military service of up to four years' duration (or five years' if the fifth year is at the request of the government of the United States) will not cause a Break in Service, provided the Employee returns to work after the conclusion of such military service within the time period prescribed by federal law in effect on the date reemployment is initiated.

(ii) If reemployment with an Employer is initiated on or after December 12, 1994, such period of military service did not exceed the applicable maximum period stated in 38 U.S.C. Section 4312, provided that the Program E Participant meets the requirements of 38 U.S.C. Section 4312(e).

(iii) Effective January 1, 1987, no Break in Service shall be charged to an Employee for any year of Vesting Service in which the failure to earn 501 Credited Hours of Service is due to the pregnancy of the Employee, the birth of a child to the Employee, the placement of a child with the Employee in connection with the adoption of such child by the Employee or for purposes of caring for such child for a period beginning

immediately following such birth or placement. If the preceding sentence is not necessary to prevent a Break in Service from being charged in the year of Vesting Service in which an event described in that sentence occurs, then no Break in Service shall be charged to such individual in the immediately following year of Vesting Service.

(iv) Notwithstanding the prior provisions of this Section, Benefit Service will not be cancelled if an Employee terminates his employment after having become eligible for a Deferred Vested Benefit as provided in Section 3.5.

2.7 Separation from Service

A Separation from Service occurs on the day on which a Program E Participant quits, retires, is discharged, dies while actively employed, or otherwise severs his employment status with the Employer, or on the December 31 of the calendar year in which a Program E Participant has a One-Year Break, whichever is earliest. A Separation from Service is disregarded if the person returns to Covered Employment before he incurs a Break in Service and his prior Vesting Service and Benefit Service is restored when he achieves one year of Vesting Service after his return to Covered Employment.

2.8 Transfers to or from Bargaining Unit

A Program E Participant's employment by the same Program E Employer immediately before or after his transfer into or out of Covered Employment is counted in determining his eligibility for Participation, his Vesting Service, and in determining whether he has incurred a One-Year Break.

2.9 Military Service

Effective as of December 12, 1994, notwithstanding any provision of this Program E to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code Section 414(u).

In the case of a Participant who dies on or after January 1, 2007 while performing qualified military service (as such term is defined in Code Section 414(u)), the Beneficiaries of the Participant shall be entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) that would have been provided under the Plan to such Beneficiaries as if the Participant had resumed Covered

Employment, and then terminated Covered Employment on account of death. In determining the benefit of such a Participant, the Participant will be credited with service for vesting purposes to which he would have been entitled under Code Section 414(u) had he resumed Covered Employment immediately prior to his death.

Notwithstanding anything in the Plan to the contrary, for years beginning after December 31, 2008, (i) an individual receiving a differential wage payment, as defined by Section 3401(h)(2) of the Code shall be treated as an Employee of the Employer making the differential wage payment, solely to the extent required by law, (ii) the differential wage payment shall be treated as compensation for purposes of the Code, solely to the extent required by law, and (iii) the Plan shall not be treated as failing to meet the requirements of any provision described in Section 414(u)(1)(C) of the Code by reason of any contribution or benefit which is based on the differential wage payment.

## ARTICLE III - ELIGIBILITY FOR PENSIONS

3.1 Normal Retirement

A Program E Participant who either (i) has at least 20 years of Benefit Service or (ii) does not incur a One-Year Break in each of the Plan Years of and preceding his attainment of Normal Retirement Age caused by a Separation from Service, is entitled to retire on a non-forfeitable Normal Retirement Benefit under Program E, commencing as of the first day of any month coincident with or after the date on which he attains Normal Retirement Age.

3.2 Early Retirement

A Program E Participant is eligible to receive an Early Retirement Benefit on the first day of any month coincident with or after both (i) the attainment of age 62, and (ii) the completion of at least twenty years of Benefit Service.

3.3 Disability Retirement

A Program E Participant is eligible to receive a Disability Retirement Benefit on the first day of the month coincident with or after the date on which he (i) becomes totally disabled before he incurs a Separation from Service, and (ii) completes at least fifteen years of Benefit Service.

3.4 Disability Defined

(a) A Program E Participant is deemed to be totally disabled under Program E only if, on the basis of proof satisfactory to the Trustees, he is totally unable to engage in any gainful occupation whatsoever.

(b) The Trustees may require a Program E Participant applying for or receiving a Disability Benefit to submit to an examination by a physician selected by them as a condition of receiving or continuing to receive the benefit, but not more frequently than annually. No examination may be required after the Program E Participant attains Normal Retirement Age.

(c) The Trustees are the sole and final judges of the existence of total disability and of entitlement to a Disability Benefit. They may accept as such proof a determination by the Social Security Administration that the Employee is entitled

to a Social Security Disability Benefit. They may from time to time require proof of continued entitlement to the Social Security Disability Benefit.

3.5 Deferred Vested Benefits

On or after January 1, 1975, a Program E Participant with at least three years of Vesting Service after 1970 who incurs a Separation from Service, after he has completed at least ten years of Vesting Service but before he has (i) completed twenty years of Benefit Service and (ii) become eligible for either an Early Retirement Benefit or a Normal Retirement Benefit, is entitled to receive a Deferred Vested Benefit under Program E or the Prior Plan, commencing as of the first day of the month coinciding with or next following the date on which he attains Normal Retirement Age.

## ARTICLE IV - COMPUTATION AND PAYMENT OF RETIREMENT BENEFITS

4.1 Normal Retirement Benefit for Individuals who were Program E Participants Before December 30, 1994.

(a) Retirement before January 1, 1975:

(i) The monthly retirement benefit payable to a Program E Participant who retires before January 1, 1975, under the Normal Retirement provision is the benefit to which said Program E Participant was entitled under the terms of the plan of benefits in effect on the date of his retirement, as the same may have been increased by amendments to said plan of benefits adopted and made effective on or before December 31, 1974.

(ii) If the pension of a Program E Participant who retired under (i) of this Section 4.1(a) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1977, the amount of said pension (or Spouse's pension) shall be increased by 10%, effective January 1, 1978.

(iii) If the pension of a Program E Participant who retired under (i) of this Section 4.1(a) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1980, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1981.

(iv) If the pension of a Program E Participant who retired under (i) of this Section 4.1(a) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on January 1, 1985, the amount of said pension (or Spouse's pension) shall be increased by an additional $10.00 or 10%, whichever is greater, effective January 1, 1985.

(v) If the pension of a Program E Participant who retired under (i) of this Section 4.1(a) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1989, the amount of said pension (or Spouse's pension) shall be increased by $10.00 or 15%, whichever is greater, effective January 1, 1989.

(vi) If the pension of a Program E Participant who retired under (i) of this Section 4.1(a) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on January 1, 1992, the amount of said pension (or Spouse's pension) shall be increased by an additional $10.00 or 10%, whichever is greater, effective January 1, 1992.

(vii) If the pension of a Program E Participant who retired under (i) of this Section 4.1(a) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1993, the amount of said pension (or Spouse's pension) shall be increased by an additional $20 or 20%, whichever is grater, effective January 1, 1994.

(viii) If the pension of a Program E Participant who retired, under (i) of this Section 4.1(a) (or the Spouse's pension of a Spouse of such Program E Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1997.

(ix) If the pension of a Program E Participant who retired, under (i) of this Section 4.1(a) (or the Spouse's pension of a Spouse of such Program E Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1999.

(b) Retirement on or after January 1, 1975 through December 31, 1977:

(i) The monthly retirement benefit payable to a Program E Participant who retires on or after January 1, 1975, but before January 1, 1978, under the Normal Retirement provision, is the greater of either:

(A) an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each additional year of Benefit Service in excess of ten years, but not to exceed a benefit of $135.00 per month; or

(B) for Program E Participants in Covered Employment on December 31, 1974, an amount computed as follows: that part of the retirement benefit based upon Covered Employment before

January 1, 1975 is computed as a fraction of what the Program E Participant's benefit would have been under the plan in effect on December 31, 1974 if the Program E Participant had continued in Covered Employment under the Plan until Normal Retirement Age. The fraction is determined by dividing the years of Benefit Service at December 31, 1974 by the sum of these years plus the additional years of Benefit Service the Program E Participant would have if he continued in full-time Covered Employment under the Plan until his Normal Retirement Age. The retirement benefit derived from Covered Employment after January 1, 1975 is computed at the rate of $3.00 for each of the first ten years of Benefit Service and $3.50 for each additional year of Benefit Service up to thirty years, but not to exceed $135.00 per month.

(ii) If the pension of a Program E Participant who retired under (i) of this Section 4.1(b) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1977, the amount of said pension (or Spouse's pension) shall be increased by 10%, effective January 1, 1978.

(iii) If the pension of a Program E Participant who retired under (i) of this Section 4.1(b) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1980, the amount of said pension (or Spouse's pension) shall be increased by 10%, effective January 1, 1981.

(iv) If the pension of a Program E Participant who retired under (i) of this Section 4.1(b) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1985, the amount of said pension (or Spouse's pension) shall be increased by $10.00 or 10%, whichever is greater, effective January 1, 1985.

(v) If the pension of a Program E Participant who retired under (i) of this Section 4.1(b) (or the Spouse's pension of a Spouse of such Program E Participant) is still in pay status on January 1, 1988, the amount of said pension (or Spouse's pension) shall be increased by an additional $10.00 or 15%, whichever is greater effective January 1, 1989.

(vi) If the pension of a Program E Participant who retired under (i) of this Section 4.1(b) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on November 30, 1992, the amount of said pension (or Spouse's pension) shall be increased by an additional $10.00 or 10%, whichever is greater effective December 1, 1992.

(vii) If the pension of a Program E Participant who retired under (i) of this Section 4.1(b) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1993, the amount of said pension (or Spouse's pension) shall be increased by an additional $20.00 or 20%, whichever is greater, effective January 1, 1994.

(viii) If the pension of a Program E Participant who retired under (i) of this Section 4.1(b) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by 10%, effective January 1, 1997.

(ix) If the pension of a Program E Participant who retired under (i) of this Section 4.1(b) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by 10%, effective January 1, 1999.

(c) Retirement on or after January 1, 1978, through December 31, 1980:

(i) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1978, but before January 1, 1981, under the Normal Retirement provision, and who meets the 1,000-Hour Test in 1977 or any subsequent year is an amount equal to $5.00 for each year of Benefit Service.

(ii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1978, but before January 1, 1981, under the Normal Retirement provision, but who does not meet the 1,000-Hour Test in 1977 or any subsequent year is an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each year of Benefit Service in excess of ten years. The total is then

increased by 10%.

(iii) If the pension of a Program E Participant who retired under (i) or (ii) of this Section 4.1(c) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1980, the amount of said pension (or Spouse's pension) shall be increased by 10%, effective January 1, 1981.

(iv) If the pension of a Program E Participant who retired under (i) or (ii) of this Section 4.1(c) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on January 1, 1985, the amount of said pension (or Spouse's pension) shall be increased by an additional $10.00 or 10%, whichever is greater, effective January 1, 1985.

(v) If the pension of a Program E Participant who retired under (i) or (ii) of this Section 4.1(c) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1988, the amount of said pension (or Spouse's pension) shall be increased by an additional $10.00 or 15%, whichever is greater, effective January 1, 1989.

(vi) If the pension of a Program E Participant who retired under (i) or (ii) of this Section 4.1(c) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on November 30, 1992, the amount of said pension. (or Spouse's pension) shall be increased by an additional $10.00 or 10%, whichever is greater, effective December 1, 1992.

(vii) If the pension of a Program E Participant who retired under (i) or (ii) of this Section 4.1(c) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1993, the amount of said pension. (or Spouse's pension) shall be increased by an additional $20.00 or 20%, whichever is greater, effective January 1, 1994.

(viii) If the pension of a Program E Participant who retired under (i) or (ii) of this Section 4.1(c) (or the Spouse's pension of a Spouse of such Program E Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1997.

(ix) If the pension of a Program E Participant who retired under (i) or (ii) of this Section 4.1(c) (or the Spouses pension of a Spouse of such Program E Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1999.

(d) Retirement on or after January 1, 1981 through December 31, 1984:

(i) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1981, but before January 1, 1985, under the Normal Retirement provision, and who meets the 1,000-Hour Test in 1980 or any subsequent year is an amount equal to $7.50 for each year of Benefit Service.

(ii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1981, but before January 1, 1985, under the Normal Retirement provision, who does not meet the 1,000-Hour Test in 1980 or any subsequent year but who meets the 1,000-Hour Test in 1977, 1978 or 1979, is an amount equal to the sum of $5.00 for each year of Benefit Service. The total is then increased by 10%.

(iii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1981, but before January 1, 1985, under the Normal Retirement provision, who does not meet requirements of either (i) or (ii) of this Section 4.1(d), is the greater of:

(A) an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each year of Benefit Service in excess of ten years, but not to exceed $135. The total is then increased by 20%; or

(B) for Program E Participants in Covered Employment on December 31, 1974, an amount computed as follows: that part of the retirement benefit based upon Covered Employment before January 1, 1975, is computed as a fraction of what the Program E Participant's benefit would have been under the plan in effect on December 31, 1974, if the Program E Participant had continued in Covered Employment until Normal Retirement Age. The fraction

is determined by dividing the years of Benefit Service at December 31, 1974, by the sum of these years plus the additional years of Benefit Service the Program E Participant would have if he continued in full-time Covered Employment under the Plan until his Normal Retirement Age. The retirement benefit derived from Covered Employment after January 1, 1975, is computed at the rate of $3.00 for each of the first ten years of his Benefit Service and $3.50 for each additional year of Benefit Service up to forty years but not to exceed $135.00 a month.

(iv) If the pension of a Program E Participant who retired under (i), (ii) or (iii) of this Section 4.1(d) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on January 1, 1985, the amount of said pension (or Spouse's pension) shall be increased by an additional $10.00 or 10%, whichever is greater, effective January 1, 1985.

(v) If the pension of a Program E Participant who retires under (i), (ii) or (iii) of this Section 4.1(d) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1988, the amount of said pension (or Spouse's pension) shall be increased by an additional $10.00 or 15%, whichever is greater, effective January 1, 1989.

(vi) If the pension of a Program E Participant who retired under (i), (ii) or (iii) of this Section 4.1(d) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on November 30, 1992, the amount of said pension (or Spouse's pension) shall be increased by an additional $10.00 or 10%, whichever is greater, effective December 1, 1992.

(vii) If the pension of a Program E Participant who retired under (i), (ii) or (iii) of this Section 4.1(d) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1993, the amount of said pension (or Spouse's pension) shall be increased by an additional $20.00 or 20%, whichever is greater, effective January 1, 1994.

(viii) If the pension of a Program E Participant who retired under (i), (ii) or (iii) of this Section 4.1(d) (or the Spouse's pension of the Spouse of such

Program E Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1997.

(ix) If the pension of a Program E Participant who retired under (i), (ii) or (iii) of this Section 4.1(d) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1999.

(e) Retirement on or after January 1, 1985 through December 31, 1988:

(i) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1985, but before January 1, 1989, under the Normal Retirement provision, and who meets the 1,000-Hour Test in 1984 or any subsequent year is an amount equal to the sum of $10.00 for each year of Benefit Service.

(ii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1985, but before January 1, 1989, under the Normal Retirement provision, who does not meet the 1,000-Hour Test in 1984 or any subsequent year but who meets the 1,000-Hour Test in 1980, 1981, 1982 or 1983 is an amount equal to the sum of $7.50 for each year of Benefit Service. The total is then increased by $10.00 or 10%, whichever is greater.

(iii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1985, but before January 1, 1989, under the Normal Retirement provision, who does not meet the 1,000-Hour Test in 1980 or any subsequent year but who meets the 1,000-Hour Test in 1977, 1978 or 1979 is an amount equal to the sum of $5.00 for each year of Benefit Service. The total is then increased by 10%. The total is then increased by an additional $10.00 or 10%, whichever is greater.

(iv) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1985, but before January 1, 1989, under the Normal Retirement provision, who does not meet the

requirements of (i), (ii) or (iii) of this Section 4.1(e) , is the greater of:

(A) an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each year of Benefit Service in excess of ten years, but not to exceed $135. The total is then increased by 20%; or

(B) for Program E Participants in Covered Employment on December 31, 1974, an amount computed as follows: that part of the retirement benefit based upon Covered Employment before January 1, 1975, is computed as a fraction of what the Program E Participant's benefit would have been under the plan in effect on December 31, 1974, if the Program E Participant had continued in Covered Employment of the Plan until Normal Retirement Age. The fraction is determined by dividing the years of Benefit Service at December 31, 1974, by the sum of these years plus the additional years of Benefit Service the Program E Participant would have if he continued in full-time Covered Employment until his Normal Retirement Age. The retirement benefit derived from Covered Employment after January 1, 1975, is computed at the rate of $3.00 for each of the first ten years of Benefit Service and $3.50 for each additional year of his Benefit Service up to forty years but not to exceed $135.00 a month.

The benefit calculated pursuant to (A) or (B) is then increased by $10.00 or 10%, whichever is greater.

(v) If the pension of a Program E Participant who retires under (i), (ii), (iii) or (iv) of this Section 4.1(e) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1988, the amount of said pension (or Spouse's pension) shall be increased by an additional $10.00 or 15%, whichever is greater, effective January 1, 1989.

(vi) If the pension of a Program E Participant who retired under (i), (ii), (iii) or (iv) of this Section 4.1(e) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on November 30, 1992, the amount of said pension (or Spouse's pension) shall be increased by an

additional $10.00 or 10%, whichever is greater, effective December 1, 1992.

(vii) If the pension of a Program E Participant who retired under (i), (ii), (iii) or (iv) of this Section 4.1(e) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1993, the amount of said pension (or Spouse's pension) shall be increased by an additional $20.00 or 20%, whichever is greater, effective January 1, 1994.

(viii) If the pension of a Program E Participant who retired under (i), (ii), (iii) or (iv) of this Section 4.1(e) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1997.

(ix) If the pension of a Program E Participant who retired under (i), (ii), (iii) or (iv) of this Section 4.1(e) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1999.

(f) Retirement on or after January 1, 1989 through December 31, 1992:

(i) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1989, but before December 1, 1992, under the Normal Retirement provision, is an amount equal to the sum of $15.00 for each year of Benefit Service, provided that the Program E Participant either meets the 1000-Hour Test in 1988 or any subsequent year, or:

(A) had not incurred a Break in Service as of December 31, 1988; and

(B) earned at least one Credited Hour of Service on or after January 1, 1989 but prior to December 1, 1992.

(ii) The monthly retirement benefit payable to a Program E Participant who retires on or after January 1, 1989, but before December 1, 1992, under the Normal Retirement provision, who does not meet the requirements of (i)

of this Section 4.1(f), but who meets the 1000-Hour Test in 1984, 1985, 1986 or 1987 is an amount equal to the sum of $10.00 for each year of Benefit Service.

(iii) The monthly retirement benefit payable to a Program E Participant who retires on or after January 1, 1989, but before December 1, 1992, under the Normal Retirement provision, who did not meet the requirements of (i) or (ii) of this Section 4.1(f), but who meets the 1,000-Hour Test in 1980, 1981, 1982 or 1983 is an amount equal to the sum of $7.50 for each year of Benefit Service. The total is then increased by $10.00 or 10%, whichever is greater.

(iv) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1989, but before December 1, 1992, under the Normal Retirement provision, who does not meet the 1,000-Hour Test in 1980 but who meets the 1,000-Hour Test in 1977, 1978, or 1979 is an amount equal to the sum of $5.00 for each year of Benefit Service. The total is then increased by 10%. That total is then increased by $10 or 10%, whichever is greater.

(v) The monthly retirement benefit payable to a Program E Participant who retires on or after January 1, 1989, but before December 1, 1992, under the Normal Retirement provision, who does not meet the requirements of (i), (ii) , (iii) or (iv) of this Section 4.1(f) is the greater of:

(A) an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each year of Benefit Service in excess of ten years, but not to exceed $135. The total is then increased by 20%; or

(B) for Program E Participants in Covered Employment on December 31, 1974, an amount computed as follows: that part of the retirement benefit based upon Covered Employment before January 1, 1975, is computed as a fraction of what the Program E Participant's benefit would have been under the plan in effect on December 31, 1974, if the Program E Participant had continued in Covered Employment until Normal Retirement Age. The fraction

is determined by dividing the years of Benefit Service at December 31, 1974, by the sum of these years plus the additional years of Benefit Service the Program E Participant would have if he had continued in full-time Covered Employment until his Normal Retirement Age. The retirement benefit derived from Covered Employment after January 1, 1975, is computed at the rate of $3.00 for each of the first ten years of his Benefit Service and $3.50 for each additional year of Benefit Service up to forty years but not to exceed $135.00 a month.

The benefit calculated pursuant to (A) or (B) is then increased by $10.00 or 10%, whichever is greater. The benefit is then increased by an additional $10.00 or 15%, whichever is greater.

(vi) If the pension of a Program E Participant who retires under (i), (ii), (iii), (iv) or (v) of this Section 4.1(f) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on November 30, 1992, the amount of said pension (or Spouse's pension) shall be increased by $10.00 or 10%, whichever is greater, effective December 1, 1992.

(vii) If the pension of a Program E Participant who retires under (i), (ii), (iii), (iv) or (v) of this Section 4.1(f) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on November 30, 1992, and the Program E Participant met the 1,000-Hour Test in 1990 or any subsequent year, in lieu of the increase set forth at Section 4.1, the amount of said pension (or Spouse's pension) shall be increased by 33 1/3%, effective December 1, 1992.

(viii) If the pension of a Program E Participant who retires under (i), (ii), (iii), (iv) or (v) of this Section 4.1(f) is still in pay status on December 31, 1993, the amount of said pension shall be increased by $20.00 or 20%, whichever is greater, effective January 1, 1994.

(ix) If the pension of a Program E Participant who retired under (i), (ii), (iii), (iv) or (v) of this Section 4.1(f) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by an

additional 10%, effective January 1, 1997.

(x) If the pension of a Program E Participant who retired under (i), (ii), (iii), (iv) or (v) of this Section 4.1(f) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1999.

(g) Retirement on or after December 1, 1992 through December 31, 1996:

(i) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after December 1, 1992 but before January 1, 1997, under the Normal Retirement provision, and who meets the 1,000-Hour Test in 1991 or any subsequent year is an amount equal to the sum of $20.00 for each year of Benefit Service.

(ii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after December 1, 1992, but before January 1, 1997, under the Normal Retirement provision, who did not meet the requirements of (i) of this Section 4.1(g), but who either (a) meets the 1000-Hour Test in 1988, 1989, or 1990 or (b) had not incurred a Break in Service as of December 31, 1988, and earned at least one Credited Hour of Service on or after January 1, 1989, but before December 1, 1992, is an amount equal to the sum of $15.00 for each year of Benefit Service. The total is then increased by $10.00 or 10%, whichever is greater.

(iii) The monthly retirement benefit payable to a Program E Participant who retires on or after December 1, 1992, but before January 1, 1997, under the Normal Retirement provision, who did not meet the requirements of (i) or (ii) of this Section 4.1(g), but who meets the 1,000-Hour Test in 1984, 1985, 1986 or 1987 is an amount equal to $10.00 for each year of Benefit Service. The total is then increased by $10.00 or 15%, whichever is greater. The total is then increased by an additional $10.00 or 10%, whichever is greater.

(iv) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after December 1, 1992, but before January 1, 1997, under the Normal Retirement provision, who does not meet the

requirements of (i), (ii) or (iii) of this Section 4.1(g), but who meets the 1,000-Hour Test in 1980, 1981, 1982 or 1983 is an amount equal to the sum of $7.50 for each year of Benefit Service. The total is then increased by $10.00 or 10%, whichever is greater. The total is then increased by an additional $10 or 15%, whichever is greater. The total is then increased by an additional $10 or 10%, whichever is greater.

(v) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after December 1, 1992, but before January 1, 1997, under the Normal Retirement provision, who does not meet the requirements of (i), (ii), (iii) or (iv) of this Section 4.1(g), but who meets the 1,000-Hour Test in 1977, 1978, or 1979, is an amount equal to $5.00 for each year of Benefit Service. The total is then increased by 10%. The total is then increased by an additional $10.00 or 10%, whichever is greater. The total is then increased by an additional $10.00 or 15%, whichever is greater. The total is then increased by an additional $10.00 or 10%, whichever is greater.

(vi) The monthly retirement benefit payable to a Program E Participant who retires on or after December 1, 1992, but before January 1, 1997, under the Normal Retirement provision, who does not meet the requirements of (i), (ii), (iii), (iv) or (v) of this Section 4.1(g) is the greater of:

(A) an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each year of Benefit Service in excess of ten years, but not to exceed $135. The total is then increased by 20%; or

(B) for Program E Participants in Covered Employment on December 31, 1974, an amount computed as follows: that part of the retirement benefit based upon Covered Employment before January 1, 1975, is computed as a fraction of what the Program E Participant's benefit would have been under the plan in effect on December 31, 1974, if the Program E Participant had continued in Covered Employment until Normal Retirement Age. The fraction is determined by dividing the years of Benefit Service at December 31, 1974, by the sum of these years plus the additional years of

Benefit Service the Program E Participant would have if he had continued in full-time Covered Employment until his Normal Retirement Age. The retirement benefit derived from Covered Employment after January 1, 1975, is computed at the rate of $3.00 for each of the first ten years of his Benefit Service and $3.50 for each additional year of Benefit Service up to forty years but not to exceed $135.00 a month.

The benefit calculated pursuant to (A) or (B) is then increased by $10.00 or 10%, whichever is greater. The total is then increased by an additional $10.00 or 15%, whichever is greater. The total is then increased by an additional $10.00 or 10%, whichever is greater.

(vii) If the pension of a Program E Participant who retired under (i), (ii), (iii), (iv), (v) or (vi) of this Section 4.1(g) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1993, the amount of said pension (or Spouse's pension) shall be increased by an additional $20 or 20%, effective January 1, 1994.

(viii) If the pension of a Program E Participant who retired under (i), (ii), (iii), (iv), (v) or (vi) of this Section 4.1(g) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1997.

(ix) If the pension of a Program E Participant who retired under (i), (ii), (iii), (iv),(v) or (vi) of this Section 4.1(g) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1999.

(h) Retirement on or after January 1, 1997 through December 31, 1998:

(i) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1997 but before January 1, 1999, under the Normal Retirement provision, and who meets the 1,000-Hour Test in 1996 or any subsequent year is an amount equal to the sum of $22.00 for each year of Benefit Service.

(ii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1997, but before January 1, 1999, under the Normal Retirement provision, who did not meet the requirements of (i) of this Section 4.1(h), but met the 1,000-Hour Test in 1990, 1991, 1992, 1993, 1994 or 1995 is an amount equal to the sum of $20.00 for each year of Benefit Service. The total is then increased by $10.00 or 10%, whichever is greater. The total is then increased by $20 or 20%, whichever is greater.

(iii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1997, but before January 1, 1999, under the Normal Retirement provision, who did not meet the requirements of (i) or (ii) of this Section 4.1(h), but who either (a) meets the 1000-Hour Test in 1988 or 1989 or (b) had not incurred a Break in Service as of December 31, 1988, and earned at least one Credited Hour of Service on or after January 1, 1989, but before December 1, 1992, is an amount equal to the sum of $15.00 for each year of Benefit Service. The total is then increased by $10.00 or 10%, whichever is greater. The total is then increased by $20 or 20%, whichever is greater. The total is then increased by 10%.

(iv) The monthly retirement benefit payable to a Program E Participant who retires on or after January 1, 1997, but before January 1, 1999, under the Normal Retirement provision, who did not meet the requirements of (i), (ii) or (iii) of this Section 4.1(h), but who meets the 1,000-Hour Test in 1984, 1985, 1986 or 1987 is an amount equal to $10.00 for each year of Benefit Service. The total is then increased by $10.00 or 15%, whichever is greater. The total is then increased by an additional $10.00 or 10%, whichever is greater. The total is then increased by $20.00 or 20%, whichever is greater. The total is then increased by 10%

(v) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1997, but before January 1, 1999, under the Normal Retirement provision, who does not meet the requirements of (i), (ii), (iii) or (iv) of this Section 4.1(h), but who meets the 1,000-Hour Test in 1980, 1981, 1982 or 1983 is an amount equal to the sum of $7.50 for each year of Benefit Service. The total is then increased

by $10.00 or 10%, whichever is greater. The total is then increased by an additional $10 or 15%, whichever is greater. The total is then increased by an additional $10 or 10%, whichever is greater. The total is then increased by $20 or 20%, whichever is greater. The total is then increased by 10%.

(vi) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1997 but before January 1, 1999, under the Normal Retirement provision, who does not meet the requirements of (i), (ii), (iii), (iv) or (v) of this Section 4.1(h), but who meets the 1,000-Hour Test in 1977, 1978, or 1979, is an amount equal to $5.00 for each year of Benefit Service. The total is then increased by 10%. The total is then increased by an additional $10.00 or 10%, whichever is greater. The total is then increased by an additional $10.00 or 15%, whichever is greater. The total is then increased by an additional $10.00 or 10%, whichever is greater. The total is then increased by an addition $20 or 20%, whichever is greater. The total is then increased by 10%.

(vii) The monthly retirement benefit payable to a Program E Participant who retires on or after January 1, 1997, but before January 1, 1999, under the Normal Retirement provision, who does not meet the requirements of (i), (ii), (iii), (iv), (v) or (vi) of this Section 4.01(h) is the greater of:

(A) an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each year of Benefit Service in excess of ten years, but not to exceed $135. The total is then increased by 20%; or

(B) for Program E Participants in Covered Employment on December 31, 1974, an amount computed as follows: that part of the retirement benefit based upon Covered Employment before January 1, 1975 is computed as a fraction of what the Program E Participant's benefit would have been under the plan in effect on December 31, 1974, if the Program E Participant had continued in Covered Employment until Normal Retirement Age. The fraction is determined by dividing the years of Benefit Service at December

31, 1974, by the sum of these years plus the additional years of Benefit Service the Program E Participant would have if he had continued in full-time Covered Employment until his Normal Retirement Age. The retirement benefit derived from Covered Employment after January 1, 1975 is computed at the rate of $3.00 for each of the first ten years of his Benefit Service and $3.50 for each additional year of Benefit Service up to forty years but not to exceed $135.00 a month.

The benefit calculated pursuant to (i) or (ii) is then increased by $10.00 or 10%, whichever is greater. The total is then increased by an additional $10.00 or 15%, whichever is greater. The total is then increased by an additional $10.00 or 10%, whichever is greater. The total is then increased by $20 or 20%, whichever is greater. The total is then increased by 10%.

(viii) If the pension of a Program E Participant who retired under (i), (ii), (iii), (iv), (v), (vi) or (vii) of this Section 4.1(h) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1999.

(i) Retirement on or after January 1, 1999:

(i) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1999, under the Normal Retirement provision, and who meets the 1,000-Hour Test in 1998 or any subsequent year is an amount equal to the sum of $24.20 for each year of Benefit Service.

(ii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1999, under the Normal Retirement provision, who did not meet the requirements of (i) of this Section 4.1(i), but met the 1,000-Hour Test in 1996 or 1997, is an amount equal to the sum of $22.00 for each year of Benefit Service. The total is then increased by 10%.

(iii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1999, under the Normal

Retirement provision, who did not meet the requirements of (i) or (ii) of this Section 4.1(i), but met the 1,000-Hour Test in 1990, 1991, 1992, 1993, 1994 or 1995 is an amount equal to the sum of $20.00 for each year of Benefit Service. The total is then increased by $10.00 or 10%, whichever is greater. The total is then increased by $20 or 20%, whichever is greater.

(iv) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1999, under the Normal Retirement provision, who did not meet the requirements of (i), (ii) or (iii) of this Section 4.1(i), but who either (a) meets the 1000-Hour Test in 1988 or 1989 or (b) had not incurred a Break in Service as of December 31, 1988, and earned at least one Credited Hour of Service on or after January 1, 1989, but before December 1, 1992, is an amount equal to the sum of $15.00 for each year of Benefit Service. The total is then increased by $10.00 or 10%, whichever is greater. The total is then increased by $20 or 20%, whichever is greater. The total is then increased by 10%. The total is then increased by 10%.

(v) The monthly retirement benefit payable to a Program E Participant who retires on or after January 1, 1999, under the Normal Retirement provision, who did not meet the requirements of (i), (ii), (iii) or (iv) of this Section 4.1(i), but who meets the 1,000-Hour Test in 1984, 1985, 1986 or 1987 is an amount equal to $10.00 for each year of Benefit Service. The total is then increased by $10.00 or 15%, whichever is greater. The total is then increased by an additional $10.00 or 10%, whichever is greater. The total is then increased by $20 or 20%, whichever is greater. The total is then increased by 10%. The total is then increased by 10%.

(vi) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1999, under the Normal Retirement provision, who does not meet the requirements of (i), (ii), (iii), (iv) or (v) of this Section 4.1(i), but who meets the 1,000-Hour Test in 1980, 1981, 1982 or 1983 is an amount equal to the sum of $7.50 for each year of Benefit Service. The total is then increased by $10.00 or 10%, whichever is greater. The total is then increased by an additional $10 or 15%, whichever is greater. The total is then increased by an additional

$10 or 10%, whichever is greater. The total is then increased by $20 or 20%, whichever is greater. The total is then increased by 10%. The total is then increased by 10%.

(vii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1999, under the Normal Retirement provision, who does not meet the requirements of (i), (ii), (iii), (iv), (v) or (vi) of this Section 4.1(i), but who meets the 1,000-Hour Test in 1977, 1978, or 1979, is an amount equal to $5.00 for each year of Benefit Service. The total is then increased by 10%. The total is then increased by an additional $10.00 or 10%, whichever is greater. The total is then increased by an additional $10.00 or 15%, whichever is greater. The total is then increased by an additional $10.00 or 10%, whichever is greater. The total is then increased by $20 or 20%, whichever is greater. The total is then increased by 10%. The total is then increased by 10%.

(viii) The monthly retirement benefit payable to a Program E Participant who retires on or after January 1, 1999, under the Normal Retirement provision, who does not meet the requirements of (i), (ii), (iii), (iv), (v), (vi) or (vii) of this Section 4.1(i) is the greater of:

(A) an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each year of Benefit Service in excess of ten years, but not to exceed $135. The total is then increased by 20%; or

(B) for Program E Participants in Covered Employment on December 31, 1974, an amount computed as follows: that part of the retirement benefit based upon Covered Employment before January 1, 1975, is computed as a fraction of what the Program E Participant's benefit would have been under the plan in effect on December 31, 1974, if the Program E Participant had continued in Covered Employment until Normal Retirement Age. The fraction is determined by dividing the years of Benefit Service at December 31, 1974, by the sum of these years plus the additional years of Benefit Service the Program E Participant would have if he had continued in full-time Covered Employment until his Normal

Retirement Age. The retirement benefit derived from Covered Employment after January 1, 1975, is computed at the rate of $3.00 for each of the first ten years of his Benefit Service and $3.50 for each additional year of Benefit Service up to forty years but not to exceed $135.00 a month.

The benefit calculated pursuant to (A) or (B) is then increased by $10.00 or 10%, whichever is greater. The total is then increased by an additional $10.00 or 15%, whichever is greater. The total is then increased by an additional $10.00 or 10%, whichever is greater. The total is then increased by $20 or 20%, whichever is greater. The total is then increased by 10%. The total is then increased by 10%.

4.2 Normal Retirement Benefit-Individuals Who Were Participants in the Fur Dressers and Dyers Pension Plan On Or Before December 30, 1994

(a) Retirement Before January 1, 1975:

(i) The monthly retirement benefit payable to a Program E Participant who retires before January 1, 1975, under the Normal Retirement provision is the benefit to which said Program E Participant was entitled under the terms of the plan of benefits in effect on the date of his retirement, as the same may have been increased by amendments to said plan of benefits adopted and made effective on or before and December 31, 1974.

(ii) If the pension of a Program E Participant who retired under (i) of this Section 4.2(a) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1977, the amount of said pension (or Spouse's pension) shall be increased by 10%, effective January 1, 1978.

(iii) If the pension of a Program E Participant who retired under (i) of this Section 4.2(a) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1980, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1981.

(iv) If the pension of a Program E Participant who retired under (i) of this Section 4.2(a) (or the Spouse's pension of the Spouse of such Program E

Participant) is still in pay status on January 1, 1985, the amount of said pension (or Spouse's pension) shall be increased by an additional $10.00 or 10%, whichever is greater, effective January 1, 1985.

(v) If the pension of a Program E Participant who retired under (i) of this Section 4.2(a) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on January 1, 1993, the amount of said pension (or Spouse's pension) shall be increased by an additional $10.00 or 10%, whichever is greater, effective January 1, 1993.

(vi) If the pension of a Program E Participant who retired under (i) of this Section 4.2(a) (or the Spouse's pension of a Spouse of such Program E Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1997.

(vii) If the pension of a Program E Participant who retired under (i) of this Section 4.2(a) (or the Spouse's pension of a Spouse of such Program E Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1999.

(b) Retirement on or after January 1, 1975 through December 31, 1977:

(i) The monthly retirement benefit payable to a Program E Participant who retires on or after January 1, 1975, but before January 1, 1978, under the Normal Retirement provision, is the greater of either:

(A) an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each additional year of Benefit Service in excess of ten years, but not to exceed a benefit of $135.00 per month; or

(B) for Program E Participants in Covered Employment on December 31, 1974, an amount computed as follows: that part of the retirement benefit based upon Covered Employment before January 1, 1975, is computed as a fraction of what the Program E Participant's benefit would have been under the plan in effect on

December 31, 1974, if the Program E Participant had continued in Covered Employment until Normal Retirement Age. The fraction is determined by dividing the years of Benefit Service at December 31, 1974, by the sum of these years plus the additional years of Benefit Service the Program E Participant would have if he continued in full-time Covered Employment until his Normal Retirement Age. The retirement benefit derived from Covered Employment after January 1, 1975, is computed at the rate of $3.00 for each of the first ten years of Benefit Service and $3.50 for each additional year of Benefit Service up to forty years, but not to exceed $135.00 per month.

(ii) If the pension of a Program E Participant who retired under (i) of this Section 4.2(b) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1977, the amount of said pension (or Spouse's pension) shall be increased by 10%, effective January 1, 1978.

(iii) If the pension of a Program E Participant who retired under (i) of this Section 4.2(b) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1980, the amount of said pension (or Spouse's pension) shall be increased by 10%, effective January 1, 1981.

(iv) If the pension of a Program E Participant who retired under (i) of this Section 4.2(b) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on January 1, 1985, the amount of said pension (or Spouse's pension) shall be increased by an additional $10.00 or 10%, whichever is greater, effective January 1, 1985.

(v) If the pension of a Program E Participant who retired under (i) of this Section 4.2(b) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on January 1, 1993, the amount of said pension (or Spouse's pension) shall be increased by an additional $10.00 or 10%, whichever is greater, effective January 1, 1993.

(vi) If the pension of a Program E Participant who retired under (i) of this Section 4.2(b) (or the Spouse's pension of a Spouse of such Program E Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1997.

(vii) If the pension of a Program E Participant who retired under (i) of this Section 4.2(b) (or the Spouse's pension of a Spouse of such Program E Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1999.

(c) Retirement on or after January 1, 1978, through December 31, 1980:

(i) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1978, but before January 1, 1981, under the Normal Retirement provision, and who meets the 1,000-Hour Test in 1977 or any subsequent year is an amount equal to $5.00 for each year of Benefit Service.

(ii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1978, but before January 1, 1981, under the Normal Retirement provision, but who does not meet the 1,000-Hour Test in 1977 or any subsequent year is an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each year of Benefit Service in excess of ten years. The total is then increased by 10%.

(iii) If the pension of a Program E Participant who retired under (i) or (ii) of this Section 4.2(c) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on December 31, 1980, the amount of said pension (or Spouse's pension) shall be increased by 10%, effective January 1, 1981.

(iv) If the pension of a Program E Participant who retired under (i) or (ii) of this Section 4.2(c) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on January 1, 1985, the amount of said pension (or Spouse's pension) shall be increased by an additional $10.00

or 10%, whichever is greater, effective January 1, 1985.

(v) If the pension of a Program E Participant who retired under (i) or (ii) of this Section 4.2(c) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on January 1, 1993, the amount of said pension (or Spouse's pension) shall be increased by an additional $10.00 or 10%, whichever is greater, effective January 1, 1993.

(vi) If the pension of a Program E Participant who retired under (i) of this Section 4.2(c) (or the Spouse's pension of a Spouse of such Program E Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1997.

(vii) If the pension of a Program E Participant who retired under (i) of this Section 4.2(c) (or the Spouse's pension of a Spouse of such Program E Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1999.

(d) Retirement on or after January 1, 1981 through December 31, 1984:

(i) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1981, but before January 1, 1985, under the Normal Retirement provision, and who meets the 1,000-Hour Test in 1980 or any subsequent year is an amount equal to $7.50 for each year of Benefit Service.

(ii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1981, but before January 1, 1985, under the Normal Retirement provision, who does not meet the 1,000-Hour Test in 1980 or any subsequent year but who meets the 1,000-Hour Test in 1977, 1978 or 1979, is an amount equal to the sum of $5.00 for each year of Benefit Service. The total is then increased by 10%.

(iii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1981, but before January 1,

1985, under the Normal Retirement provision, who does not meet requirements of either (i) or (ii) of this Section 4.2(d), is the greater of:

(A) an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each year of Benefit Service in excess of ten years, but not to exceed $135. The total is then increased by 20%; or

(B) for Program E Participants in Covered Employment on December 31, 1974, an amount computed as follows: that part of the retirement benefit based upon Covered Employment before January 1, 1975, is computed as a fraction of what the Program E Participant's benefit would have been under the plan in effect on December 31, 1974, if the Program E Participant had continued in Covered Employment until Normal Retirement Age. The fraction is determined by dividing the years of Benefit Service at December 31, 1974, by the sum of these years plus the additional years of Benefit Service the Program E Participant would have if he continued in full-time Covered Employment until his Normal Retirement Age. The retirement benefit derived from Covered Employment after January 1, 1975, is computed at the rate of $3.00 for each of the first ten years of his. Benefit Service and $3.50 for each additional year of Benefit Service up to forty years but not to exceed $135.00 a month.

(iv) If the pension of a Program E Participant who retired under (i), (ii) or (iii) of this Section 4.2(d) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on January 1, 1985, the amount of said pension (or Spouse's pension) shall be increased by an additional $10.00 or 10%, whichever is greater, effective January 1, 1985.

(v) If the pension of a Program E Participant who retires under (i), (ii) or (iii) of this Section 4.2(d) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on January 1, 1993, the amount of said pension (or Spouse's pension) shall be increased by an additional $10.00 or 10%, whichever is greater, effective January 1, 1993.

(vi) If the pension of a Program E Participant who retired under (i) of this Section 4.2(d) (or the Spouse's pension of a Spouse of such Program E Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1997.

(vii) If the pension of a Program E Participant who retired under (i) of this Section 4.2(d) (or the Spouse's pension of a Spouse of such Program E Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1999.

(e) Retirement on or after January 1, 1985 through December 31, 1988:

(i) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1985, but before January 1, 1989, under the Normal Retirement provision, and who meets the 1,000-Hour Test in 1984 or any subsequent year is an amount equal to the sum of $10.00 for each year of Benefit Service.

(ii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1985, but before January 1, 1989, under the Normal Retirement provision, who does not meet the 1,000-Hour Test in 1984 or any subsequent year but who meets the 1,000-Hour Test in 1980, 1981, 1982 or 1983 is an amount equal to the sum of $7.50 for each year of Benefit Service. The total is then increased by $10.00 or 10%, whichever is greater.

(iii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1985, but before January 1, 1989, under the Normal Retirement provision, who does not meet the 1,000-Hour Test in 1980 or any subsequent year but who meets the 1,000-Hour Test in 1977, 1978 or 1979 is an amount equal to the sum of $5.00 for each year of Benefit Service. The total is then increased by 10%. The total is then increased by an additional $10.00 or 10%, whichever is greater.

(iv) The monthly lifetime retirement benefit payable to a Program E

Participant who retires on or after January 1, 19.85 but before January 1, 1989, under the Normal Retirement provision, who does not meet the requirements of (i) , (ii) or (iii) of this Section 4.2(e), is the greater of:

(A) an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each year of Benefit Service in excess of ten years, but not to exceed $135. The total is then increased by 20%; or

(B) for Program E Participants in Covered Employment on December 31, 1974, an amount computed as follows: that part of the retirement benefit based upon Covered Employment before January 1, 1975, is computed as a fraction of what the Program E Participant's benefit would have been under the plan in effect on December 31, 1974, if the Program E Participant had continued in Covered Employment until Normal Retirement Age. The fraction is determined by dividing the years of Benefit Service at December 31, 1974 by the sum of these years plus the additional years of Benefit Service the Program E Participant would have if he continued in full-time Covered Employment until his Normal Retirement Age. The retirement benefit derived from Covered Employment after January 1, 1975, is computed at the rate of $3.00 for each of the first ten years of Benefit Service and $3.50 for each additional year of his Benefit Service up to forty years but not to exceed $135.00 a month.

The benefit calculated pursuant to (A) or (B) is then increased by $10.00 or 10%, whichever is greater.

(v) If the pension of a Program E Participant who retired under (i), (ii), (iii) or (iv) of this Section 4.2(e) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on January 1, 1993, the amount of said pension (or Spouse's pension) shall be increased by an additional $10.00 or 10%, whichever is greater, effective January 1, 1993.

(vi) If the pension of a Program E Participant who retired under (i) of this Section 4.2(e) (or the Spouse's pension of a Spouse of such Program E

Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1997.

(vii) If the pension of a Program E Participant who retired under (i) of this Section 4.2(e) (or the Spouse's pension of a Spouse of such Program E Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1999.

(f) Retirement on or after January 1, 1989 through December 31, 1992:

(i) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1989, but before January 1, 1993, under the Normal Retirement provision, is an amount equal to the sum of $20.00 for each year of Benefit Service, provided that the Program E Participant meets the 1000-Hour Test in 1988 or any subsequent year.

(ii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1989, but before January 1, 1993 under the Normal Retirement provision, who does not meet the requirements of (i) of this Section 4.2(f), but who meets the 1,000-Hour Test in 1984, 1985, 1986 or 1987 is an amount equal to the sum of $10.00 for each year of Benefit Service.

(iii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1989, but before January 1, 1993, under the Normal Retirement provision, who does not meet the requirements of (i) or (ii) of this Section 4.2(f), but who meets the 1,000-Hour Test in 1980, 1981, 1982 or 1983 is an amount equal to the sum of $7.50 for each year of Benefit Service. The total is then increased by $10.00 or 10%, whichever is greater.

(iv) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1989 but before January 1, 1993, under the Normal Retirement provision, who does not meet the 1,000-Hour Test in 1980 but who meets the 1,000-Hour Test in 1977, 1978 or 1979 is an amount equal to the sum of $5.00 for each year of

Benefit Service. The total is then increased by 10%. The total is then increased by $10.00 or 10%, whichever is greater.

(v) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1989, but before January 1, 1993, under the Normal Retirement provision, who does not meet requirements of (i), (ii), (iii) or (iv) of this Section 4.2(f), is the greater of:

(A) an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each year of Benefit Service in excess of ten years, but not to exceed $135. The total is then increased by 20%; or

(B) for Program E Participants in Covered Employment on December 31, 1974, an amount computed as follows: that part of the retirement benefit based upon Covered Employment before January 1, 1975, is computed as a fraction of what the Program E Participant's benefit would have been under the plan in effect on December 31, 1974, if the Program E Participant had continued in Covered Employment under the Plan until Normal Retirement Age. The fraction is determined by dividing the years of Benefit Service at December 31, 1974, by the sum of these years plus the additional years of Benefit Service the Program E Participant would have if he continued in full-time Covered Employment until his Normal Retirement Age. The retirement benefit derived from Covered Employment after January 1, 1975, is computed at the rate of $3.00 for each of the first ten years of his Benefit Service and $3.50 for each additional year of Benefit Service up to forty years, but not to exceed $135.00 a month.

The benefit calculated pursuant to (A) or (B) is then increased by $10.00 or 10%, whichever is greater.

(vi) If the pension of a Program E Participant who retires under (ii), (iii), (iv) or (v) of this Section 4.2(f) (or the Spouse's pension of the Spouse of such Program E Participant) is still in pay status on January 1, 1993, the amount of said pension (or Spouse's pension) shall be increased by $10.00 or

10%, whichever is greater, effective January 1, 1993.

(vii) If the pension of a Program E Participant who retired under (i) of this Section 4.2(f) (or the Spouse's pension of a Spouse of such Program E Participant) is still in pay status on December 31, 1996, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1997.

(viii) If the pension of a Program E Participant who retired under (i) of this Section 4.2(f) (or the Spouse's pension of a Spouse of such Program E Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1999.

(g) Retirement on or after January 1, 1993 through December 31, 1998:

(i) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1993, but before January 1, 1999, under the Normal Retirement provision, is an amount equal to the sum of $22.00 for each year of Benefit Service, provided that the Program E Participant meets the 1000-Hour Test in 1992 or any subsequent year.

(ii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1993 but before January 1, 1999, under the Normal Retirement provision, who does not meet the requirements of (i) of this Section 4.2(g), but who meets the 1000-Hour Test in 1988, 1989, 1990 or 1991 is an amount equal to the sum of $20.00 for each year of Benefit Service.

(iii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1993 but before January 1, 1999 under the Normal Retirement provision, who does not meet the requirements of (i) or (ii) of this Section 4.2(g), but who meets the 1,000-Hour Test in 1984, 1985, 1986 or 1987 is an amount equal to the sum of $10.00 for each year of Benefit Service.

(iv) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1993 but before January 1,

1999, under the Normal Retirement provision, who does not meet the requirements of (i), (ii) or (iii) of this Section 4.2(g), but who meets the 1,000-Hour Test in 1980, 1981, 1982 or i983 is an amount equal to the sum of $7.50 for each year of Benefit Service. The total is then increased by $10.00 or 10%, whichever is greater.

(v) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1993, but before January 1, 1999, under the Normal Retirement provision, who does not meet the 1,000-Hour Test in 1980 but who meets the 1,000-Hour Test in 1977, 1978 or 1979 is an amount equal to the sum of $5.00 for each year of Benefit Service. The total is then increased by 10%. The total is then increased by $10.00 or 10%, whichever is greater.

(vi) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1993, but before January 1, 1999, under the Normal Retirement provision, who does not meet requirements of (i), (ii), (iii), (iv) or (v) of this Section 4.2(g), is the greater of:

(A) an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each year of Benefit Service in excess of ten years, but not to exceed $135. The total is then increased by 20%; or

(B) for Program E Participants in Covered Employment on December 31, 1974, an amount computed as follows: that part of the retirement benefit based upon Covered Employment before January 1, 1975, is computed as a fraction of what the Program E Participant's benefit would have been under the plan in effect on December 31, 1974, if the Program E Participant had continued in Covered Employment until Normal Retirement Age. The fraction is determined by dividing the years of Benefit Service at December 31, 1974, by the sum of these years plus the additional years of Benefit Service the Program E Participant would have if he continued in full-time Program E Covered Employment until his Normal Retirement Age. The retirement benefit derived from

Covered Employment after January 1, 1975, is computed at the rate of $3.00 for each of the first ten years of his Benefit Service and $3.50 for each additional year of Benefit Service up to forty years, but not to exceed $135.00 a month.

The benefit calculated pursuant to (A) or (B) is then increased by $10.00 or 10%, whichever is greater.

(vii) If the pension of a Program E Participant who retired under (i) of this Section 4.2(g) (or the Spouse's pension of a Spouse of such Program E Participant) is still in pay status on December 31, 1998, the amount of said pension (or Spouse's pension) shall be increased by an additional 10%, effective January 1, 1999.

(h) Retirement on or after January 1, 1999:

(i) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1999, under the Normal Retirement provision, is an amount equal to the sum of $24.40 for each year of Benefit Service, provided that the Program E Participant meets the 1000-Hour Test in 1998 or any subsequent year.

(ii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1999, under the Normal Retirement provision, who does not meet the requirements of (i) of this Section 4.1(h), but who meets the 1000-Hour Test in 1992, 1993, 1994, 1995, 1996 or 1997 is an amount equal to the sum of $22.00 for each year of Benefit Service.

(iii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1999, under the Normal Retirement provision, who does not meet the requirements of (i) or (ii) of this Section 4.2(h), but who meets the 1000-Hour Test in 1988, 1989, 1990 or 1991 is an amount equal to the sum of $20.00 for each year of Benefit Service.

(iv) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1999, under the Normal

Retirement provision, who does not meet the requirements of (i), (ii) or (iii) of this Section 4.2(h), but who meets the 1,000-Hour Test in 1984, 1985, 1986 or 1987 is an amount equal to the sum of $10.00 for each year of Benefit Service.

(v) The monthly lifetime retirement benefit payable, to a Program E Participant who retires on or after January 1, 1999, under the Normal Retirement provision, who does not meet the requirements of (i), (ii), (iii) or (iv) of this Section 4.2(h), but who meets the 1,000-Hour Test in 1980, 1981, 1982 or 1983 is an amount equal to the sum of $7.50 for each year of Benefit Service. The total is then increased by $10.00 or 10%, whichever, is greater.

(vi) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1999, under the Normal Retirement provision, who does not meet the 1,000-Hour Test in 1980 but who meets the 1,000-Hour Test in 1977, 1978 or 1979 is an amount equal to the sum of $5.00 for each year of Benefit Service. The total is then increased by 10%. The total is then increased by $10.00 or 10%, whichever is greater.

(vii) The monthly lifetime retirement benefit payable to a Program E Participant who retires on or after January 1, 1999, under the Normal Retirement provision, who does not meet requirements of (i), (ii), (iii), (iv), (v) or (vi) of this Section 4.2(h), is the greater of:

(A) an amount equal to the sum of $3.00 for each of the first ten years of Benefit Service plus $3.50 for each year of Benefit Service in excess of ten years, but not to exceed $135. The total is then increased by 20%; or

(B) for Program E Participants in Covered Employment on December 31, 1974, an amount computed as follows: that part of the retirement benefit based upon Covered Employment before January 1, 1975, is computed as a fraction of what the Program E Participant's benefit would have been under the plan in effect on December 31, 1974, if the Program E Participant had continued in

Covered Employment until Normal Retirement Age. The fraction is determined by dividing the years of Benefit Service at December 31, 1974, by the sum of these years plus the additional years of Benefit Service the Program E Participant would have if he continued in full-time Covered Employment until his Normal Retirement Age. The retirement benefit derived from Covered Employment after January 1, 1975, is computed at the rate of $3.00 for each of the first ten years of his Benefit Service and $3.50 for each additional year of Benefit Service up to forty years, but not to exceed $135.00 a month.

The benefit calculated pursuant to (A) or (B) is then increased by $10.00 or 10%, whichever is greater.

4.3 Early Retirement Benefit

(a) The monthly lifetime retirement benefit payable to a Program E Participant who is entitled to receive an Early Retirement Benefit pursuant to Section 3.2 and who elects, prior to January 1, 1993, to commence receiving his pension prior to attaining his Normal Retirement Age is an amount equal to that to which the Program E Participant would have been eligible if he had then attained Normal Retirement Age multiplied by the appropriate factor from the following table:

| **Attained Age at Pension Commencement** | **Factor** |
|---|---|
| **62** | **73.2%** |
| **63** | **81.0%** |
| **64** | **90.0%** |

(b) The monthly lifetime retirement benefit payable to a Program E Participant who is entitled to receive an Early Retirement Benefit pursuant to Section 3.2 and who elects, on or after January 1, 1993, to commence receiving his pension prior to his Normal Retirement Age is an amount equal to that which the Program E Participant would have been eligible if he had then attained Normal Retirement Age reduced by one half of one percent (0.5%) for each month by which the Program E Participant's pension commencement date precedes the date on which

he attains his Normal Retirement Age.

4.4 Disability Retirement Benefit

The monthly benefit payable to a Program E Participant during his total disability prior to age sixty-five and for life thereafter is an amount equal to the Normal Retirement Benefit for which he would have been eligible if he had attained Normal Retirement Age at the time he became totally disabled. However, if the Program E Participant is receiving disability benefits from the FLM Joint Board Benefit Fund or any successor by merger on the date he is eligible for a disability retirement benefit, his disability pension will begin the month after he ceases to receive disability benefits from the FLM Joint Board Benefit Fund.

4.5 Deferred Vested Benefits - Individuals Who Were Participants Before December 30, 1994

A Program E Participant who is entitled to a Deferred Vested Benefit pursuant to Section 3.5 will be entitled to receive a monthly lifetime benefit commencing on the first day of the month coincident with or next following his Normal Retirement Age.

(a) Separation from Service before January 1, 1975:

(i) If a Program E Participant incurs a Separation from Service before January 1, 1975, and such Program E Participant is entitled to a Deferred Vested Benefit under the terms of the plan of benefits in effect on the date of his Separation from Service, his monthly lifetime benefit is computed under the terms of the plan of benefits in effect on the date of his Separation froth Service, as the same may have been increased by amendments to said plan of benefits adopted and made effective on or before December 31, 1974.

(ii) If the Program E Participant continues to be entitled to a Deferred Vested Benefit and that benefit is in pay status (or his Spouse is receiving a Spouse's pension) on January 1, 1978, the amount of the benefit determined under (i) shall be increased by 10%, effective January 1, 1978.

(iii) If the Program E Participant continues to be entitled to a Deferred Vested Benefit and that benefit is in pay status (or his Spouse is receiving a

Spouse's pension) on January 1, 1981, the amount of the benefit determined under (ii) shall be increased by an additional 10%. If the Program E Participant continues to be entitled to a Deferred Vested Benefit and that benefit is not in pay status on January 1, 1981, the amount of the benefit determined under (i) shall be increased by 20% effective January 1, 1981.

(iv) If the Program E Participant continues to be entitled to a Deferred Vested Benefit, whether or not in pay status, (or his Spouse is receiving a Spouse's pension) on January 1, 1985, the amount of the benefit determined under (iii) shall be increased by an additional $10.00 or 10%, whichever is greater, effective January 1, 1985.

(v) If the Program E Participant continues to be entitled to a Deferred Vested Benefit, whether or not in pay status, (or his Spouse is receiving a Spouse's pension) on January 1, 1989, the amount of the benefit determined under (iv) shall be increased by an additional $10.00 or 15%, whichever is greater. If the Program E Participant's (or Spouse's) benefit is not in pay status as of December 31, 1988, however, this additional increase shall be effective December 1, 1992, without retroactive effect.

(vi) If the Program E Participant continues to be entitled to a Deferred Vested Benefit, whether or not in pay status, (or his Spouse is receiving a Spouse's pension) on December 1, 1992, the amount of the benefit determined under (v) shall be increased by an additional $10.00 or 10%, whichever is greater, effective December 1, 1992.

(vii) If the Program E Participant continues to be entitled to a Deferred Vested Benefit, whether or not in pay status, (or his Spouse is receiving a Spouse's pension) on December 31, 1993, the amount of the benefit determined under (vi) shall be increased by an additional $20.00 or 20%, whichever is greater, effective January 1, 1994.

(viii) If the Program E Participant continues to be entitled to a Deferred Vested Benefit, whether or not in pay status, (or his Spouse is receiving a Spouse's pension) on December 31, 1996, the amount of the benefit determined under (vii) shall be increased by an additional 10%, effective

January 1, 1997.

(ix) If the Program E Participant continues to be entitled to a Deferred Vested Benefit, whether or not in pay status, or his Spouse is receiving a Spouse's pension) on December 31, 1998, the amount of the benefit determined under (viii) shall be increased by and additional 10%, effective January 1, 1999.

(b) Separation from Service on or after January 1, 1975, through December 31, 1980:

(i) If a Program E Participant who is entitled to a Deferred Vested Benefit pursuant to Section 3.5 incurs a Separation from Service between January 1, 1975, and January 1, 1980, his monthly lifetime benefit commencing as of the first day of the month coinciding with or next following the date on which he attains Normal Retirement Age, is computed by first determining his benefit at Normal Retirement Age as though he had remained in Covered Employment until that date in accordance with Section 4.1(b)(i). That amount is multiplied by a fraction whose numerator is the sum of one-half of the Program E Participant's Benefit Service before 1975 plus the Program E Participant's years of Benefit Service after December 31, 1974, and whose denominator is the sum of the Program E Participant's years of Benefit Service until he left Covered Employment plus the additional years of Benefit Service. The Program E Participant would have earned if he had remained in Covered Employment until his Normal Retirement Age. The years of Benefit Service preceding participation in the Plan are excluded.

(ii) If the Program E Participant continues to be entitled to a Deferred Vested Benefit and that benefit is in pay status, (or his Spouse is receiving a Spouse's pension) on January 1, 1978, the amount of the benefit determined under (i) is increased by 10%, effective January 1, 1978.

(iii) If the Program E Participant continues to be entitled to a Deferred Vested Benefit and that benefit is in pay status, (or his Spouse is receiving a Spouse's pension) on January 1, 1981, the amount of the benefit determined under (ii) shall be increased by an additional 10%. If the Program E Participant continues to be entitled to a Deferred Vested

Benefit, but that benefit is not in pay status as of January 1, 1981, the amount of the benefit determined under (i) shall be increased by 20%, effective January 1, 1981.

(iv) If the Program E Participant continues to be entitled to a Deferred Vested Benefit, whether or not in pay status, (or his Spouse is receiving a Spouse's pension) on January 1, 1985, the amount of the benefit determined under (iii) shall be increased by an additional $10.00 or 10%, whichever is greater, effective January 1, 1985.

(v) If the Program E Participant continues to be entitled to a .Deferred Vested Benefit, whether or not in pay status, (or his Spouse is receiving a Spouse's pension) on January 1, 1989, the amount of the benefit determined under (iv) shall be increased by an additional $10.00 or 15%, whichever is greater. If the Program E Participant's (or Spouse's) benefit is not in pay status as of December 31, 1988, however, this additional increase shall be effective December 1, 1988, without retroactive effect.

(vi) If the Program E Participant continues to be entitled to a Deferred Vested Benefit, whether or not in pay status, (or his Spouse is receiving a Spouse's pension) on December 1, 1992, the amount of the benefit determined under (v) shall be increased by an additional $10.00 or 10%, whichever is greater, effective December 1, 1992.

(vii) If the Program E Participant continues to be entitled to a Deferred Vested Benefit, whether or not in pay status, (or his Spouse is receiving a Spouse's pension) on December 31, 1993, the amount of the benefit determined under (vi) shall be increased by an additional $20.00 or 20%, whichever is greater, effective January 1, 1994.

(viii) If the Program E Participant continues to be entitled to a Deferred Vested Benefit, whether or not in pay status, (or his Spouse is receiving a Spouse's pension) on December 31, 1996, the amount of the benefit determined under (vii) shall be increased by an additional 10%, effective January 1, 1997.

(ix) If the Program E Participant continues to be entitled to a Deferred Vested

Benefit, whether or not in pay status, or his Spouse is receiving a Spouse's pension) on December 31, 1998, the amount of the benefit determined under (vii) shall be increased by an additional 10%, effective January 1, 1999.

(c) Separation from Service on or after January 1, 1981:

If a Program E Participant who is entitled to a Deferred Vested Benefit pursuant to Section 3.5 incurs a Separation from Service on or after January 1, 1981, his monthly lifetime benefit commencing as of the first day of the month coinciding with or next following the date on which he attains Normal Retirement Age shall be determined in accordance with Section 4.1 as though the Program E Participant had retired on the date of his Separation from Service.

4.6 Deferred Vested Benefits-Individuals Who Were Participants in the Fur Dressers and Dyers Pension Plan On Or Before December 30, 1994.

A Program E Participant who is entitled to a Deferred Vested Benefit pursuant to Section 3.5 will be entitled to receive a monthly lifetime benefit commencing on the first day of the month coincident with or next following his Normal Retirement Age.

(a) Separation from Service before January 1, 1975:

(i) If a Program E Participant incurs a Separation from Service before January 1, 1975, and such Program E Participant is entitled to a Deferred Vested Benefit under the terms of the plan of benefits in effect on the date of his Separation from Service, his monthly lifetime benefit is computed under the terms of the plan of benefits in effect on the date of his Separation from Service, as the same may have been increased by amendments to said plan of benefits adopted and made effective on or before December 31, 1974.

(ii) If the Program E Participant continues to be entitled to a Deferred Vested Benefit and that benefit is in pay status (or his Spouse is receiving a Spouse's pension) on January 1, 1978, the amount of the benefit under (i) shall be increased by 10%, effective January 1, 1978.

(iii) If the Program E Participant continues to be entitled to a Deferred Vested

Benefit and that benefit is in pay status (or his Spouse is receiving a Spouse's pension) on January 1, 1981, the amount of the benefit determined under (ii) shall be increased by an additional 10%. If the Program E Participant continues to be entitled to a Deferred Vested Benefit and that benefit is not in pay status on January 1, 1981, the amount of the benefit determined under (i) shall be increased by 20%, effective January 1, 1981.

(iv) If the Program E Participant continues to be entitled to a Deferred Vested Benefit and that benefit is in pay status (or his Spouse is receiving a Spouse's pension) on January 1, 1985, the amount of the benefit determined under (iii) shall be increased by an additional $10.00 or 10%, whichever is greater, effective January 11, 1985.

(v) If the Program E Participant continues to be entitled to a Deferred Vested Benefit, whether or not in pay status (or his Spouse is receiving a Spouse's pension) on January 1, 1993, the amount of the benefit determined under (iv) shall be increased by an additional $10.00 or 10%, whichever is greater, effective January 1, 1993.

(vi) If the Program E Participant continues to be entitled to a Deferred Vested Benefit, whether or not in pay status (or his Spouse is receiving a Spouse's pension) on January 1, 1999, the amount of the benefit determined under (v) shall be increased by an additional 10%, effective January 1, 1999.

(b) Separation from Service on or after January 1, 1975 through December 31, 1980:

(i) If the Program E Participant who is entitled to a Deferred Vested Benefit pursuant to Section 3.5 incurs a Separation from Service between January 1, 1975, and January 1, 1980, his monthly lifetime benefit commencing as of the first day of the month coinciding with or next following the date on which he attains Normal Retirement Age is computed by first determining his benefit at Normal Retirement Age as though he had remained in Covered Employment until that date in accordance with Section 4.1(b)(i). That amount is multiplied by a fraction whose numerator is the sum of one-half of the Program E Participant's Benefit Service before 1975 plus the Program E Participant's years of Benefit Service after December 31,

1974, and whose denominator is the sum of the Program E Participant's years of Benefit Service until he left Covered Employment plus the additional years of Benefit Service the Program E Participant would have earned if he had remained in Covered Employment until his Normal Retirement Age. The years of Benefit Service preceding participation in the Plan are excluded.

(ii) If the Program E Participant continues to be entitled to a Deferred Vested Benefit and that benefit is in pay status (or his Spouse is receiving a Spouse's pension) on January 1, 1978, the amount of the benefit determined under (i) is increased by 10%, effective January 1, 1978.

(iii) If the Program E Participant continues to be entitled to a Deferred Vested Benefit and that benefit is in pay status (or his Spouse is receiving a Spouse's pension) on January 1, 1981, the amount of the benefit determined under (ii) shall be increased by an additional 10%. If the Program E Participant continues to be entitled to a Deferred Vested Benefit, but that benefit is not in pay status as on January 1, 1981, the amount of the benefit determined under (i) shall be increased by 20%, effective January 1, 1981.

(iv) If the Program E Participant continues to be entitled to a Deferred Vested Benefit, whether or not in pay status, (or his Spouse is receiving a Spouse's pension) on January 1, 1985, the amount of the benefit determined under (iii) shall be increased by an additional $10.00 or 10%, whichever is greater, effective January 1, 1985.

(v) If the Program E Participant continues to be entitled to a Deferred Vested Benefit, whether or not in pay status (or his Spouse is receiving a Spouse's pension) on January 1, 1993, the amount of the benefit determined under (iv) shall be increased by an additional $10.00 or 10%, whichever is greater, effective January 1, 1993.

(vi) If the Program E Participant continues to be entitled to a Deferred Vested Benefit, whether or not in pay status (or his Spouse is receiving a Spouse's pension) on January 1, 1999, the amount of the benefit determined under (v) shall be increased by an additional 10%, effective January 1, 1999.

(c) Separation from Service on or after January 1, 1981:

If a Program E Participant who is entitled to a Deferred Vested Benefit pursuant to Section 3.5 incurs a Separation from Service on or after January 1, 1981, his monthly lifetime benefit commencing as of the first day of the month coinciding with or next following the date on which he attains Normal Retirement Age shall be determined in accordance with Section 4.2 as though the Program E Participant had retired on the date of his Separation from Service.

4.7 Retirement After Program E Pensioner's Return to Covered Employment.

A Program E Pensioner who returns to Covered Employment and again retires will receive an additional benefit for his additional years of employment based, for such additional years of employment only, upon the benefit rate in effect during the period of additional Benefit Service. The benefit of a Program E Pensioner who returns to Covered Employment and again retires will be actuarially adjusted to take into account any early retirement.

4.8 Benefit Limitation.

(a) A Program E Participant is entitled to only one form of benefit except that a Program E Participant who retires on account of disability and who recovers may be entitled to a benefit thereafter, and a Program E Pensioner may also receive a benefit as the Spouse of a deceased Program E Pensioner.

(b) The benefit to which a Program E Participant is entitled is determined by the provisions of the Plan in effect when the Program E Participant incurred a Separation from Service.

4.9 Non-Forfeitability at Normal Retirement Age

A Program E Participant's right to his normal retirement benefit is non-forfeitable at his Normal Retirement Age.

4.10 Service Credit

For the period from January 1, 1931 until January 1, 1952, an employee shall be credited with service for the period that he/she was engaged in an Occupation.

## ARTICLE V - DEATH OF PROGRAM E PARTICIPANT

5.1 Spouse Pre-Retirement Survivor Benefit

(a) If an Employee or Former Employee dies on or after August 22, 1984, and after he has met the age and service requirements for a Normal, Early, or Deferred Vested Pension but before the date of his retirement, his Spouse will be entitled to an immediate pre-retirement Spouse's benefit in an amount equal to 50% of the retirement income the Program E Participant would have received if such Program E Participant had retired with an immediate Participant-and-Spouse Pension, as defined in Section 5.2, on the day before the Program E Participant's date of death.

(b) If an Employee or Former employee dies on or after August 22, 1984, but before the date on which the Employee would have attained his earliest retirement age under the terms of this Plan, but after he has met the service requirements for a Normal, Early, or Deferred Vested Retirement Pension, his Spouse will be entitled to a deferred pre-retirement Spouse's benefit in an amount equal to 50% of the retirement income the Program E Participant would have received if the Program E Participant had:

(i) Separated from service on the date of death; and

(ii) Survived to his earliest retirement age under the terms of Program E; and

(iii) Retired with an immediate Participant-and-Spouse Pension at his earliest retirement age under the terms of Program E; and

(iv) Died on the day after the day on which such Program E Participant would have attained his earliest retirement age.

The earliest period for which the surviving Spouse may receive a payment under this deferred pre-retirement Spouse's benefit is the month in which the Program E Participant would have attained his earliest retirement age under the terms of Program E of the Plan.

If the actuarial value of the survivor's benefit under this Section is greater than $5,000, the surviving Spouse may elect to defer commencement of such benefit until the date that the Program E Participant would have attained Normal Retirement Age under Program E. If the Spouse so elects, the amount of such benefit shall be determined as if the Program

E Participant had died on the surviving Spouse's Annuity Starting Date, after retiring on a Participant-and-Spouse Pension, taking into account any actuarial adjustments that would have applied on such date.

5.2 Participant-and-Spouse Pension

(a) The Participant-and-Spouse Pension provides a reduced lifetime pension for a Program E Participant who has a Spouse on his Annuity Starting Date, plus a lifetime pension for his surviving Spouse commencing after his death. A Program E Participant who retires under a Normal, Early, or Deferred Vested Pension and who has a Spouse on his Annuity Starting Date (for pensions effective on or after January 1, 1985) will be paid as a 50% Participant-and-Spouse Pension unless (i) effective January 1, 2009, the Program E Participant elects a 75% Participant-and-Spouse Pension or (ii) the Program E Participant provides a timely written rejection in accordance with Section 5.3. The monthly amount to be paid to the surviving Spouse with a 50% Participant-and-Spouse Pension shall be 50% of the monthly benefit paid to the Program E Participant. The monthly amount to be paid to the surviving Spouse with a 75% Participant-and-Spouse Pension shall be 75% of the monthly benefit paid to the Program E Participant.

(b) When a Participant-and-Spouse Pension is in effect, the monthly amount of the Program E Participant's benefit shall be reduced actuarially in accordance with the 1971 Group Annuity Mortality Table for Males, set back 6 years in age for Spouses and 6% interest.

(c) The Participant-and-Spouse Pension is automatically cancelled if the Spouse dies before the Program E Participant's Annuity Starting Date.

(d) No spousal consent shall be required if the Program E Participant demonstrates to the satisfaction of the Trustees that there is no Spouse, the Spouse cannot be located, the Program E Participant is legally separated or the Program E Participant has been abandoned and the Program E Participant has a court order to such effect (unless a Qualified Domestic Relations Order provides otherwise).

5.3 Election to Waive the Participant-and-Spouse Pension

A Program E Participant may reject the Participant-and-Spouse Pension (or revoke a previous rejection) at any time within the period beginning 180 days before the Annuity

Starting Date. A Participant shall in any event have the right to exercise this choice up to 180 days but not less than 30 days after he has received a notice from the Trustees (or their authorized representative) in nontechnical language containing a general explanation of: (1) the terms of the Participant-and-Spouse Pension, (2) the Participant's right to elect to waive the Participant-and-Spouse Pension, and the effect of such election, (3) the rights of the Participant's Spouse to consent to such a waiver, (4) the right to revoke such a waiver, and the effect of such revocation, and (5) the general financial effect of a rejection of the Participant-and-Spouse Pension, including the relative value of other optional forms of benefit.

## ARTICLE VI - RECIPROCITY WITH OTHER PENSION PLANS

6.1 Purpose

The purpose of this Article is to permit Program E Participants who lack sufficient Vesting Service for a full benefit because their years of employment were divided among Reciprocal Plans to receive a partial benefit from Program E.

6.2 Reciprocal Plans

A plan which has executed a reciprocal agreement with Program E is a Reciprocal Plan.

6.3 Vesting Service

For the purpose of this Article, the Vesting Service of a Program E Participant who has had some vesting service under a Reciprocal Plan shall be the sum of his Vesting Service under Program E and under all Reciprocal Plans. The determination of the occurrence of a Break in Service shall be measured against the sum of all such Vesting Service.

6.4 Amount of Benefit

The lifetime partial benefit of such a Program E Participant is determined by multiplying the benefit he would have received under this Program E if all of his years of Benefit Service from Program E and the Reciprocal Plans had been earned under Program E by a fraction whose numerator is the years of Benefit Service under Program E and whose denominator is the sum of all of his years of Benefit Service under Program E and the Reciprocal Plans. The benefit shall not exceed his Normal Retirement Benefit.

6.5 Payment of Pensions

The payment of a benefit under this Article is subject to all of the conditions contained in the Plan applicable to the payment of benefits.

## ARTICLE VII - BENEFIT PAYMENTS; SUSPENSION OF BENEFITS

7.1 Commencement of Benefit Payment

(a) Payment of benefits from the Plan will begin not later than the 60th day after the close of the Plan Year in which the latest of the following occurs:

(i) The attainment by the Program E Participant of age sixty-five (65) or if earlier, the Normal Retirement Age specified under Program E;

(ii) The tenth anniversary of the date on which the Program E Participant commenced Participation in Program E or the Prior Plan;

(iii) The termination of the Program E Participant's service with any Employer; or

(iv) The date elected by the Program E Participant.

No benefits shall be paid under Program E, however, until a Program E Participant has filed a claim for such benefits.

(b) If a Program E Participant postpones the commencement of benefits to a date later than the date which is the later of (i), (ii) and (iii) of this Section 7.1(a), the amount of the postponed benefit shall be the greater of:

(i) the actuarial equivalent, at the postponed Annuity Starting Date of the pension, of the Program E Participant's accrued benefit, valued at the Program E Participant's Normal Retirement Age; and

(ii) the Program E Participant's monthly accrued benefit at the postponed Annuity Starting Date of the pension.

In determining actuarial equivalence under (a) above, the actuarial bases for long-term forecasting used by the actuarial advisor in the most recent actuarial valuation of Program E shall be used.

The benefit of a Program E Pensioner who earns additional Benefit Service after reaching the age of seventy and one-half (70½) shall be adjusted to reflect such additional Benefit Service no later than February 1 of the year after the year in which such Benefit Service is earned.

7.2 Employment After Retirement: Suspension of Benefits

The pension benefit of a Program E Pensioner who completes 40 or more Hours of Service (as defined in Department of Labor Regulation Section 2530.200(b-2(a)(1)) in a calendar month in Covered Employment or in self-employment of the kind covered by an Agreement, within the geographic area covered by Program E, will be suspended for the month or months during which he is so employed. A Program E Pensioner who engages in such employment must notify the Program E administrator in writing within thirty days after such employment begins. The benefit of such Program E Pensioner will recommence on the first day of the first calendar month after the month in which the Program E Pensioner notifies the administrator of Program E that he has ceased such employment. Effective January 1, 1989, a Program E Participant's monthly benefit shall not be suspended for any month on or after April 1 of the Calendar Year after, the Calendar Year in which the Program E Participant reaches the age of seventy and one-half (70½) .

**THE PENSION PLAN OF THE LEATHER GOODS, PLASTICS, HANDBAGS AND NOVELTY WORKERS' UNION LOCAL 1, JOINT RETIREMENT FUND AMENDED AND RESTATED EFFECTIVE AS OF JANUARY 1, 2015**

**AMENDMENT NO. 2023-1**

Pursuant to his authority at Section 8.11 of The Pension Plan of the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Plan amended and restated effective as of January 1, 2015 ("Plan"), consisting of the Basic Plan Document and Programs A-E appended thereto, the Trustee hereby amends the Plan as follows:

**FIRST**, by amending Article II, Section 2.2(b)(i) of the Basic Plan Document by replacing "age 70 1/2, if later" with "the Applicable Age as defined in Section 2.6(d), if later."

**SECOND**, by deleting Article II, Section 2.6(d) of the Basic Plan Document in its entirety and replacing it with the following:

> "**Required Beginning Date**. The Required Beginning Date of a Participant is April 1 of the calendar year following the calendar year in which the Participant who is not a 5% owner (a) attains the "applicable age" as defined in Code Section 401(a)(9)(C)(v), as amended ("Applicable Age") or (b) retires, whichever is later. Notwithstanding the foregoing, the "Applicable Age" remains 70 ½ for any Participant who turned 70 ½ in or prior to the 2022 Plan Year."

**THIRD,** the final paragraph of Article VII, Section 7.1(b) of Program D is hereby amended as follows:

(1) Insert "After December 31, 2022" at the beginning of this paragraph; and

(2) Replace "age of seventy and one-half (70 ½)" that currently appears in this section with "the Applicable Age as defined in Section 2.6(d) of the Basic Plan Document".

**FOURTH**, Article VII, Section 7.2 of Program D is hereby amended by adding the following sentence to the end of this section:

> "Effective as of January 1, 2023, a Program D Participant's monthly benefit shall not be suspended for any month on or after April 1 of the Calendar Year after the Calendar Year in which the Program D Participant reaches the Applicable Age as defined in Section 2.6(d) of the Basic Plan Document".

**FIFTH,** the final paragraph of Article VII, Section 7.1(b) of Program E is hereby amended as follows:

(1) Insert "After December 31, 2022" at the beginning of this paragraph; and

(2) Replace "age of seventy and one-half (70 ½)" that currently appears in this section with "the Applicable Age as defined in Section 2.6(d) of the Basic Plan Document".

**SIXTH**, Article VII, Section 7.2 of Program E is hereby amended by adding the following sentence to the end of this section:

"Effective as of January 1, 2023, a Program E Participant's monthly benefit shall not be suspended for any month on or after April 1 of the Calendar Year after the Calendar Year in which the Program E Participant reaches the Applicable Age as defined in Section 2.6(d) of the Basic Plan Document".

This Amendment is hereby adopted on the date set forth below, effective as of January 1, 2023.

Larry Magarik

Larry Magarik, Independent Fiduciary/Trustee

5/8/23

Date

**RESOLUTION OF THE BOARD OF TRUSTEES**
**OF THE LEATHER GOODS, PLASTICS, HANDBAGS AND NOVELTY WORKERS**
**UNION LOCAL 1 JOINT RETIREMENT FUND**

**WHEREAS**, the Board of Trustees (the "Trustees") of the Leather Goods, Plastics, Handbags and Novelty Workers Union Local 1 Joint Retirement Fund (the "Fund" or the "Plan") sponsors and administers the Plan;

**WHEREAS**, during the March 4, 2014 meeting of the Trustees, the Trustees determined that the obligation of all contributing employers to contribute to the Fund permanently ceased as of December 31, 2013, and further determined that, pursuant to Section 4041A(2) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), the Plan terminated by mass withdrawal of all contributing employers, with a Plan termination date of December 31, 2013; and

**WHEREAS**, pursuant to requirements under ERISA following a Plan's termination by mass withdrawal, the Trustees wish to amend the Plan document to reflect the mass withdrawal and to make other necessary changes.

**NOW, THEREFORE, BE IT RESOLVED**, that, the Plan shall be amended in substantially the same form as the Amendment attached hereto as Exhibit A, effective as of the date or dates provided therein.

**IN WITNESS WHEREOF**, this Resolution is hereby adopted by the Board of Trustees this 6th day of August, 2014.

UNION TRUSTEE:

LISA O'Leary

LISA O'LEARY

EMPLOYER TRUSTEE:

Frank Squicciarini

AMENDMENT TO THE
LEATHER GOODS, PLASTICS, HANDBAGS AND NOVELTY WORKERS' UNION
LOCAL 1, JOINT RETIREMENT FUND
(January 1, 2009 Restatement)

**WHEREAS**, at a meeting of the Board of Trustees ("Trustees") of the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund (the "Fund" or "Plan") held on October 24, 2013 and in anticipation of employer withdrawals, the Trustees resolved to terminate the Plan when every employer had withdrawn from the Fund; and

**WHEREAS**, at a meeting of the Trustees held on March 4, 2014, the Trustees were advised by the sponsoring union that the obligation to contribute to the Plan of all contributing employers had permanently ceased and as a result all contributing employers had withdrawn from the Fund as of December 31, 2013; and

**WHEREAS**, at their March 4, 2014 meeting, the Trustees determined that the obligation of all contributing employers to contribute to the Fund permanently ceased as of December 31, 2013, and further determined that, pursuant to Section 4041A(2) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), the Plan terminated by mass withdrawal of all contributing employers, with a Plan termination date of December 31, 2013; and

**WHEREAS**, pursuant to requirements under ERISA following a Plan's termination by mass withdrawal, the Trustees wish to amend the Plan document to reflect the mass withdrawal and to make other necessary changes.

**NOW THEREFORE**, pursuant to Section 8.11 of the Plan, the Trustees hereby amend the Plan as follows, effective as of December 31, 2013:

1. The following sentence is added at the very end of the Preamble:

   The Plan was terminated by the withdrawal of every employer from the Plan and the cessation of the obligation of all employers to contribute to the Plan (hereinafter referred to as a "Mass Withdrawal"), effective December 31, 2013.

2. The following sentence is added at the very end of the section entitled "Basic Plan Document", which appears immediately before Article 1 of the Plan:

   Notwithstanding anything herein to the contrary, Article IX of the Basic Plan Document applies to every participant in the Plan, including participants who retired or terminated employment prior to the 2009 Restatement Date.

3. A new Section 1.11A is added to the Plan as follows:

   **1.11A** The **"Plan Termination Date"** means December 31, 2013.

4. A new Article IX is added to the Plan as follows:

## ARTICLE IX
## PLAN TERMINATION

9.1 Termination of the Plan

In the Plan Year beginning January 1, 2013 and ending December 31, 2013, the Plan experienced a termination by the withdrawal of every employer from the Plan and the permanent cessation of the obligation of all contributing employers to contribute to the Plan, in accordance with Section 4041A(2) of ERISA. Notwithstanding any other provision of this Plan to the contrary, on and after December 31, 2013, the Trustees shall continue to administer the Plan in accordance with applicable statutory provisions, regulations, and Plan provisions, until a trustee is appointed under Section 4042 of ERISA or until Plan assets are distributed in accordance with Subpart D of §4041A of the Pension Benefit Guaranty Corporation ("PBGC") regulations. In addition, the Trustees shall be responsible for the specific duties described in this Article.

9.2 Payment of Benefits

(a) Except to the extent provided in the next sentence, the Trustees shall not pay benefits in excess of the amount that is nonforfeitable under the Plan as of December 31, 2013, unless authorized to do so by the PBGC. Subject to the restriction in (b) below, however, the Trustees may pay a qualified preretirement survivor annuity with respect to a participant who died after the date of termination.

(b) The payment of benefits subject to reduction shall be discontinued to the extent provided in PBGC Regulation §4281.31 if the Trustees determine that, in accordance with PBGC Regulation §4041A.24, the Plan's assets are insufficient to provide all nonforfeitable benefits.

(c) Except as provided in (d) below, the Trustee shall pay any benefit attributable to employer contributions, other than a death benefit, only in the form of an annuity.

(d) The Trustees may pay a benefit in a form other than an annuity if:

(1) The Plan distributes Plan assets in accordance with Subpart D of PBGC Regulation §4041A;

(2) The PBGC approves the payment of the benefit in an alternative form; or

(3) The value of the entire applicable nonforfeitable benefit does not exceed $1,750.

(e) The Trustees shall, to the extent provided in PBGC Regulation §4281.41, suspend the payment of nonguaranteed benefits if the Trustees determine that, in accordance with PBGC Regulation §4041A.25, the Plan is insolvent.

(f) The Trustees shall, to the extent required by PBGC Regulation §4281.42, make retroactive payments of suspended benefits if they determine under that section that the level of the Plan's available resources requires such payments.

9.3 Vesting

Notwithstanding anything herein to the contrary, a Participant shall earn no vesting credit for services rendered after the Plan Termination Date.

9.4 Benefit Accruals

No additional benefits shall be earned or accrued beginning as of the Plan Termination Date.

9.5 Payments Upon Disability

Notwithstanding anything herein to the contrary, no pension benefit that is contingent upon a participant becoming disabled shall be payable with respect to a disability that commenced after the Plan Termination Date.

9.6 Death Benefits

Notwithstanding anything herein to the contrary, no qualified preretirement survivor annuities shall be payable for Participants who die after the Plan Termination Date if the Plan's assets are insufficient to provide all nonforfeitable benefits. Notwithstanding anything herein to the contrary, no pre-retirement death benefits (excluding qualified preretirement survivor annuities) or other lump sum death benefits shall be payable for Participants who die after April 30, 2013.

9.7 Withdrawal Liability

Until Plan assets are distributed in accordance with Subpart D of PBGC Regulation §4041A, or until the end of the Plan Year as of which the PBGC determines that Plan assets (exclusive of claims for withdrawal liability) are sufficient to satisfy all nonforfeitable benefits under the Plan, the Trustee shall determine, impose and collect withdrawal liability (including the liability arising as a result of the Mass Withdrawal), in accordance with Subpart C of PBGC Regulation §4219 and Section 4201 through 4225 of ERISA.

9.8 Annual Plan Valuations and Determinations of Plan Solvency

The Trustees shall perform annual Plan valuations and Plan monitoring in accordance with PBGC Regulation §4041A.24, and shall amend the Plan to reduce benefits when appropriate under that section. The Trustees shall further perform periodic determinations of the Plan's solvency when appropriate in accordance with PBGC Regulation §4041A.25.

9.9 Application for Financial Assistance

If appropriate under PBGC Regulation §4041A.26, the Trustees shall apply for financial assistance from the PBGC in accordance with PBGC Regulation §4281.47.

9.10 Closeout

If the Plan's assets, excluding any claim of the Plan for unpaid withdrawal liability, are sufficient to satisfy all obligations for nonforfeitable benefits provided under the Plan, the Trustees may close out the Plan in accordance with Subpart D of PBGC Regulations §4041A through 4041A.44.

**IN WITNESS WHEREOF**, the undersigned Trustees have caused this Amendment to be executed this 6 day of August, 2014.

By: Lisa O'Leary
Union Trustee LISA OLEARY

Date: 8/6/2014

By:
Employer Trustee

Date: 8/4/2014

LOCAL 342
UFCW
a VOICE for working America

# Joint Retirement Fund

**November 29, 2012**

**To: All Participating Local Unions and Employers**

**Re: PPA Schedules**

## I. Introduction

Under the Pension Protection Act of 2006 ("PPA"), a multiemployer plan's actuary must certify a plan's funded status for a plan year within 90 days after the start of that plan year. As indicated in the notice you received in April 2012 (the "Notice"), the actuary for the Leather Goods, Plastics, Handbags & Novelty Workers' Union Local 1 Joint Retirement Fund (the "Fund" or "Plan") certified the Plan as being in "Endangered Status" for the Plan Year beginning January 1, 2012.

As the plan sponsor of a plan in Endangered Status, the Board of Trustees is required under the PPA to develop a Funding Improvement Plan. This Funding Improvement Plan must consist of schedules provided to the Fund's Contributing Employers and Local Unions ("Bargaining Parties") showing revised benefit structures, contribution structures, or both, that are designed to have the Fund achieve certain mandated benchmarks by the end of the applicable Funding Improvement Period (the "Schedules").

More specifically:

1. The Plan's Funding Improvement Period is the 10-year period beginning on January 1, 2015, the first day of the first plan year beginning after the second anniversary of the date of the adoption of the Funding Improvement Plan.

2. By the end of the Funding Improvement Period, the Plan's funded percentage must equal or exceed a percentage equal to the sum of the funded percentage as of the beginning of the Funding Improvement Period, January 1, 2015 plus 33% of the difference between 100% and that January 1, 2015 funded percentage.

3. The Plan must not have an accumulated funding deficiency for any plan year during the Funding Improvement Period.

The Trustees must provide the Schedules to the Bargaining Parties within 30 days of the adoption of the Funding Improvement Plan. Trustees of plans in Endangered Status must include two proposals: one that reduces the amount of future benefit accruals sufficiently to achieve the required benchmarks, assuming no contribution increases other than those necessary after future benefit accruals have been reduced to zero (the "Default Schedule"), and another

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based upon increases in the amount of contributions necessary to achieve the required benchmarks, assuming no changes in future benefit accruals.

The Schedules that have been adopted by the Trustees are set forth below. Unless otherwise indicated, all capitalized terms used in these Schedules shall have the definitions and meanings assigned to them in the Fund's Plan Document.

## II. Schedules of Contribution and Benefit Levels

The Board of Trustees has the sole and absolute authority and discretion to amend, construe and apply the provisions of this Funding Improvement Plan including the Schedules. Subject to the sole discretion of the Trustees, a Schedule is adopted when the Trustees receive substantiation that a collective bargaining agreement or other agreement requiring contributions to the Fund ("CBA") includes terms consistent with the requirements of a Schedule. In general, the Trustees will consider the Bargaining Parties to have adopted a particular Schedule, and will consider the terms of a CBA to be consistent with the Funding Improvement Plan, when a Schedule is adopted in accordance with the Schedule's requirements.

Based on actuarial projections of assets and liabilities, reasonable assumptions of anticipated employer contributions for the current and succeeding plan years, an assumption that the terms the collective bargaining agreements pursuant to which the Plan is maintained for the current plan year will continue in effect for succeeding plan years, and a projection of activity in the industry, including future covered employment and contribution levels (as provided by the Plan Sponsor), the actuary of the Plan has projected that by the end of the Funding Improvement Period, the Plan will emerge from Endangered Status under the following schedules.

The Trustees hereby provide the following two schedules, the Preferred Schedule and the Default Schedule, to the Bargaining Parties.

### A. Preferred Schedule

If the Bargaining Parties agree to the Preferred Schedule, the following are the applicable benefit and contribution schedules.

#### 1. Benefits

There are no benefit adjustments under the Preferred Schedule.

#### 2. Contributions

Contributions rates for all employers will be increased according to the following table:

| Plan Year Beginning 1/1 | Per Member / Per Month Contribution |
|---|---|
| 2015 thru 2017 | $3,000 |
| 2018 | $3,400 |

| | |
|---|---|
| 2019 | $3,700 |
| 2020 | $4,100 |
| 2021 thru 2030 | $4,750 |

**B. Default Schedule**

If the Bargaining Parties agree to the Default Schedule, or if the Bargaining Parties fail to agree to a Schedule within the time period prescribed by Section 305(c)(3)(C) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and the Default Schedule is imposed by law, the following are the applicable benefit and contribution schedules.

**1. Benefits**

Benefit accruals are reduced to zero effective January 1, 2015.

**2. Contributions**

Contributions rates for all employers will be increased according to the following table:

| Plan Year Beginning 1/1 | Per Member / Per Month Contribution |
|---|---|
| 2015 thru 2017 | $2,900 |
| 2018 | $3,500 |
| 2019 | $3,600 |
| 2020 | $3,700 |
| 2021 | $4,200 |
| 2022 thru 2023 | $4,500 |
| 2024 thru 2030 | $5,100 |

## III. Annual Review of Funding Improvement Plan and Schedules

The Trustees, with the assistance of the Plan's actuary, will annually review and update the Funding Improvement Plan and its Schedules as required by law to the extent necessary for the Fund to continue making progress toward emerging from Endangered Status by the end of its Fung Improvement Period. If, for example, the Fund's actual experience does not reflect the assumptions used to develop the Funding Improvement Plan and its Schedules, the Trustees may amend or modify the Funding Improvement Plan and/or its Schedules, based on the advice of the Fund's actuary, to reflect the Fund's experience over the preceding Plan Year(s). However, if the Bargaining Parties have adopted a CBA that complies with one of the Schedules, the contribution rate requirements in the Schedules generally would continue for the duration of the CBA.

This Funding Improvement Plan and Schedules contained herein were adopted by the Board of Trustees on November 26, 2012.

**George Leventis**
**Fund Administrator**

# LEATHER GOODS, PLASTICS, HANDBAGS, AND NOVELTY WORKERS UNION, LOCAL 1 JOINT RETIREMENT FUND

FINANCIAL STATEMENTS

DECEMBER 31, 2024

# LEATHER GOODS, PLASTICS, HANDBAGS, AND NOVELTY WORKERS UNION, LOCAL 1 JOINT RETIREMENT FUND

FINANCIAL STATEMENTS WITH SUPPLEMENTAL INFORMATION

DECEMBER 31, 2024 AND 2023

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Novak | Francella
LLC | CERTIFIED PUBLIC ACCOUNTANTS

# INDEPENDENT AUDITOR'S REPORT

To the Independent Fiduciary/Trustee of the
Leather Goods, Plastics, Handbags, and Novelty
Workers Union, Local 1 Joint Retirement Fund

## Qualified Opinion

We have audited the financial statements of the Leather Goods, Plastics, Handbags, and Novelty Workers Union Local 1 Joint Retirement Fund (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits (in liquidation) as of December 31, 2024 and 2023, and the related statements of changes in net assets available for benefits (in liquidation) for the years then ended, and the related notes to the financial statements.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2024 and 2023 (in liquidation), and the changes in its net assets available for benefits for the years then ended (in liquidation), in accordance with accounting principles generally accepted in the United States of America.

## Basis for Qualified Opinion

As more fully described in Note 7 to the financial statements, the future collectability of the withdrawal liability receivables is uncertain. Due to this uncertainty, an allowance for credit losses for the entire withdrawal liability receivables totaling $892,296 and $1,130,589 was recorded as of December 31, 2024 and 2023, respectively.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Leather Goods, Plastics, Handbags, and Novelty Workers Union Local 1 Joint Retirement 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 qualified audit opinion.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

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.

**Auditor's 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 auditor's 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 GAAS 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 GAAS, 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 the Leather Goods, Plastics, Handbags, and Novelty Workers Union Local 1 Joint Retirement 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.

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 supplemental Schedules of Administrative Expenses, referred to as "supplemental information," is presented for the purpose of additional analysis and are not a required part of the financial statements. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the 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 the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information in the accompanying schedules is fairly stated, in all material respects, in relation to the financial statements as a whole.

Novak Francella LLC

New York, New York
June 18, 2025

# Leather Goods, Plastics, Handbags, and Novelty Workers Union, Local 1 Joint Retirement Fund

## Statements of Net Assets Available for Benefits (Liquidation Basis of Accounting)

December 31, 2024 and 2023

| | 2024 | 2023 |
|---|---|---|
| Assets | | |
| Other assets | | |
| Cash | $ 1,025,769 | $ 1,183,553 |
| Prepaid expenses | 10,364 | 16,313 |
| Total other assets | 1,036,133 | 1,199,866 |
| Total assets | 1,036,133 | 1,199,866 |
| Liabilities and Net Assets | | |
| Liabilities | | |
| Accrued expenses | 77,131 | 97,816 |
| Total liabilities | 77,131 | 97,816 |
| Net assets available for benefits | $ 959,002 | $ 1,102,050 |

See accompanying notes to the financial statements.

# Leather Goods, Plastics, Handbags, and Novelty Workers Union, Local 1 Joint Retirement Fund

## Statements of Changes in Net Assets Available for Benefits (Liquidation Basis of Accounting)

Years Ended December 31, 2024 and 2023

| | 2024 | 2023 |
|---|---|---|
| Additions | | |
| Investment income | | |
| Interest | $ - | $ 1,901 |
| Withdrawal liability contributions | 54,998 | 56,415 |
| Forgiveness of debt | - | 280,817 |
| Other income | 54 | - |
| PBGC Funding | 3,468,500 | 3,878,200 |
| Total additions | 3,523,552 | 4,217,333 |
| Deductions | | |
| Benefits paid | 3,274,397 | 3,400,207 |
| Administrative expenses | 392,203 | 526,460 |
| Total deductions | 3,666,600 | 3,926,667 |
| Net (decrease) increase | (143,048) | 290,666 |
| Net assets available for benefits | | |
| Beginning of year | 1,102,050 | 811,384 |
| End of year | $ 959,002 | $ 1,102,050 |

See accompanying notes to the financial statements.

# LEATHER GOODS, PLASTICS, HANDBAGS, AND NOVELTY WORKERS UNION, LOCAL 1 JOINT RETIREMENT FUND

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

### NOTE 1. DESCRIPTION OF THE PLAN

The following brief description of the Leather Goods, Plastics, Handbags, and Novelty Workers Union, Local 1 Joint Retirement Fund (the Plan) is provided for general information purposes only. Participants should refer to the Summary Plan Description for more complete information.

The Plan was established on September 15, 1953 pursuant to collective bargaining agreements individual employers and the Leather Goods, Plastics, Handbags, and Novelty Workers Union, Local 1 (the Union). The Plan is a multiemployer defined benefit pension plan and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. As discussed in Note 3, the employers' obligation to continue to contribute under the collective bargaining agreements ceased for periods after December 31, 2013. Beginning December 31, 2013, the Plan has been financed by withdrawal liability contributions. During the year ended December 31, 2021, the Plan also began receiving quarterly contributions from the Pension Benefit Guarantee Corporation (PBGC).

As of December 31, 2013, the Plan was frozen. Benefits earned prior to that date are payable to pensioners and survivors currently eligible to receive benefits and to vested participants who will be eligible to receive a benefit upon reaching retirement age. The Plan provides for normal retirement benefits at age 65, early retirement at age 62 and disability benefits to eligible participants who became disabled prior to December 31, 2013. Pre-retirement, post-retirement joint and survivor death benefit are also paid. Generally, five years of service will be required for vesting for normal retirement. The pension amount varies depending on units of pension credit and the benefit rates per unit. Reference should be made to the summary plan description for specific details as to vesting, benefits and eligibility.

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Method of Accounting** - The financial statements are prepared using the liquidation basis of accounting.

**Actuarial Present Value of Accumulated Plan Benefits** - Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service which employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries.

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Withdrawal Liability Receivable** - The estimate for expected credit losses considers historical loss experience, current economic conditions, and forward-looking information, including factors such as payment history, employer financial condition, and labor trends. As of December 31, 2024 and 2023, the allowance for credit losses was $892,296 and $1,130,589, respectively.

**Payment of Benefits** - Benefit payments to participants are recorded upon distribution.

**Revenue Recognition** - Withdrawal liability receipts are accounted for as exchange transactions.

**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 certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

## NOTE 3. TERMINATION

On December 31, 2013, the Plan was terminated by mass withdrawal as defined by ERISA Section 4041A(a)(2). The Trustees have exercised their right to terminate the Plan. Termination shall not permit any part of the Plan assets to be used for or diverted to purposes other than the exclusive benefit of the pensioners, beneficiaries and participants. The net assets of the Plan will be allocated to pay benefits in priorities as prescribed by ERISA and its related regulations. Whether or not a participant will receive full benefits at some future time will depend on the sufficiency of the Plan's net assets at that time and the priority of those benefits.

The Trustees of the Plan notified the Pension Benefit Guaranty Corporation (PBGC) that the Plan had terminated by mass withdrawal in 2013. In 2021, the Plan issued a notice of insolvency to the Pension Benefit Guaranty Corporation. In connection with this notice, the Plan submitted an application for financial assistance requesting that the PBGC provide supplemental funding for payment of benefits and reasonable administrative expenses incurred by the Plan after the depletion of existing plan assets.

In addition, certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (PBGC). Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. The PBGC does not guarantee all types of benefits and the amount of any individual participant's benefit protection is subject to certain limitations. Some benefits may be fully or partially provided for while other benefits may not be provided at all.

During the year ended December 31, 2021, the Plan began receiving quarterly contributions from the PBGC so that the Plan could continue to operate and pay benefits. The PBGC considers its funding to be a promissory note but they do not expect repayment as the Plan is insolvent. Based on the present PBGC regulations, the Plan expects each participant's pension benefits to be guaranteed by the PBGC.

The Plan became insolvent effective October 1, 2021.

## NOTE 4. TAX STATUS

The Plan obtained its latest determination letter on October 19, 2015 in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements under Section 401(a) and was, therefore, exempt from Federal income taxes under the provisions of Section 501(a). The Plan Trustees and Plan Counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that, more likely than not, would not be sustained upon examination by the U.S. Federal, state, or local taxing authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Typically, Plan tax years will remain open for three years; however, this may differ depending upon the circumstances of the Plan.

## NOTE 5. RISKS AND UNCERTAINTIES

The Plan invested in various investments. Investments are exposed to various risks such as economic, interest rate, market and sector risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the Statements of Net Assets Available for Benefits. All investments were liquidated by the Plan by the year ending December 31, 2023.

Withdrawal liability payments are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and participant demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at lease reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

## NOTE 6. ACTUARIAL INFORMATION

An actuarial valuation, in the format of mass-withdrawal-terminated plans, was made by the consulting actuary. Information in the report included the following:

| | December 31, 2023 |
|---|---|
| Actuarial present value of accumulated plan vested benefits: | |
| Participants currently receiving benefits | $ 26,673,852 |
| Other vested benefits | 18,100,922 |
| Expense liability | 1,050,185 |
| Total vested benefits | $ 45,824,959 |

## NOTE 6. ACTUARIAL INFORMATION (continued)

The Plan's present value of accrued vested benefits as of December 31, 2023 totaled $45,824,959. The net assets available for benefits as of the same date amounted to $1,102,050. The value of nonforfeitable benefits exceeded the value of Plan assets by $44,722,909 at December 31, 2023.

The Trustees of the Plan are required under Section 4281(b) of the Employee Retirement Income Security Act of 1974 (ERISA), as amended, to determine annually whether the value of nonforfeitable benefits exceed the value of Plan assets including claims for withdrawal liability owed to the Plan. When the value of the benefits exceeds the value of assets, the Plan shall be amended to reduce benefits to the extent necessary to ensure that the Plan's assets are sufficient to discharge, when due, all of the Plan's obligations with respect to nonforfeitable benefits.

Benefits are computed in accordance with the terms and provisions of the Plan on the date the participant left employment of the participating employer. No benefits accrue after 2013.

The Plan's present value of accrued vested benefits was determined in accordance with Pension Benefit Guaranty Corporation (PBGC) Regulation Part 4281, Subpart B-Valuation of Plan Benefits and Plan Assets Following Mass Withdrawal. The interest rates, mortality tables and loading assumptions are set out in that regulation. For the valuation in December 2023, the interest rate used was 5.06% for the first 20 years and 4.37% thereafter. The mortality assumption is prescribed by Appendix A of PBCG regulation 4044.

## NOTE 7. WITHDRAWAL LIABILITIES

On December 31, 2013, the Plan was terminated and is currently financed by withdrawal liability contributions. Withdrawal liability for each employer was calculated by the Plan's actuary. As employers settle to pay their liability in lump sum payment, a large portion of original assessment might be written off. Employers have been and continue to make quarterly withdrawal liability payments to the Plan. Since the Plan is in mass withdrawal, quarterly withdrawal payments are due in perpetuity. Due to the perpetual duration of the payment schedules it is uncertain that all payments will be collected. Due to the uncertainty in the future collectability of the withdrawal liability assessments, an allowance for the credit losses is provided for the entire balance of withdrawal liabilities receivable as of December 31, 2024 and 2023.

## NOTE 7. WITHDRAWAL LIABILITIES (continued)

Following is a chart showing the withdrawal liability activity:

| Year of Assessment | Assessed Amount | Withdrawal liability receipts | Withdrawal liability written off | Balance at year end |
|---|---|---|---|---|
| 2016 | $ 56,891,295 | $ (346,048) | $ (5,501,934) | $ 51,043,313 |
| 2017 | - | (498,711) | (3,689,020) | 46,855,582 |
| 2018 | - | (322,770) | (14,566,909) | 31,965,903 |
| 2019 | - | (385,470) | (534,813) | 31,045,620 |
| 2020 | - | (3,995,343) | (7,704,092) | 19,346,185 |
| 2021 | - | (46,948) | (16,444,857) | 2,854,380 |
| 2022 | - | (57,630) | (898,787) | 1,897,963 |
| 2023 | - | (56,415) | (710,959) | 1,130,589 |
| 2024 | - | (54,998) | (183,295) | 892,296 |

An allowance for credit losses is provided for all withdrawal liability amounts not yet collected.

## NOTE 8. SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through June 18, 2025, the date the financial statements were available to be issued, and they have evaluated in accordance with relevant accounting standards.

# SUPPLEMENTAL INFORMATION

# Leather Goods, Plastics, Handbags, and Novelty Workers Union, Local 1 Joint Retirement Fund

## Schedules of Administrative Expenses

Years Ended December 31, 2024 and 2023

| | 2024 | 2023 |
|---|---|---|
| Third party administrator | $ 292,670 | $ 334,079 |
| Audit and accounting | 30,322 | 30,215 |
| Actuary fees | 20,000 | 50,000 |
| Trustee fees | 14,715 | 21,055 |
| Postage | 14,693 | - |
| Office | 9,783 | 8,848 |
| Insurance | 5,605 | 30,020 |
| Legal fees | 4,415 | 52,243 |
| Total administrative expenses | $ 392,203 | $ 526,460 |

**Death Audit – Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1 Joint Retirement Fund (JRF)**

The Fund currently receives regular financial assistance from PBGC. Both an independent service provider and the PBGC regularly conduct death audits.

# 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**

## Part I Annual Report Identification Information

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

**A** This return/report is for:
- [X] 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. . . . . ▶ [X]

**D** Check box if filing under:
- [X] 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
LEATHER GOODS, HANDBAGS, AND NOVELTY WORKERS UNION LOCAL 1 JOINT RETIREMENT FUND

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 07/15/1953

**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)
BD OF TRUSTEES JOINT RETIREMENT FUND

CBIZ RETIREMENT PLAN SERVICES

1845 WALNUT STREET, 10TH FLOOR
PHILADELPHIA, PA 19103

**2b** Employer Identification Number (EIN)
13-5622665

**2c** Plan Sponsor's telephone number
866-915-3855

**2d** Business code (see instructions)
316990

**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. | 08/16/2025 | LARRY MAGARIK - TRUSTEE |
| | **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 [X] 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** | 3515 |
| **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 | **6a(1)** | 0 |
| **a(2)** | Total number of active participants at the end of the plan year | **6a(2)** | 0 |
| **b** | Retired or separated participants receiving benefits | **6b** | 1726 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 1086 |
| **d** | Subtotal. Add lines **6a(2)**, **6b**, and **6c**. | **6d** | 2812 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 218 |
| **f** | Total. Add lines **6d** and **6e**. | **6f** | 3030 |
| **g(1)** | Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) | **6g(1)** | |
| **g(2)** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g(2)** | |
| **h** | Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested. | **6h** | |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | 0 |

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

1B 1I

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

**9a** Plan funding arrangement (check all that apply)

- **(1)** [X] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] 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)** [X] Trust
- **(4)** [ ] General assets of the sponsor

**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)** [X] **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)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] **A** (Insurance Information) – Number Attached _____
- **(4)** [X] **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) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2024**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

**A** Name of plan
LEATHER GOODS, HANDBAGS, AND NOVELTY WORKERS UNION LOCAL 1 JOINT RETIREMENT FUND

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
BD OF TRUSTEES JOINT RETIREMENT FUND

**D** Employer Identification Number (EIN)
13-5622665

## Part I Service Provider Information (see instructions)

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)

CBIZ INC

22-2769024

| (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? |
|---|---|---|---|---|---|---|
| 13 50 | NONE | 312670 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

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

NOVAK FRANCELLA LLC

61-1436956

| (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? |
|---|---|---|---|---|---|---|
| 10 50 | NONE | 30322 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

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

PNC BANK

25-1211909

| (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? |
|---|---|---|---|---|---|---|
| 19 50 | NONE | 9783 | 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 |
|---|---|---|
| | | |

| (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 |
|---|---|---|
| | | |

| (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 01/01/2024 and ending 12/31/2024

**A** Name of plan
LEATHER GOODS, HANDBAGS, AND NOVELTY WORKERS UNION LOCAL 1 JOINT RETIREMENT FUND

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
BD OF TRUSTEES JOINT RETIREMENT FUND

**D** Employer Identification Number (EIN)
13-5622665

## 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 | 1183553 | 1025769 |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | | |
| **(2)** Participant contributions | 1b(2) | | |
| **(3)** Other | 1b(3) | 16313 | 10364 |
| **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) | | |

| | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **1d** Employer-related investments: | | | |
| **(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 | 1199866 | 1036133 |
| **Liabilities** | | | |
| **g** Benefit claims payable | 1g | | |
| **h** Operating payables | 1h | 97816 | 77131 |
| **i** Acquisition indebtedness | 1i | | |
| **j** Other liabilities | 1j | | |
| **k** Total liabilities (add all amounts in lines 1g through1j) | 1k | 97816 | 77131 |
| **Net Assets** | | | |
| **l** Net assets (subtract line 1k from line 1f) | 1l | 1102050 | 959002 |

## 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) | 3523552 | |
| **(2)** Noncash contributions | 2a(2) | | |
| **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 3523552 |
| **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 | | 3523552 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 3274397 | |
| (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) | | 3274397 |
| 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) | 292670 | |
| (3) Recordkeeping fees | 2i(3) | 322 | |
| (4) IQPA audit fees | 2i(4) | 30000 | |
| (5) Investment advisory and investment management fees | 2i(5) | | |
| (6) Bank or trust company trustee/custodial fees | 2i(6) | | |
| (7) Actuarial fees | 2i(7) | 4415 | |
| (8) Legal fees | 2i(8) | 20000 | |
| (9) Valuation/appraisal fees | 2i(9) | | |
| (10) Other trustee fees and expenses | 2i(10) | | |
| (11) Other expenses | 2i(11) | 44796 | |
| (12) Total administrative expenses. Add lines **2i(1)** through **(11)** | 2i(12) | | 392203 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 3666600 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | -143048 |
| l Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | |
| (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)** [X] 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)** [X] 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: NOVAK FRANCELLA, LLC **(2)** EIN: 61-1436956

**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.) | 4a | | X | |
| **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.) | 4b | | X | |
| **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.) | 4c | | X | |
| **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.) | 4d | | X | |
| **e** Was this plan covered by a fidelity bond? | 4e | X | | 500000 |
| **f** Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 4f | | X | |
| **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? | 4g | | X | |
| **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? | 4h | | X | |
| **i** Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | 4i | X | | |
| **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.) | 4j | | X | |
| **k** Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | 4k | | X | |
| **l** Has the plan failed to provide any benefit when due under the plan? | 4l | | X | |
| **m** If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 4m | | | |
| **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. | 4n | | | |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? [X] Yes [ ] No

If "Yes," enter the amount of any plan assets that reverted to the employer this year 0.

**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.) ..... [X] Yes [ ] No [ ] Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 564200.

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 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 01/01/2024 and ending 12/31/2024

**A** Name of plan
LEATHER GOODS, HANDBAGS, AND NOVELTY WORKERS UNION LOCAL 1 JOINT RETIREMENT FUND

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
BD OF TRUSTEES JOINT RETIREMENT FUND

**D** Employer Identification Number (EIN)
13-5622665

## Part I Distributions

**All references to distributions relate only to payments of benefits during the plan year.**

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... | 1 |

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 13-5622665

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year ..... | 3 | 0

## Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ Yes ☒ No ☐ N/A

**If the plan is a defined benefit plan, go to line 8.**

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

| | | | |
|---|---|---|---|
| 6 | a | Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... | 6a |
| | b | Enter the amount contributed by the employer to the plan for this plan year ..... | 6b |
| | c | Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... | 6c |

**If you completed line 6c, skip lines 8 and 9.**

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ Yes ☐ No ☐ N/A

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ Yes ☐ No ☒ N/A

## Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ Increase ☐ Decrease ☐ Both ☒ No

## Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ Yes ☐ No

11 a Does the ESOP hold any preferred stock? ..... ☐ Yes ☐ No

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ Yes ☐ No

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ Yes ☐ No

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

**13** Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer PBGC

**b** EIN 52-1042410 **c** Dollar amount contributed by employer 3468500

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☒ Other (specify): PBGC INS. FUNDING

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

**14** Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

| | | |
|---|---|---|
| **a** The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: [X] last contributing employer [ ] alternative [ ] reasonable approximation (see instructions for required attachment) | **14a** | 3030 |
| **b** The plan year immediately preceding the current plan year. [ ] Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) | **14b** | 3515 |
| **c** The second preceding plan year. [ ] Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) | **14c** | 3606 |

**15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

| | | |
|---|---|---|
| **a** The corresponding number for the plan year immediately preceding the current plan year | **15a** | 86.20 |
| **b** The corresponding number for the second preceding plan year | **15b** | 97.48 |

**16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

| | | |
|---|---|---|
| **a** Enter the number of employers who withdrew during the preceding plan year | **16a** | |
| **b** If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers | **16b** | |

**17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment [ ]

## Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

**18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment [ ]

**19** If the total number of participants is 1,000 or more, complete lines (a) and (b):

**a** Enter the percentage of plan assets held as:

Public Equity: _____% Private Equity: _____% Investment-Grade Debt and Interest Rate Hedging Assets: _____%

High-Yield Debt: _____% Real Assets: _____% Cash or Cash Equivalents: 99.0 % Other: 1.0 %

**b** Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets:

[ ] 0-5 years [ ] 5-10 years [ ] 10-15 years [ ] 15 years or more

**20** **PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

**a** Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? [ ] Yes [ ] No

**b** If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

[ ] Yes.

[ ] No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

[ ] No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

[ ] No. Other. Provide explanation._____

## Part VII IRS Compliance Questions

**21a** Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? [ ] Yes [ ] No

**21b** If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).

[ ] Design-based safe harbor method

[ ] "Prior year" ADP test

[ ] "Current year" ADP test

[ ] N/A

**22** If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter ___/___/_____ (MM/DD/YYYY) and the Opinion Letter serial number_____.

# LEATHER GOODS, PLASTICS, HANDBAGS, AND NOVELTY WORKERS UNION, LOCAL 1 JOINT RETIREMENT FUND

FINANCIAL STATEMENTS

DECEMBER 31, 2024

# LEATHER GOODS, PLASTICS, HANDBAGS, AND NOVELTY WORKERS UNION, LOCAL 1 JOINT RETIREMENT FUND

FINANCIAL STATEMENTS WITH SUPPLEMENTAL INFORMATION

DECEMBER 31, 2024 AND 2023

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Novak Francella LLC | CERTIFIED PUBLIC ACCOUNTANTS

# INDEPENDENT AUDITOR'S REPORT

To the Independent Fiduciary/Trustee of the
Leather Goods, Plastics, Handbags, and Novelty
Workers Union, Local 1 Joint Retirement Fund

## Qualified Opinion

We have audited the financial statements of the Leather Goods, Plastics, Handbags, and Novelty Workers Union Local 1 Joint Retirement Fund (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits (in liquidation) as of December 31, 2024 and 2023, and the related statements of changes in net assets available for benefits (in liquidation) for the years then ended, and the related notes to the financial statements.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2024 and 2023 (in liquidation), and the changes in its net assets available for benefits for the years then ended (in liquidation), in accordance with accounting principles generally accepted in the United States of America.

## Basis for Qualified Opinion

As more fully described in Note 7 to the financial statements, the future collectability of the withdrawal liability receivables is uncertain. Due to this uncertainty, an allowance for credit losses for the entire withdrawal liability receivables totaling $892,296 and $1,130,589 was recorded as of December 31, 2024 and 2023, respectively.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Leather Goods, Plastics, Handbags, and Novelty Workers Union Local 1 Joint Retirement 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 qualified audit opinion.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

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.

**Auditor's 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 auditor's 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 GAAS 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 GAAS, 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 the Leather Goods, Plastics, Handbags, and Novelty Workers Union Local 1 Joint Retirement 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.

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 supplemental Schedules of Administrative Expenses, referred to as "supplemental information," is presented for the purpose of additional analysis and are not a required part of the financial statements. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the 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 the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information in the accompanying schedules is fairly stated, in all material respects, in relation to the financial statements as a whole.

Novak Francella LLC

New York, New York
June 18, 2025

# Leather Goods, Plastics, Handbags, and Novelty Workers Union, Local 1 Joint Retirement Fund

## Statements of Net Assets Available for Benefits (Liquidation Basis of Accounting)

December 31, 2024 and 2023

| | 2024 | 2023 |
|---|---|---|
| Assets | | |
| Other assets | | |
| Cash | $ 1,025,769 | $ 1,183,553 |
| Prepaid expenses | 10,364 | 16,313 |
| Total other assets | 1,036,133 | 1,199,866 |
| Total assets | 1,036,133 | 1,199,866 |
| Liabilities and Net Assets | | |
| Liabilities | | |
| Accrued expenses | 77,131 | 97,816 |
| Total liabilities | 77,131 | 97,816 |
| Net assets available for benefits | $ 959,002 | $ 1,102,050 |

See accompanying notes to the financial statements.

# Leather Goods, Plastics, Handbags, and Novelty Workers Union, Local 1 Joint Retirement Fund

## Statements of Changes in Net Assets Available for Benefits (Liquidation Basis of Accounting)

Years Ended December 31, 2024 and 2023

| | 2024 | 2023 |
|---|---|---|
| Additions | | |
| Investment income | | |
| Interest | $ - | $ 1,901 |
| Withdrawal liability contributions | 54,998 | 56,415 |
| Forgiveness of debt | - | 280,817 |
| Other income | 54 | - |
| PBGC Funding | 3,468,500 | 3,878,200 |
| Total additions | 3,523,552 | 4,217,333 |
| Deductions | | |
| Benefits paid | 3,274,397 | 3,400,207 |
| Administrative expenses | 392,203 | 526,460 |
| Total deductions | 3,666,600 | 3,926,667 |
| Net (decrease) increase | (143,048) | 290,666 |
| Net assets available for benefits | | |
| Beginning of year | 1,102,050 | 811,384 |
| End of year | $ 959,002 | $ 1,102,050 |

See accompanying notes to the financial statements.

# LEATHER GOODS, PLASTICS, HANDBAGS, AND NOVELTY WORKERS UNION, LOCAL 1 JOINT RETIREMENT FUND

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

### NOTE 1. DESCRIPTION OF THE PLAN

The following brief description of the Leather Goods, Plastics, Handbags, and Novelty Workers Union, Local 1 Joint Retirement Fund (the Plan) is provided for general information purposes only. Participants should refer to the Summary Plan Description for more complete information.

The Plan was established on September 15, 1953 pursuant to collective bargaining agreements individual employers and the Leather Goods, Plastics, Handbags, and Novelty Workers Union, Local 1 (the Union). The Plan is a multiemployer defined benefit pension plan and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. As discussed in Note 3, the employers' obligation to continue to contribute under the collective bargaining agreements ceased for periods after December 31, 2013. Beginning December 31, 2013, the Plan has been financed by withdrawal liability contributions. During the year ended December 31, 2021, the Plan also began receiving quarterly contributions from the Pension Benefit Guarantee Corporation (PBGC).

As of December 31, 2013, the Plan was frozen. Benefits earned prior to that date are payable to pensioners and survivors currently eligible to receive benefits and to vested participants who will be eligible to receive a benefit upon reaching retirement age. The Plan provides for normal retirement benefits at age 65, early retirement at age 62 and disability benefits to eligible participants who became disabled prior to December 31, 2013. Pre-retirement, post-retirement joint and survivor death benefit are also paid. Generally, five years of service will be required for vesting for normal retirement. The pension amount varies depending on units of pension credit and the benefit rates per unit. Reference should be made to the summary plan description for specific details as to vesting, benefits and eligibility.

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Method of Accounting** - The financial statements are prepared using the liquidation basis of accounting.

**Actuarial Present Value of Accumulated Plan Benefits** - Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service which employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries.

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Withdrawal Liability Receivable** - The estimate for expected credit losses considers historical loss experience, current economic conditions, and forward-looking information, including factors such as payment history, employer financial condition, and labor trends. As of December 31, 2024 and 2023, the allowance for credit losses was $892,296 and $1,130,589, respectively.

**Payment of Benefits** - Benefit payments to participants are recorded upon distribution.

**Revenue Recognition** - Withdrawal liability receipts are accounted for as exchange transactions.

**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 certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

## NOTE 3. TERMINATION

On December 31, 2013, the Plan was terminated by mass withdrawal as defined by ERISA Section 4041A(a)(2). The Trustees have exercised their right to terminate the Plan. Termination shall not permit any part of the Plan assets to be used for or diverted to purposes other than the exclusive benefit of the pensioners, beneficiaries and participants. The net assets of the Plan will be allocated to pay benefits in priorities as prescribed by ERISA and its related regulations. Whether or not a participant will receive full benefits at some future time will depend on the sufficiency of the Plan's net assets at that time and the priority of those benefits.

The Trustees of the Plan notified the Pension Benefit Guaranty Corporation (PBGC) that the Plan had terminated by mass withdrawal in 2013. In 2021, the Plan issued a notice of insolvency to the Pension Benefit Guaranty Corporation. In connection with this notice, the Plan submitted an application for financial assistance requesting that the PBGC provide supplemental funding for payment of benefits and reasonable administrative expenses incurred by the Plan after the depletion of existing plan assets.

In addition, certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (PBGC). Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. The PBGC does not guarantee all types of benefits and the amount of any individual participant's benefit protection is subject to certain limitations. Some benefits may be fully or partially provided for while other benefits may not be provided at all.

During the year ended December 31, 2021, the Plan began receiving quarterly contributions from the PBGC so that the Plan could continue to operate and pay benefits. The PBGC considers its funding to be a promissory note but they do not expect repayment as the Plan is insolvent. Based on the present PBGC regulations, the Plan expects each participant's pension benefits to be guaranteed by the PBGC.

The Plan became insolvent effective October 1, 2021.

## NOTE 4. TAX STATUS

The Plan obtained its latest determination letter on October 19, 2015 in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements under Section 401(a) and was, therefore, exempt from Federal income taxes under the provisions of Section 501(a). The Plan Trustees and Plan Counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that, more likely than not, would not be sustained upon examination by the U.S. Federal, state, or local taxing authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Typically, Plan tax years will remain open for three years; however, this may differ depending upon the circumstances of the Plan.

## NOTE 5. RISKS AND UNCERTAINTIES

The Plan invested in various investments. Investments are exposed to various risks such as economic, interest rate, market and sector risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the Statements of Net Assets Available for Benefits. All investments were liquidated by the Plan by the year ending December 31, 2023.

Withdrawal liability payments are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and participant demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at lease reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

## NOTE 6. ACTUARIAL INFORMATION

An actuarial valuation, in the format of mass-withdrawal-terminated plans, was made by the consulting actuary. Information in the report included the following:

| | December 31, 2023 |
|---|---|
| Actuarial present value of accumulated plan vested benefits: | |
| Participants currently receiving benefits | $ 26,673,852 |
| Other vested benefits | 18,100,922 |
| Expense liability | 1,050,185 |
| Total vested benefits | $ 45,824,959 |

## NOTE 6. ACTUARIAL INFORMATION (continued)

The Plan's present value of accrued vested benefits as of December 31, 2023 totaled $45,824,959. The net assets available for benefits as of the same date amounted to $1,102,050. The value of nonforfeitable benefits exceeded the value of Plan assets by $44,722,909 at December 31, 2023.

The Trustees of the Plan are required under Section 4281(b) of the Employee Retirement Income Security Act of 1974 (ERISA), as amended, to determine annually whether the value of nonforfeitable benefits exceed the value of Plan assets including claims for withdrawal liability owed to the Plan. When the value of the benefits exceeds the value of assets, the Plan shall be amended to reduce benefits to the extent necessary to ensure that the Plan's assets are sufficient to discharge, when due, all of the Plan's obligations with respect to nonforfeitable benefits.

Benefits are computed in accordance with the terms and provisions of the Plan on the date the participant left employment of the participating employer. No benefits accrue after 2013.

The Plan's present value of accrued vested benefits was determined in accordance with Pension Benefit Guaranty Corporation (PBGC) Regulation Part 4281, Subpart B-Valuation of Plan Benefits and Plan Assets Following Mass Withdrawal. The interest rates, mortality tables and loading assumptions are set out in that regulation. For the valuation in December 2023, the interest rate used was 5.06% for the first 20 years and 4.37% thereafter. The mortality assumption is prescribed by Appendix A of PBCG regulation 4044.

## NOTE 7. WITHDRAWAL LIABILITIES

On December 31, 2013, the Plan was terminated and is currently financed by withdrawal liability contributions. Withdrawal liability for each employer was calculated by the Plan's actuary. As employers settle to pay their liability in lump sum payment, a large portion of original assessment might be written off. Employers have been and continue to make quarterly withdrawal liability payments to the Plan. Since the Plan is in mass withdrawal, quarterly withdrawal payments are due in perpetuity. Due to the perpetual duration of the payment schedules it is uncertain that all payments will be collected. Due to the uncertainty in the future collectability of the withdrawal liability assessments, an allowance for the credit losses is provided for the entire balance of withdrawal liabilities receivable as of December 31, 2024 and 2023.

## NOTE 7. WITHDRAWAL LIABILITIES (continued)

Following is a chart showing the withdrawal liability activity:

| Year of Assessment | Assessed Amount | Withdrawal liability receipts | Withdrawal liability written off | Balance at year end |
|---|---|---|---|---|
| 2016 | $ 56,891,295 | $ (346,048) | $ (5,501,934) | $ 51,043,313 |
| 2017 | - | (498,711) | (3,689,020) | 46,855,582 |
| 2018 | - | (322,770) | (14,566,909) | 31,965,903 |
| 2019 | - | (385,470) | (534,813) | 31,045,620 |
| 2020 | - | (3,995,343) | (7,704,092) | 19,346,185 |
| 2021 | - | (46,948) | (16,444,857) | 2,854,380 |
| 2022 | - | (57,630) | (898,787) | 1,897,963 |
| 2023 | - | (56,415) | (710,959) | 1,130,589 |
| 2024 | - | (54,998) | (183,295) | 892,296 |

An allowance for credit losses is provided for all withdrawal liability amounts not yet collected.

## NOTE 8. SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through June 18, 2025, the date the financial statements were available to be issued, and they have evaluated in accordance with relevant accounting standards.

# SUPPLEMENTAL INFORMATION

# Leather Goods, Plastics, Handbags, and Novelty Workers Union, Local 1 Joint Retirement Fund

## Schedules of Administrative Expenses

Years Ended December 31, 2024 and 2023

| | 2024 | 2023 |
|---|---|---|
| Third party administrator | $ 292,670 | $ 334,079 |
| Audit and accounting | 30,322 | 30,215 |
| Actuary fees | 20,000 | 50,000 |
| Trustee fees | 14,715 | 21,055 |
| Postage | 14,693 | - |
| Office | 9,783 | 8,848 |
| Insurance | 5,605 | 30,020 |
| Legal fees | 4,415 | 52,243 |
| Total administrative expenses | $ 392,203 | $ 526,460 |

THE FINANCIAL STATEMENTS WILL BE PLACED IN THE ATTACHMENT FOR THE ACCOUNTANT'S OPINION

SEE ACCOUNTANT'S OPINION FOR SCHEDULE
OF ASSETS HELD

# 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**

## Part I Annual Report Identification Information

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

**A** This return/report is for: [X] a multiemployer plan [ ] a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.)

**B** This return/report is: [ ] a single-employer plan [ ] a DFE (specify) _____
[ ] 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 ▶ [X]

**D** Check box if filing under: [X] 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
LEATHER GOODS, HANDBAGS, AND NOVELTY WORKERS UNION LOCAL 1 JOINT RETIREMENT FUND

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 07/15/1953

**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)
BD OF TRUSTEES JOINT RETIREMENT FUND

CBIZ RETIREMENT PLAN SERVICES
1845 WALNUT STREET, 10TH FLOOR

PHILADELPHIA PA 19103

**2b** Employer Identification Number (EIN) 13-5622665

**2c** Plan Sponsor's telephone number 866-915-3855

**2d** Business code (see instructions) 316990

**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 | X Larry Mgr | 8/16/25 | LARRY MAGARIK - TRUSTEE |
| | 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 [X] 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** | 3515 |
| **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 | **6a(1)** | 0 |
| **a (2)** | Total number of active participants at the end of the plan year | **6a(2)** | 0 |
| **b** | Retired or separated participants receiving benefits | **6b** | 1726 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 1086 |
| **d** | Subtotal. Add lines **6a(2), 6b,** and **6c** | **6d** | 2812 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | **6e** | 218 |
| **f** | Total. Add lines **6d** and **6e** | **6f** | 3030 |
| **g (1)** | Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) | **6g(1)** | |
| **(2)** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g(2)** | |
| **h** | Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | 0 |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
1B 1I

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

**9a** Plan funding arrangement (check all that apply)
- **(1)** [X] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] 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)** [X] Trust
- **(4)** [ ] General assets of the sponsor

**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)** [X] **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)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information - Small Plan)
- **(3)** [ ] **A** (Insurance Information) - Number Attached ____
- **(4)** [X] **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 _____

# Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund

# ACTUARIAL VALUATION AFTER MASS WITHDRAWAL AS OF JANUARY 1, 2024

*Prepared by:*




*1845 Walnut Street*
*Philadelphia, PA 19103-4755*
*(215) 587-0700*

*January, 2025*

January 15, 2025

Mr. Larry Magarik, Esq.
Independent Fiduciary / Trustee
Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund

Dear Mr. Magarik:

This report presents the results of the actuarial valuation of the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund following the mass withdrawal as of December 31, 2013, and the subsequent insolvency of the Plan during the 2021 Plan Year. The primary purposes of the valuation are to review the experience with respect to the mass withdrawal through December 31, 2023, and to prepare and file the valuation report as required under the PBGC's Final Rule.

CBIZ has relied upon participant data provided by the UFCW Local 342 Fund Office. All participants in payment status have had their benefits reduced to the level guaranteed by the PBGC. For all deferred vested participants, their accrued benefits have not been reduced to the level guaranteed by the PBGC for this valuation. In our opinion, all calculations and procedures are in conformity with generally accepted actuarial principles and practices; and the results presented comply with the requirements of the Internal Revenue Code, ERISA, PBGC, or Statements of Financial Accounting Standards, as applicable.

There were no events after the measurement date and before the date of communication which necessitated adjustments to the actuarial findings. There are no significant benefits that are excluded from the valuation.

The actuary whose signature appears below meets the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States and is qualified to render the actuarial opinion contained herein. CBIZ's relationship with the Plan and Plan Sponsor is strictly professional. There are no aspects of the relationship that may impair or appear to impair the objectivity of our work.

We will be pleased to review this report with you at your convenience.

Respectfully submitted:
CBIZ



David B. Reid, MAAA, MSPA, FCA
Enrolled Actuary No. 23-06971

## Section 1 - Summary and Introduction

| | | |
|---|---|---|
| Exhibit A-1 | Introduction | 1 |
| Exhibit A-2 | Calculation of Vested Benefit Liability | 2 |
| Exhibit A-3 | Employers' Future Withdrawal Liability Payments | 4 |
| Exhibit A-4 | Vested Benefit Liability VS. Present Value of W/L Payments | 5 |
| Exhibit A-5 | Projected Benefit Payments and Cash Flow | 6 |

## Section 2 - Participant Data

| | | |
|---|---|---|
| Exhibit B-1 | Reconciliation of Participant Data | 7 |
| Exhibit B-2 | Age Distribution of Inactive Participants | 8 |
| Exhibit B-3 | Participants in Pay Status as of December 31, 2023 | 9 |

## Section 3 - Appendices

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| Appendix 2 | Summary of Principal Plan Provisions | 11 |

# INTRODUCTION

The plan terminated due to mass withdrawal of the contributing employers during the plan year beginning January 1, 2013. Under the law, the "mass withdrawal valuation date" is defined as the last day of that plan year, December 31, 2013. An annual valuation of the Plan was prepared each year until the Plan became insolvent in the plan year beginning January 1, 2021. Under the PBGC's final rule effective for plan years ending after July 1, 2019, insolvent multiemployer defined benefit plans with nonforfeitable benefit liabilities of at least $50 million must prepare an annual actuarial valuation. As this plan meets that criteria, we have prepared the following valuation of the Plan's liabilities as of December 31, 2023.

For each required annual valuation, the Plan's benefit liability for non-forfeitable vested benefits is calculated. Financial assistance is being received from the Pension Benefit Guaranty Corporation (PBGC) because the Plan is insolvent.

Based on the participant data as of December 31, 2023, the non-forfeitable vested benefits accrued as of the valuation date, and the actuarial methods and assumptions as described in the statute and summarized in Appendix 1, we have calculated the vested benefit liability as of December 31, 2023 to be $45,824,959, which is less than the $50 million threshold established by the PBGC's Final Rule. The present value of future withdrawal liability payments expected to be received is equal to $947,294.

# CALCULATION OF VESTED BENEFIT LIABILITY

## Participant Data

The participant census as of December 31, 2023 includes 1,463 participants not yet in pay status but eligible for future benefits (including participants who were actively working as of December 31, 2023).

Exhibit B-1 shows a reconciliation of the data from last year to this year.

Exhibit B-3 provides a summary of 2,053 participants who were in pay status as of December 31, 2023, showing the number and average age and benefit statistics broken down by gender and form of benefit.

## Quarterly Withdrawal Liability Payment Schedules

Exhibit A-3 is a summary of the outstanding quarterly withdrawal liability payment schedules for each employer. Where applicable, the schedules have been adjusted for:

**Redetermination Liability** - Additional liability resulting from removing previous application of a deduction based upon a *de minimis* amount or application of the 20-year limitation on the payment schedule, and

**Reallocation Liability** - Additional unfunded vested liability as of the mass withdrawal date, December 31, 2013, allocated to employers deemed viable as of the reallocation record date, December 31, 2014 as chosen by the Trustees.

# CALCULATION OF VESTED BENEFIT LIABILITY
**(continued)**

As shown in Exhibit A-3, as of December 31, 2023 the present value of future withdrawal liability payments expected to be received is $947,294.

## Value of Non-Forfeitable Vested Benefits

The benefits payable to Plan participants have been valued in accordance with regulations and the required assumptions specified therein (see Appendix 1). The results are presented in Item 1 of Exhibit A-4. As shown, with an allowance for the required expense loading, it is estimated that $45,824,959 in assets would have been required to settle the Plan's obligations in full as of December 31, 2023.

## Amount Payable by PBGC

The expected annual benefit payments and expenses equal to $5,323,181 exceed the expected withdrawal liability payments of $52,998. The PBGC makes up the difference between these two.

# EMPLOYERS' FUTURE WITHDRAWAL LIABILITY PAYMENTS

The remaining quarterly payment schedules as of December 31, 2023 and the calculated present value of the payment as of that date:

| Employer | Mass Withdrawal Liability | Quarterly Payment | Payment Period in Years | Present Value of Payments * | Date of Last Payment | Payment Status |
|---|---|---|---|---|---|---|
| AMSCOR, Inc. | $ 270,056 | $ 327.08 | Infinite | N/A | 09/16/19 | Default letter sent 11/12/2019 |
| Avenue J Fish Market | $ 342,846 | $ 1,050.00 | Infinite | $ 92,087 | 09/20/24 | Current with payments |
| B & Z Steel Equipment Co. | $ 260,673 | $ 367.50 | Infinite | $ 32,231 | 09/16/24 | Current with payments |
| Central Fur Storage Co. | $ 6,952,655 | $ 1,391.85 | Infinite | N/A | 10/04/17 | In default |
| Crossbay Sea Shell | $ 688,511 | $ 3,552.53 | Infinite | $ 7,883 | 09/04/24 | Settled for $36,000 over 36 months |
| European Finishing Equipment Corp. | $ 53,340 | $ 308.00 | Infinite | $ 27,012 | 10/23/24 | Current with payments |
| Key Handling Systems, Inc. | $ 4,702,329 | $ 2,443.33 | Infinite | N/A | N/A | In default |
| New York Sewing Machine | $ 752,386 | $ 1,365.00 | Infinite | N/A | N/A | In default |
| Randall Leather Machinery Corp. | $ 31,376 | $ 1,371.25 | 27.20 | N/A | N/A | In default |
| Scheman & Grant | $ 72,286 | $ 1,369.00 | 20.75 | $ 72,871 | 11/07/24 | Current with payments |
| Sea Tide Fish & Lobster | $ 72,973 | $ 2,713.00 | 34.03 | N/A | N/A | In default |
| Service Smoked Fish | $ 1,017,505 | $ 7,641.35 | Infinite | N/A | 10/21/15 | In default |
| Sibeau Handbag, Inc. | $ 524,142 | $ 6.70 | Infinite | N/A | 01/28/19 | Acceleration letter sent 8/23/2019 |
| Superior Repairs Center | $ 1,214,179 | $ 11.33 | Infinite | N/A | N/A | In default |
| Tony's Fish & Seafood | $ 2,696,667 | $ 8,154.98 | Infinite | $ 715,210 | 10/22/24 | Current with payments |
| Total | | | | $ 947,294 | | |

* Present values are discounted at the interest rates prescribed by the PBGC for the month of December 2023: 5.06% for the first 20 years, and 4.37% thereafter.

# VESTED BENEFIT LIABILITY VS. PRESENT VALUE OF WITHDRAWAL LIABILITY PAYMENTS

The vested benefit liability as of December 31, 2023 is the amount used in the determination of withdrawal liability under the Multiemployer Pension Plan Amendments Act of 1980, calculated using the PBGC interest rates and mortality assumptions as required for a mass withdrawal.

The calculation of the vested benefit liability is shown below and compared to the present value of withdrawal liability payments:

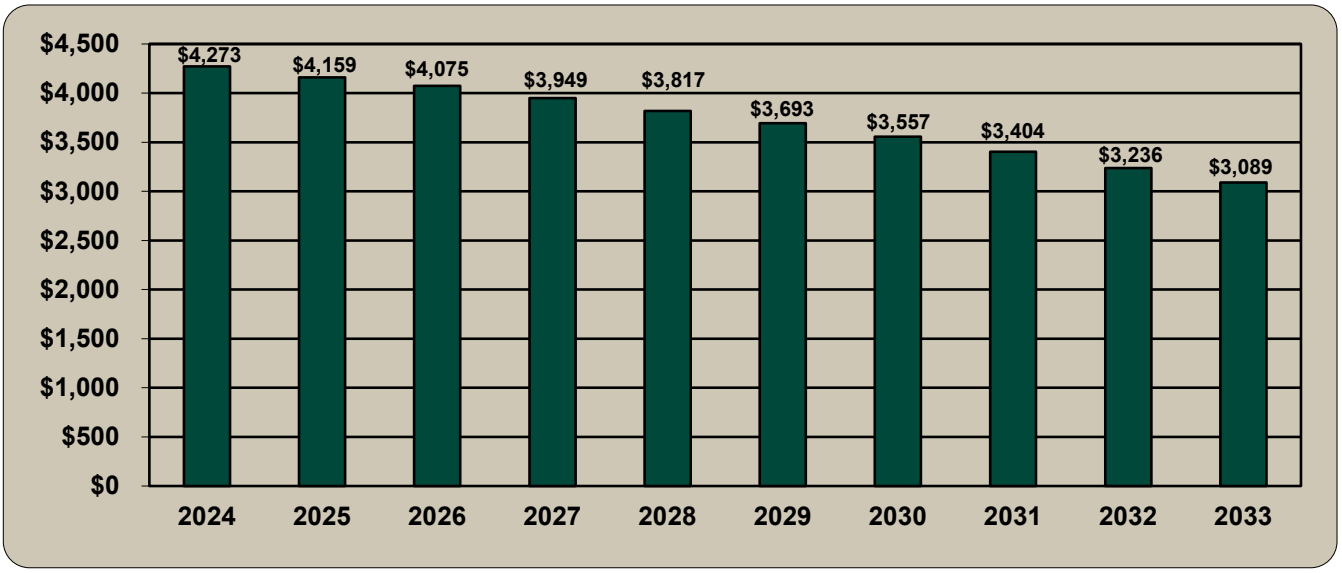
| UNFUNDED VESTED BENEFIT LIABILITY ON DECEMBER 31, 2023 | | |
|---|---|---|
| 1. Vested Benefit Liability* | | |
| a. For retired participants and beneficiaries in pay status | $ | 26,673,852 |
| b. Active participants | | 0 |
| c. Vested Terminated | | 18,100,922 |
| d. Expense Liability | | 1,050,185 |
| e. Total | $ | 45,824,959 |
| 2. Present Value of Withdrawal Liability Payments | $ | 947,294 |

* The interest rates prescribed by the PBGC for the month of December 2023 are 5.06% for the first 20 years following the valuation date and 4.37% thereafter.

# PROJECTED BENEFIT PAYMENTS AND CASH FLOW

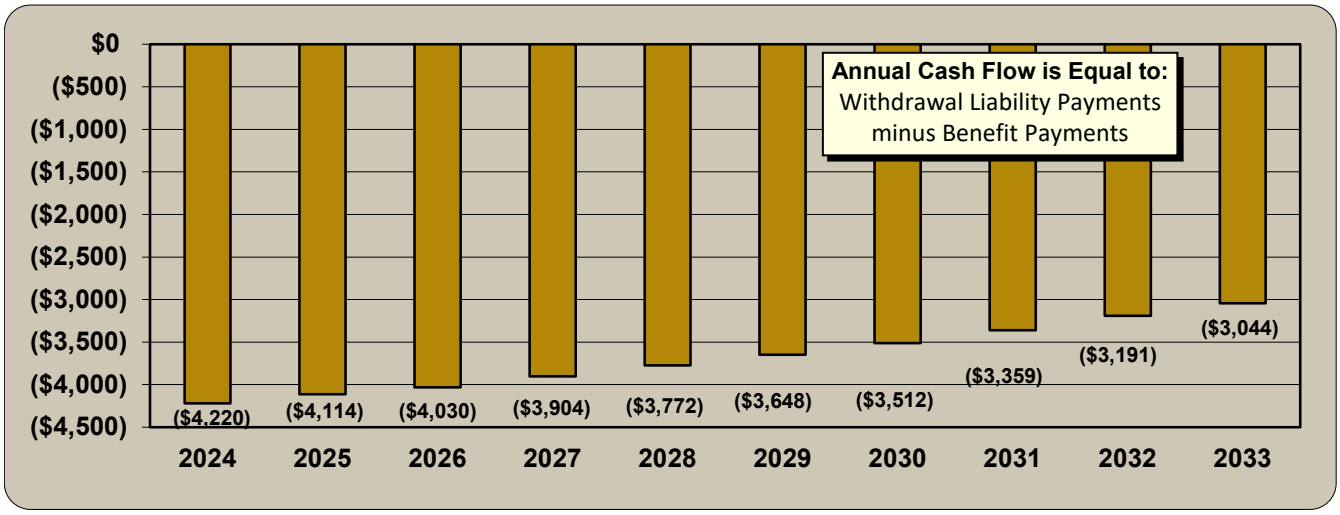
The following graph illustrates the expected benefit payments over the next ten years for participants who are in the plan as of December 31, 2023.

**Expected Benefit Payments (in thousands)**




**Note:** The benefit disbursements are calculated based on the assumptions used in the valuation.

**Projected Cash Flow (in thousands)**



# RECONCILIATION OF PARTICIPANT DATA

| | | Actives | Pensioners & Beneficiaries | Deferred Vested Participants | Total |
|---|---|---|---|---|---|
| 1. | Participants in Prior Valuation | 0 | 2,071 | 1,536 | 3,607 |
| 2. | Change During Year | | | | |
| a. | retirements | 0 | 57 | (57) | 0 |
| b. | deaths with beneficiary | 0 | (13) | (3) | (16) |
| c. | deaths without beneficiary | 0 | (77) | (11) | (88) |
| d. | new beneficiaries | 0 | 14 | 2 | 16 |
| e. | QDRO | 0 | 0 | 0 | 0 |
| f. | lump sum payments | 0 | 0 | 0 | 0 |
| g. | end of certain period | 0 | 0 | 0 | 0 |
| h. | data corrections | 0 | 1 | (4) | (3) |
| i. | total increase | 0 | (18) | (73) | (91) |
| 3. | Participants in Current Valuation | 0 | 2,053 | 1,463 | 3,516 |

# AGE DISTRIBUTION OF INACTIVE PARTICIPANTS

| Age Last Birthday | Normal, Early, and Deferred Vested Retirements* | | Terminated Participants & Beneficiaries with Rights to Future Benefits ** | | Total | |
|---|---|---|---|---|---|---|
| | Number | Annual Benefit | Number | Annual Benefit | Number | Annual Benefit |
| Under 45 | 0 | $ 0 | 13 | $ 9,324 | 13 | $ 9,324 |
| 45-49 | 1 | 654 | 58 | 54,281 | 59 | 54,935 |
| 50-54 | 0 | 0 | 119 | 155,080 | 119 | 155,080 |
| 55-59 | 5 | 5,781 | 239 | 351,515 | 244 | 357,296 |
| 60-64 | 23 | 40,351 | 279 | 509,036 | 302 | 549,387 |
| 65-69 | 256 | 419,931 | 182 | 266,379 | 438 | 686,310 |
| 70-74 | 339 | 578,234 | 164 | 193,132 | 503 | 771,366 |
| 75-79 | 437 | 690,569 | 153 | 188,369 | 590 | 878,938 |
| 80 & Over | 992 | 1,612,008 | 256 | 261,984 | 1,248 | 1,873,992 |
| Total | 2,053 | $ 3,347,528 | 1,463 | $ 1,989,100 | 3,516 | $ 5,336,628 |

| | | |
|---|---|---|
| Average age ..... | 79.82 | 67.42 |
| Average annual benefit ..... | $1,631 | $1,360 |

* Including surviving spouses in pay status.

** Including surviving spouses eligible for future payment.

# PARTICIPANTS IN PAY STATUS AS OF DECEMBER 31, 2023

| Retirees | Count | Avg. Age | Avg. Annual Benefits |
|---|---|---|---|
| Males | | | |
| Single Life | 627 | 79.65 | $ 2,090.16 |
| J&S | 324 | 76.66 | $ 1,937.73 |
| Females | | | |
| Single Life | 988 | 81.49 | $ 1,299.71 |
| J&S | 114 | 75.35 | $ 1,096.99 |

# ACTUARIAL ASSUMPTIONS AND METHODS

**Interest Rates:**

**PBGC rates for December 2023:** 5.06% per annum for the first 20 years following the date of valuation, 4.37% per year thereafter.

**Mortality:**

**PBGC Mortality:** Mortality as prescribed by Appendix A of PBGC regulation 4044.

**Assumed Retirement Age:** Earliest possible retirement age.

**Marital Status:** 75% of the non-retired participants were assumed to be married with wives assumed to be 3 years younger than husbands.

**Actuarial Valuation Method:** Unit Credit Cost Method.

**Changes since the Prior Valuation:** The interest rate and mortality assumptions were updated to comply with the PBGC prescribed interest and mortality assumptions for a mass withdrawal.

**Participant Data:** Because the Plan became insolvent effective October 1, 2021, the benefits valued were as follows:

For all participants in payment status, their PBGC guaranteed benefits were valued.

For all deferred vested participants, their accrued benefits were valued since their PBGC guaranteed benefits had not been calculated yet for this valuation.

**Rationale for Selection of Significant Actuarial Assumptions:** All significant assumptions are prescribed by law.

# SUMMARY OF PRINCIPAL PLAN PROVISIONS

**Effective Date:**

September 15, 1953. The plan has been amended from time to time with the most recent restatement as of January 1, 2009. Effective December 31, 2006, the Fish and Seafood Workers Local 635 Retirement Plan ("Fresh Fish") and the Smoked Seafood Workers Local 635 Retirement Plan ("Smoked Fish") were merged into the Plan. Effective December 31, 2008, the Fur Service Employees' Pension Plan and the United Mechanics 150 Pension Fund were merged into the Plan.

**Eligibility:**

For Local 1, Local 121, Fresh Fish, and Smoked Fish participants, eligibility begins on the earliest January 1 or July 1 following completion of a 12-consecutive month period during which the employee worked at least: (i) 87 days in Covered Employment, if a Local 1 participant; (ii) 5 months in Covered Employment, if a Local 121 participant; (iii) 10 weeks in Covered Employment, if a Fresh Fish participant, or; (iv) 2 months in Covered Employment, if a Smoked Fish participant.

For Fur Service and United Mechanics 150 participants, eligibility begins immediately.

**Credited Service:**

For Local 1 participant employment after January 1, 1955:

| Calendar Year Employment | Quarter Years of Credit |
|---|---|
| Less than 40 days | 0 |
| 40 but less than 80 days | 1 |
| 80 but less than 120 days | 2 |
| 120 but less than 160 days | 3 |
| 160 or more days | 4 |

Effective January 1, 2002, Local 1 participants cease accruing Credited Service as of the date their employers cease contributions to this plan.

For Local 121 participants: One-twelfth (1/12) of a year of credited service for each month of work for which employer contributions are made.

For Fresh Fish participants: One-quarter (1/4) of a year of credited service for each 400 hours of pension service in a year, up to a maximum of one year of service.

# SUMMARY OF PRINCIPAL PLAN PROVISIONS
**(continued)**

**Credited Service (continued):**

For Smoked Fish participants: One-quarter (1/4) of a year of credited service for each 400 hours of pension service in a year, up to a maximum of one year of service.

For Fur Service participants: 1,000 hours = 1 Year of Service.

For United Mechanics 150 participants: 1,000 hours = 1 Year of Service.

No Credited Service is earned after December 31, 2013.

**Vesting Service:**

One year of vesting service for each credited year during the contribution period in which the employee works 87 days (Local 1) or five months (Local 121).

After 1975, for Fish Fund participants, one year of vesting service for each plan year during the contribution period in which the employee works 1,000 hours. Fish Fund participants may receive partial years of vesting service (a quarter of a year per 250 hours worked).

For Fur Service participants, 1,000 hours equals 1 Year of Vesting Service.

For United Mechanics 150 participants, 1,000 hours equals 1 Year of Vesting Service.

No Vesting Service is earned after December 31, 2013.

**Normal Retirement Eligibility:**

The later of age 65 and the completion of five years of participation in the plan.

# SUMMARY OF PRINCIPAL PLAN PROVISIONS
**(continued)**

**Normal Retirement Pension:** Monthly benefit for life equal to the applicable benefit level, as indicated below:

| | |
|---|---|
| Local 1: | $8.50 multiplied by years of Credited Service |
| Local 121: | $6.50 multiplied by years of Credited Service up to 20 years |
| Fresh Fish: | $20.00 multiplied by years of Credited Service |
| Smoked Fish: | $23.33 multiplied by years of Credited Service |
| Fur Service: | $24.20 multiplied by years of Credited Service |
| UM 150: | $13.28 multiplied by years of Credited Service prior to 1993 plus $14.55 multiplied by years of Credited Service after 1992 |

**Early Retirement Eligibility:** Attainment of age 62 and

| | |
|---|---|
| Local 1: | 15 years of Credited Service |
| Local 121: | 20 years of Credited Service |
| Fish Funds: | 10 years of Vesting Service |
| Fur Service: | 20 years of Vesting Service |
| UM 150: | 20 years of Vesting Service |

**Early Retirement Pension:** The normal retirement benefit, reduced for commencement prior to normal retirement age as follows:

| | |
|---|---|
| Local 1: | 6.67% per year |
| Local 121: | 6.00% per year |
| Fish Funds: | 6.00% per year, unreduced if 30 years of Credited Service |
| Fur Service: | 6.00% per year |
| UM 150: | 6.00% per year |

# SUMMARY OF PRINCIPAL PLAN PROVISIONS
**(continued)**

**Disability Eligibility:**

At the time of disability, the participant must satisfy the following service requirement:

| | |
|---|---|
| Local 1: | 15 years of Credited Service |
| Local 121: | 20 years of Credited Service |
| Fish Funds: | 10 years of Vesting Service |
| Fur Service: | 15 years of Vesting Service |
| UM 150: | 15 years of Vesting Service |

The disability benefit is not available after December 31, 2013.

**Disability Pension:**

The normal retirement benefit accrued as of the date of disability, payable immediately.

**Vesting:**

A participant is 100% vested in his or her benefit upon attainment of five years of Vesting Service.

**Vested Benefit:**

Accrued benefit payable at Normal Retirement, or reduced upon attainment of Early Retirement eligibility.

**Pre-Retirement Spouse's Benefit:**

If a vested participant or vested former participant dies before his pension begins, his surviving spouse will be entitled to a lifetime pension. The amount of such pension will be 50% of the benefit the participant would have received if the participant had retired the day before he or she died and elected the joint and survivor option. If the employee died prior to eligibility for an early retirement pension, the spouse's benefit is deferred to the date the participant would have attained his or her earliest retirement age.

If an active vested Smoked Fish participant dies and is not eligible for the above spousal annuity, his beneficiary will receive a lump sum death benefit equal to $100 times his or her years of Credited Service, up to a maximum of $1,000.

The pre-retirement lump sum benefit is not available after December 31, 2013.

# SUMMARY OF PRINCIPAL PLAN PROVISIONS
**(continued)**

**Post-Retirement Spouse's Benefit:**

A lump sum of $1,500 is payable to the beneficiary of Local 1 participants. This benefit is not available after December 31, 2013.

The beneficiary of a Smoked Fish retiree who dies and did not elect joint and survivor coverage will receive a lump sum death benefit equal to $100 times the years of Credited Service, up to a maximum of $1,000. This benefit is not available after December 31, 2013. This amount is reduced based on the number of pension payments received according to the following schedule:

| Number of Payments | Reduction in Lump Sum |
|---|---|
| under 11 | 0% |
| 11 | 10% |
| 12 to 23 | 20% |
| 24 to 35 | 30% |
| 36 to 47 | 40% |
| over 47 | 50% |

If married, pension benefits are paid in the form of a joint and survivor annuity unless this form is rejected by the participant and spouse. If not rejected, the benefit amount otherwise payable is reduced to reflect the joint and survivor coverage. If rejected, or if not married, benefits are payable for the life of the employee, or in any other available optional form elected by the participant in an actuarially equivalent amount.

**Optional Forms of Benefit:**

The following forms of benefit are available under the Plan:

Life Annuity
50% Qualified Joint and Survivor
75% Qualified Optional Joint and Survivor

**Changes in Plan Provisions Since Prior Valuation:**

None.

# Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund

# ACTUARIAL VALUATION AFTER MASS WITHDRAWAL AS OF JANUARY 1, 2023

*Prepared by:*




*1845 Walnut Street*
*Philadelphia, PA 19103-4755*
*(215) 587-0700*

*May, 2024*

May 10, 2024

Mr. Larry Magarik, Esq.
Independent Fiduciary / Trustee
Amalgamated Meat Cutters & Retail Food Store Employees Union Local 342 Pension Fund

Dear Mr. Magarik:

This report presents the results of the actuarial valuation of the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund following the mass withdrawal as of December 31, 2013, and the subsequent insolvency of the Plan during the 2021 Plan Year. The primary purposes of the valuation are to review the experience with respect to the mass withdrawal through December 31, 2022, and to prepare and file the valuation report as required under the PBGC's Final Rule.

CBIZ has relied upon participant data provided by the UFCW Local 342 Fund Office. All participants in payment status have had their benefits reduced to the level guaranteed by the PBGC. For all deferred vested participants, their accrued benefits have not been reduced to the level guaranteed by the PBGC for this valuation. In our opinion, all calculations and procedures are in conformity with generally accepted actuarial principles and practices; and the results presented comply with the requirements of the Internal Revenue Code, ERISA, PBGC, or Statements of Financial Accounting Standards, as applicable.

There were no events after the measurement date and before the date of communication which necessitated adjustments to the actuarial findings. There are no significant benefits that are excluded from the valuation.

The actuary whose signature appears below meets the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States and is qualified to render the actuarial opinion contained herein. CBIZ's relationship with the Plan and Plan Sponsor is strictly professional. There are no aspects of the relationship that may impair or appear to impair the objectivity of our work.

We will be pleased to review this report with you at your convenience.

Respectfully submitted:
CBIZ



David B. Reid, MAAA, MSPA, FCA
Enrolled Actuary No. 23-06971

## Section 1 - Summary and Introduction


| | | |
|---|---|---|
| Exhibit A-1 | Introduction | 1 |
| Exhibit A-2 | Calculation of Vested Benefit Liability | 2 |
| Exhibit A-3 | Employers' Future Withdrawal Liability Payments | 4 |
| Exhibit A-4 | Vested Benefit Liability VS. Present Value of W/L Payments | 5 |
| Exhibit A-5 | Projected Benefit Payments and Cash Flow | 6 |


## Section 2 - Participant Data


| | | |
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| Exhibit B-1 | Reconciliation of Participant Data | 7 |
| Exhibit B-2 | Age Distribution of Inactive Participants | 8 |
| Exhibit B-3 | Participants in Pay Status as of December 31, 2022 | 9 |


## Section 3 - Appendices


| | | |
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| Appendix 1 | Actuarial Assumptions and Methods | 10 |
| Appendix 2 | Summary of Principal Plan Provisions | 11 |

# INTRODUCTION

The plan terminated due to mass withdrawal of the contributing employers during the plan year beginning January 1, 2013. Under the law, the "mass withdrawal valuation date" is defined as the last day of that plan year, December 31, 2013. An annual valuation of the Plan was prepared each year until the Plan became insolvent in the plan year beginning January 1, 2021. Under the PBGC's final rule effective for plan years ending after July 1, 2019, insolvent multiemployer defined benefit plans with nonforfeitable benefit liabilities of at least $50 million must prepare an annual actuarial valuation. As this plan meets that criteria, we have prepared the following valuation of the Plan's liabilities as of December 31, 2022.

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# CALCULATION OF VESTED BENEFIT LIABILITY

## Participant Data

The participant census as of December 31, 2022 includes 1,536 participants not yet in pay status but eligible for future benefits (including participants who were actively working as of December 31, 2022).

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# CALCULATION OF VESTED BENEFIT LIABILITY
**(continued)**

As shown in Exhibit A-3, as of December 31, 2022 the present value of future withdrawal liability payments expected to be received is $1,187,005.

## Value of Non-Forfeitable Vested Benefits

The benefits payable to Plan participants have been valued in accordance with regulations and the required assumptions specified therein (see Appendix 1). The results are presented in Item 1 of Exhibit A-4. As shown, with an allowance for the required expense loading, it is estimated that $52,353,050 in assets would have been required to settle the Plan's obligations in full as of December 31, 2022.

## Amount Payable by PBGC

The expected annual benefit payments and expenses equal to $5,402,342 exceed the expected withdrawal liability payments of $56,998. The PBGC makes up the difference between these two.

# EMPLOYERS' FUTURE WITHDRAWAL LIABILITY PAYMENTS

The remaining quarterly payment schedules as of December 31, 2022 and the calculated present value of the payment as of that date:

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| European Finishing Equipment Corp. | $ 53,340 | $ 308.00 | Infinite | $ 33,828 | 04/16/24 | Current with payments |
| Key Handling Systems, Inc. | $ 4,702,329 | $ 2,443.33 | Infinite | N/A | N/A | In default |
| New York Sewing Machine | $ 752,386 | $ 1,365.00 | Infinite | N/A | N/A | In default |
| Randall Leather Machinery Corp. | $ 31,376 | $ 1,371.25 | 27.20 | N/A | N/A | In default |
| Scheman & Grant | $ 72,286 | $ 1,369.00 | 21.75 | $ 82,412 | 05/01/24 | Current with payments |
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| Superior Repairs Center | $ 1,214,179 | $ 11.33 | Infinite | N/A | N/A | In default |
| Tony's Fish & Seafood | $ 2,696,667 | $ 8,154.98 | Infinite | $ 895,682 | 04/16/24 | Current with payments |
| Total | | | | $ 1,187,005 | | |

* Present values are discounted at the interest rates prescribed by the PBGC for the month of December 2022: 3.90% for the first 20 years, and 3.65% thereafter.

# VESTED BENEFIT LIABILITY VS. PRESENT VALUE OF WITHDRAWAL LIABILITY PAYMENTS

The vested benefit liability as of December 31, 2022 is the amount used in the determination of withdrawal liability under the Multiemployer Pension Plan Amendments Act of 1980, calculated using the PBGC interest rates and mortality assumptions as required for a mass withdrawal.

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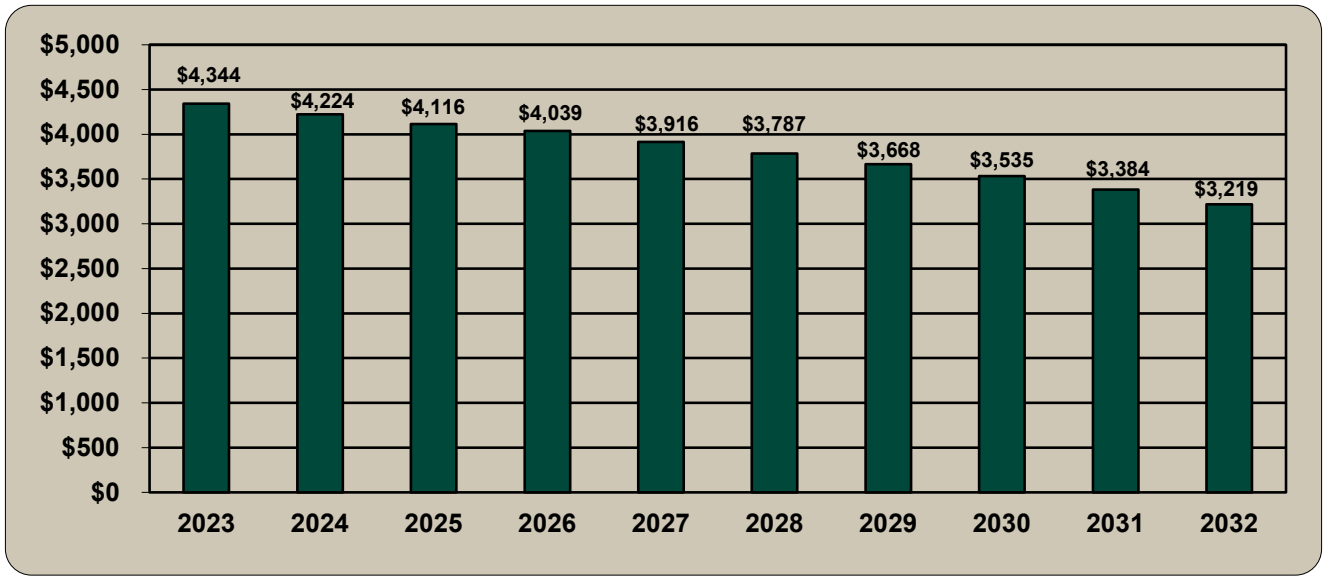
| UNFUNDED VESTED BENEFIT LIABILITY ON DECEMBER 31, 2022 | | |
|---|---|---|
| 1. Vested Benefit Liability* | | |
| a. For retired participants and beneficiaries in pay status | $ | 29,419,312 |
| b. Active participants | | 0 |
| c. Vested Terminated | | 21,875,332 |
| d. Expense Liability | | 1,058,406 |
| e. Total | $ | 52,353,050 |
| 2. Present Value of Withdrawal Liability Payments | $ | 1,187,005 |

* The interest rates prescribed by the PBGC for the month of December 2022 are 3.90% for the first 20 years following the valuation date and 3.65% thereafter.

# PROJECTED BENEFIT PAYMENTS AND CASH FLOW

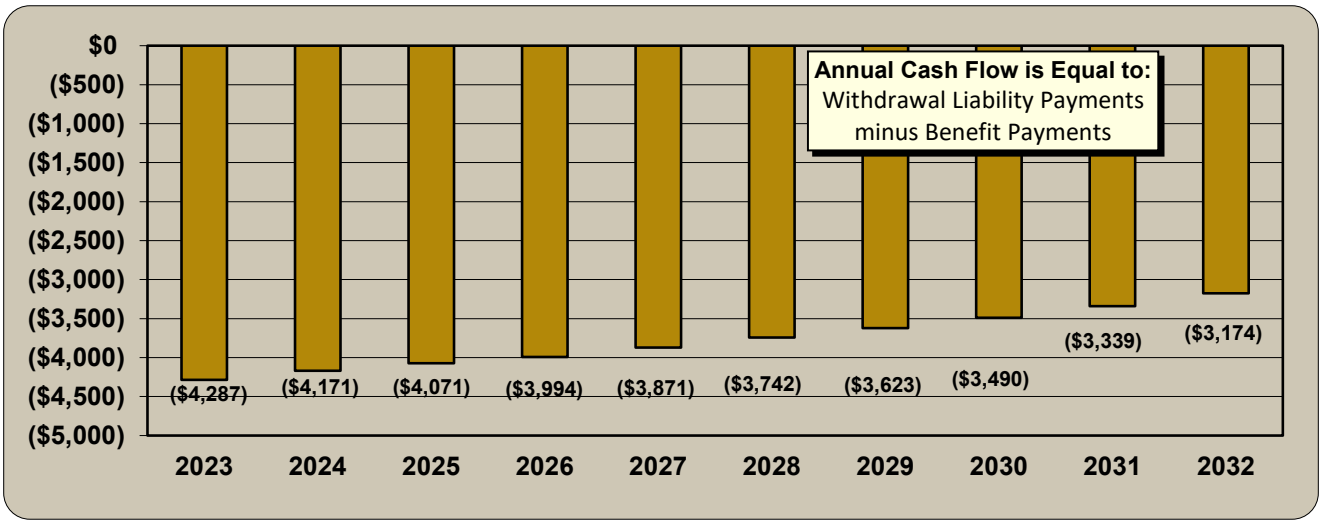
The following graph illustrates the expected benefit payments over the next ten years for participants who are in the plan as of December 31, 2022.

**Expected Benefit Payments (in thousands)**




**Note:** The benefit disbursements are calculated based on the assumptions used in the valuation.

**Projected Cash Flow (in thousands)**



# RECONCILIATION OF PARTICIPANT DATA

| | | Actives | Pensioners & Beneficiaries | Deferred Vested Participants | Total |
|---|---|---|---|---|---|
| 1. | Participants in Prior Valuation | 0 | 2,098 | 1,635 | 3,733 |
| 2. | Change During Year | | | | |
| a. | retirements | 0 | 77 | (77) | 0 |
| b. | deaths with beneficiary | 0 | (7) | 0 | (7) |
| c. | deaths without beneficiary | 0 | (116) | (15) | (131) |
| d. | new beneficiaries | 0 | 7 | 0 | 7 |
| e. | QDRO | 0 | 0 | 0 | 0 |
| f. | lump sum payments | 0 | 0 | 0 | 0 |
| g. | end of certain period | 0 | 0 | 0 | 0 |
| h. | data corrections | 0 | 12 | (7) | 5 |
| i. | total increase | 0 | (27) | (99) | (126) |
| 3. | Participants in Current Valuation | 0 | 2,071 | 1,536 | 3,607 |

# AGE DISTRIBUTION OF INACTIVE PARTICIPANTS

| Age Last Birthday | Normal, Early, and Deferred Vested Retirements* | | Terminated Participants & Beneficiaries with Rights to Future Benefits ** | | Total | |
|---|---|---|---|---|---|---|
| | Number | Annual Benefit | Number | Annual Benefit | Number | Annual Benefit |
| Under 45 | 0 | $ 0 | 27 | $ 21,709 | 27 | $ 21,709 |
| 45-49 | 1 | 654 | 62 | 59,077 | 63 | 59,731 |
| 50-54 | 0 | 0 | 138 | 191,630 | 138 | 191,630 |
| 55-59 | 5 | 6,471 | 265 | 420,795 | 270 | 427,266 |
| 60-64 | 22 | 44,246 | 294 | 525,907 | 316 | 570,153 |
| 65-69 | 269 | 434,474 | 191 | 273,868 | 460 | 708,342 |
| 70-74 | 345 | 608,284 | 179 | 209,424 | 524 | 817,708 |
| 75-79 | 453 | 671,317 | 150 | 172,789 | 603 | 844,106 |
| 80 & Over | 976 | 1,625,014 | 230 | 246,626 | 1,206 | 1,871,640 |
| Total | 2,071 | $ 3,390,460 | 1,536 | $ 2,121,825 | 3,607 | $ 5,512,285 |

| | | |
|---|---|---|
| Average age ..... | 79.57 | 66.48 |
| Average annual benefit ..... | $1,637 | $1,381 |

* Including surviving spouses in pay status.

** Including surviving spouses eligible for future payment.

# PARTICIPANTS IN PAY STATUS AS OF DECEMBER 31, 2022

| Retirees | Count | Avg. Age | Avg. Annual Benefits |
|---|---|---|---|
| Males | | | |
| Single Life | 636 | 79.39 | $ 2,087.00 |
| J&S | 321 | 76.34 | $ 1,963.41 |
| Females | | | |
| Single Life | 1,003 | 81.21 | $ 1,307.22 |
| J&S | 111 | 75.11 | $ 1,096.66 |

# ACTUARIAL ASSUMPTIONS AND METHODS

**Interest Rates:**

| | |
|---|---|
| **PBGC rates for December 2022:** | 3.90% per annum for the first 20 years following the date of valuation, 3.65% per year thereafter. |

**Mortality:**

| | |
|---|---|
| **PBGC Mortality:** | Mortality as prescribed by Appendix A of PBGC regulation 4044. |
| **Assumed Retirement Age:** | Earliest possible retirement age. |
| **Marital Status:** | 75% of the non-retired participants were assumed to be married with wives assumed to be 3 years younger than husbands. |
| **Actuarial Valuation Method:** | Unit Credit Cost Method. |
| **Changes since the Prior Valuation:** | The interest rate and mortality assumptions were updated to comply with the PBGC prescribed interest and mortality assumptions for a mass withdrawal. |
| **Participant Data:** | Because the Plan became insolvent effective October 1, 2021, the benefits valued were as follows:<br><br>For all participants in payment status, their PBGC guaranteed benefits were valued.<br><br>For all deferred vested participants, their accrued benefits were valued since their PBGC guaranteed benefits had not been calculated yet for this valuation. |
| **Rationale for Selection of Significant Actuarial Assumptions:** | All significant assumptions are prescribed by law. |

# SUMMARY OF PRINCIPAL PLAN PROVISIONS

**Effective Date:**

September 15, 1953. The plan has been amended from time to time with the most recent restatement as of January 1, 2009. Effective December 31, 2006, the Fish and Seafood Workers Local 635 Retirement Plan ("Fresh Fish") and the Smoked Seafood Workers Local 635 Retirement Plan ("Smoked Fish") were merged into the Plan. Effective December 31, 2008, the Fur Service Employees' Pension Plan and the United Mechanics 150 Pension Fund were merged into the Plan.

**Eligibility:**

For Local 1, Local 121, Fresh Fish, and Smoked Fish participants, eligibility begins on the earliest January 1 or July 1 following completion of a 12-consecutive month period during which the employee worked at least: (i) 87 days in Covered Employment, if a Local 1 participant; (ii) 5 months in Covered Employment, if a Local 121 participant; (iii) 10 weeks in Covered Employment, if a Fresh Fish participant, or; (iv) 2 months in Covered Employment, if a Smoked Fish participant.

For Fur Service and United Mechanics 150 participants, eligibility begins immediately.

**Credited Service:**

For Local 1 participant employment after January 1, 1955:

| Calendar Year Employment | Quarter Years of Credit |
|---|---|
| Less than 40 days | 0 |
| 40 but less than 80 days | 1 |
| 80 but less than 120 days | 2 |
| 120 but less than 160 days | 3 |
| 160 or more days | 4 |

Effective January 1, 2002, Local 1 participants cease accruing Credited Service as of the date their employers cease contributions to this plan.

For Local 121 participants: One-twelfth (1/12) of a year of credited service for each month of work for which employer contributions are made.

For Fresh Fish participants: One-quarter (1/4) of a year of credited service for each 400 hours of pension service in a year, up to a maximum of one year of service.

# SUMMARY OF PRINCIPAL PLAN PROVISIONS
**(continued)**

**Credited Service (continued):**

For Smoked Fish participants: One-quarter (1/4) of a year of credited service for each 400 hours of pension service in a year, up to a maximum of one year of service.

For Fur Service participants: 1,000 hours = 1 Year of Service.

For United Mechanics 150 participants: 1,000 hours = 1 Year of Service.

No Credited Service is earned after December 31, 2013.

**Vesting Service:**

One year of vesting service for each credited year during the contribution period in which the employee works 87 days (Local 1) or five months (Local 121).

After 1975, for Fish Fund participants, one year of vesting service for each plan year during the contribution period in which the employee works 1,000 hours. Fish Fund participants may receive partial years of vesting service (a quarter of a year per 250 hours worked).

For Fur Service participants, 1,000 hours equals 1 Year of Vesting Service.

For United Mechanics 150 participants, 1,000 hours equals 1 Year of Vesting Service.

No Vesting Service is earned after December 31, 2013.

**Normal Retirement Eligibility:**

The later of age 65 and the completion of five years of participation in the plan.

# SUMMARY OF PRINCIPAL PLAN PROVISIONS
**(continued)**

**Normal Retirement Pension:** Monthly benefit for life equal to the applicable benefit level, as indicated below:

| | |
|---|---|
| Local 1: | $8.50 multiplied by years of Credited Service |
| Local 121: | $6.50 multiplied by years of Credited Service up to 20 years |
| Fresh Fish: | $20.00 multiplied by years of Credited Service |
| Smoked Fish: | $23.33 multiplied by years of Credited Service |
| Fur Service: | $24.20 multiplied by years of Credited Service |
| UM 150: | $13.28 multiplied by years of Credited Service prior to 1993 plus $14.55 multiplied by years of Credited Service after 1992 |

**Early Retirement Eligibility:** Attainment of age 62 and

| | |
|---|---|
| Local 1: | 15 years of Credited Service |
| Local 121: | 20 years of Credited Service |
| Fish Funds: | 10 years of Vesting Service |
| Fur Service: | 20 years of Vesting Service |
| UM 150: | 20 years of Vesting Service |

**Early Retirement Pension:** The normal retirement benefit, reduced for commencement prior to normal retirement age as follows:

| | |
|---|---|
| Local 1: | 6.67% per year |
| Local 121: | 6.00% per year |
| Fish Funds: | 6.00% per year, unreduced if 30 years of Credited Service |
| Fur Service: | 6.00% per year |
| UM 150: | 6.00% per year |

# SUMMARY OF PRINCIPAL PLAN PROVISIONS
**(continued)**

**Disability Eligibility:**

At the time of disability, the participant must satisfy the following service requirement:

| | |
|---|---|
| Local 1: | 15 years of Credited Service |
| Local 121: | 20 years of Credited Service |
| Fish Funds: | 10 years of Vesting Service |
| Fur Service: | 15 years of Vesting Service |
| UM 150: | 15 years of Vesting Service |

The disability benefit is not available after December 31, 2013.

**Disability Pension:**

The normal retirement benefit accrued as of the date of disability, payable immediately.

**Vesting:**

A participant is 100% vested in his or her benefit upon attainment of five years of Vesting Service.

**Vested Benefit:**

Accrued benefit payable at Normal Retirement, or reduced upon attainment of Early Retirement eligibility.

**Pre-Retirement Spouse's Benefit:**

If a vested participant or vested former participant dies before his pension begins, his surviving spouse will be entitled to a lifetime pension. The amount of such pension will be 50% of the benefit the participant would have received if the participant had retired the day before he or she died and elected the joint and survivor option. If the employee died prior to eligibility for an early retirement pension, the spouse's benefit is deferred to the date the participant would have attained his or her earliest retirement age.

If an active vested Smoked Fish participant dies and is not eligible for the above spousal annuity, his beneficiary will receive a lump sum death benefit equal to $100 times his or her years of Credited Service, up to a maximum of $1,000.

The pre-retirement lump sum benefit is not available after December 31, 2013.

# SUMMARY OF PRINCIPAL PLAN PROVISIONS
**(continued)**

**Post-Retirement Spouse's Benefit:**

A lump sum of $1,500 is payable to the beneficiary of Local 1 participants. This benefit is not available after December 31, 2013.

The beneficiary of a Smoked Fish retiree who dies and did not elect joint and survivor coverage will receive a lump sum death benefit equal to $100 times the years of Credited Service, up to a maximum of $1,000. This benefit is not available after December 31, 2013. This amount is reduced based on the number of pension payments received according to the following schedule:

| Number of Payments | Reduction in Lump Sum |
|---|---|
| under 11 | 0% |
| 11 | 10% |
| 12 to 23 | 20% |
| 24 to 35 | 30% |
| 36 to 47 | 40% |
| over 47 | 50% |

If married, pension benefits are paid in the form of a joint and survivor annuity unless this form is rejected by the participant and spouse. If not rejected, the benefit amount otherwise payable is reduced to reflect the joint and survivor coverage. If rejected, or if not married, benefits are payable for the life of the employee, or in any other available optional form elected by the participant in an actuarially equivalent amount.

**Optional Forms of Benefit:**

The following forms of benefit are available under the Plan:

Life Annuity
50% Qualified Joint and Survivor
75% Qualified Optional Joint and Survivor

**Changes in Plan Provisions Since Prior Valuation:**

None.

# Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund

# ACTUARIAL VALUATION AFTER MASS WITHDRAWAL AS OF JANUARY 1, 2022

*Prepared by:*




*1845 Walnut Street*
*Philadelphia, PA 19103-4755*
*(215) 587-0700*

*October, 2022*

October 24, 2022

Board of Trustees
Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund
166 E. Jericho Turnpike
Mineola, NY 11501-2098

Dear Trustees:

This report presents the results of the actuarial valuation of the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund following the mass withdrawal as of December 31, 2013, and the subsequent insolvency of the Plan during the 2021 Plan Year. The primary purposes of the valuation are to review the experience with respect to the mass withdrawal through December 31, 2021, and to prepare and file the valuation report as required under the PBGC's Final Rule.

CBIZ has relied upon participant data provided by the UFCW Local 342 Fund Office. All participants in payment status have had their benefits reduced to the level guaranteed by the PBGC. For all deferred vested participants, their accrued benefits have not been reduced to the level guaranteed by the PBGC for this valuation. In our opinion, all calculations and procedures are in conformity with generally accepted actuarial principles and practices; and the results presented comply with the requirements of the Internal Revenue Code, ERISA, PBGC, or Statements of Financial Accounting Standards, as applicable.

There were no events after the measurement date and before the date of communication which necessitated adjustments to the actuarial findings. There are no significant benefits that are excluded from the valuation.

The actuary whose signature appears below meets the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States and is qualified to render the actuarial opinion contained herein. CBIZ's relationship with the Plan and Plan Sponsor is strictly professional. There are no aspects of the relationship that may impair or appear to impair the objectivity of our work.

We will be pleased to review this report with you at your convenience.

Respectfully submitted:
CBIZ



David B. Reid, MAAA, FCA, MSPA
Enrolled Actuary No. 20-06971

## Section 1 - Summary and Introduction


| | | |
|---|---|---|
| Exhibit A-1 | Introduction | 1 |
| Exhibit A-2 | Calculation of Unfunded Vested Liability | 2 |
| Exhibit A-3 | Employers' Withdrawal Liability Payments as Fund Asset | 4 |
| Exhibit A-4 | Unfunded Vested Benefit Liability | 5 |
| Exhibit A-5 | Projected Benefit Payments and Cash Flow | 6 |


## Section 2 - Participant Data


| | | |
|---|---|---|
| Exhibit B-1 | Reconciliation of Participant Data | 7 |
| Exhibit B-2 | Age Distribution of Inactive Participants | 8 |
| Exhibit B-3 | Participants in Pay Status as of December 31, 2021 | 9 |


## Section 3 - Appendices


| | | |
|---|---|---|
| Appendix 1 | Actuarial Assumptions and Methods | 10 |
| Appendix 2 | Summary of Principal Plan Provisions | 11 |

# INTRODUCTION

The plan terminated due to mass withdrawal of the contributing employers during the plan year beginning January 1, 2013. Under the law, the "mass withdrawal valuation date" is defined as the last day of that plan year, December 31, 2013. An annual valuation of the Plan was prepared each year until the Plan became insolvent in the plan year beginning January 1, 2021. Under the PBGC's final rule effective for plan years ending after July 1, 2019, insolvent multiemployer defined benefit plans with nonforfeitable benefit liabilities of at least $50 million must prepare an annual actuarial valuation. As this plan meets that criteria, we have prepared the following valuation of the Plan's liabilities as of December 31, 2021.

For each required annual valuation, the Plan's benefit liability for non-forfeitable vested benefits is calculated. Financial assistance is being received from the Pension Benefit Guaranty Corporation (PBGC) because the Plan is insolvent.

Based on the participant data as of December 31, 2021, the non-forfeitable vested benefits accrued as of the valuation date, and the actuarial methods and assumptions as described in the statute and summarized in Appendix 1, we have calculated the vested benefit liability as of December 31, 2021 to be $62,392,424, which meets the $50 million threshold established by the PBGC's Final Rule. The present value of future withdrawal liability payments expected to be received is equal to $1,955,593.

# CALCULATION OF UNFUNDED VESTED LIABILITY

## Participant Data

The participant census as of December 31, 2021 includes 1,635 participants not yet in pay status but eligible for future benefits (including participants who were actively working as of December 31, 2021). Last year, the Plan had 1,704 vested participants (including actively employed participants) not yet in pay status. Of those participants, 66 elected to begin receiving benefits.

Exhibit B-1 shows a reconciliation of the data from last year to this year.

Exhibit B-3 provides a summary of 2,098 participants who were in pay status as of December 31, 2021, showing the number and average age and benefit statistics broken down by gender and form of benefit. Last year, 2,245 participants were in pay status. Of those participants, 223 died (8 with survivor benefits continuing to a spouse). Exhibit B-2 also provides a similar breakdown for the terminated vested employees.

## Quarterly Withdrawal Liability Payment Schedules

Exhibit A-3 is a summary of the outstanding quarterly withdrawal liability payment schedules for each employer. Where applicable, the schedules have been adjusted for:

**Redetermination Liability** - Additional liability resulting from removing previous application of a deduction based upon a *de minimis* amount or application of the 20-year limitation on the payment schedule, and

**Reallocation Liability** - Additional unfunded vested liability as of the mass withdrawal date, December 31, 2013, allocated to employers deemed viable as of the reallocation record date, December 31, 2014 as chosen by the Trustees.

# CALCULATION OF UNFUNDED VESTED LIABILITY
**(continued)**

As shown in Exhibit A-3, as of December 31, 2021 the present value of future withdrawal liability payments expected to be received is $1,955,593.

## Value of Non-Forfeitable Vested Benefits

The benefits payable to Plan participants have been valued in accordance with regulations and the required assumptions specified therein (see Appendix 1). The results are presented in Item 1 of Exhibit A-4. As shown, with an allowance for the required expense loading, it is estimated that $62,392,424 in assets would have been required to settle the Plan's obligations in full as of December 31, 2021.

## Amount Payable by PBGC

The expected annual benefit payments and expenses equal to $5,679,527 exceed the expected withdrawal liability payments of $56,998. The PBGC makes up the difference between these two.

# EMPLOYERS' WITHDRAWAL LIABILITY PAYMENTS AS FUND ASSET

The remaining quarterly payment schedules as of December 31, 2021 and the calculated present value of the payment as of that date:

| Employer | Mass Withdrawal Liability | Quarterly Payment | Payment Period in Years | Present Value of Payments | Date of Last Payment | Payment Status |
|---|---|---|---|---|---|---|
| AMSCOR, Inc. | $ 270,056 | $ 327.08 | Infinite | $ - | 09/16/19 | Default letter sent 11/12/2019 |
| Avenue J Fish Market | $ 342,846 | $ 1,050.00 | Infinite | $ 194,168 | 09/30/22 | Current with payments |
| B & Z Steel Equipment Co. | $ 260,673 | $ 367.50 | Infinite | $ 67,959 | 09/21/22 | Current with payments |
| Central Fur Storage Co. | $ 6,952,655 | $ 1,391.85 | Infinite | $ - | 10/04/17 | In default |
| Crossbay Sea Shell | $ 688,511 | $ 3,552.53 | Infinite | $ 31,029 | 08/31/22 | Settled for $36,000 over 36 months |
| European Finishing Equipment Corp. | $ 53,340 | $ 308.00 | Infinite | $ 56,956 | 10/20/22 | Current with payments |
| Key Handling Systems, Inc. | $ 4,702,329 | $ 2,443.33 | Infinite | $ - | N/A | In default |
| New York Sewing Machine | $ 752,386 | $ 1,365.00 | Infinite | $ - | N/A | In default |
| Randall Leather Machinery Corp. | $ 31,376 | $ 1,371.25 | 27.20 | $ - | N/A | In default |
| Scheman & Grant | $ 72,286 | $ 1,369.00 | 22.75 | $ 97,449 | 08/11/22 | Current with payments |
| Sea Tide Fish & Lobster | $ 72,973 | $ 2,713.00 | 34.03 | $ - | N/A | In default |
| Service Smoked Fish | $ 1,017,505 | $ 7,641.35 | Infinite | $ - | 10/21/15 | In default |
| Sibeau Handbag, Inc. | $ 524,142 | $ 6.70 | Infinite | $ - | 01/28/19 | Acceleration letter sent 8/23/2019 |
| Superior Repairs Center | $ 1,214,179 | $ 11.33 | Infinite | $ - | N/A | In default |
| Tony's Fish & Seafood | $ 2,696,667 | $ 8,154.98 | Infinite | $ 1,508,032 | 10/17/22 | Current with payments |
| Total | | | | $ 1,955,593 | | |

# UNFUNDED VESTED BENEFIT LIABILITY

The vested benefit liability as of December 31, 2021 is the amount used in the determination of withdrawal liability under the Multiemployer Pension Plan Amendments Act of 1980, calculated using the PBGC interest rates and mortality assumptions as required for a mass withdrawal.

The calculation of the vested benefit liability is shown below and compared to the present value of withdrawal liability payments:

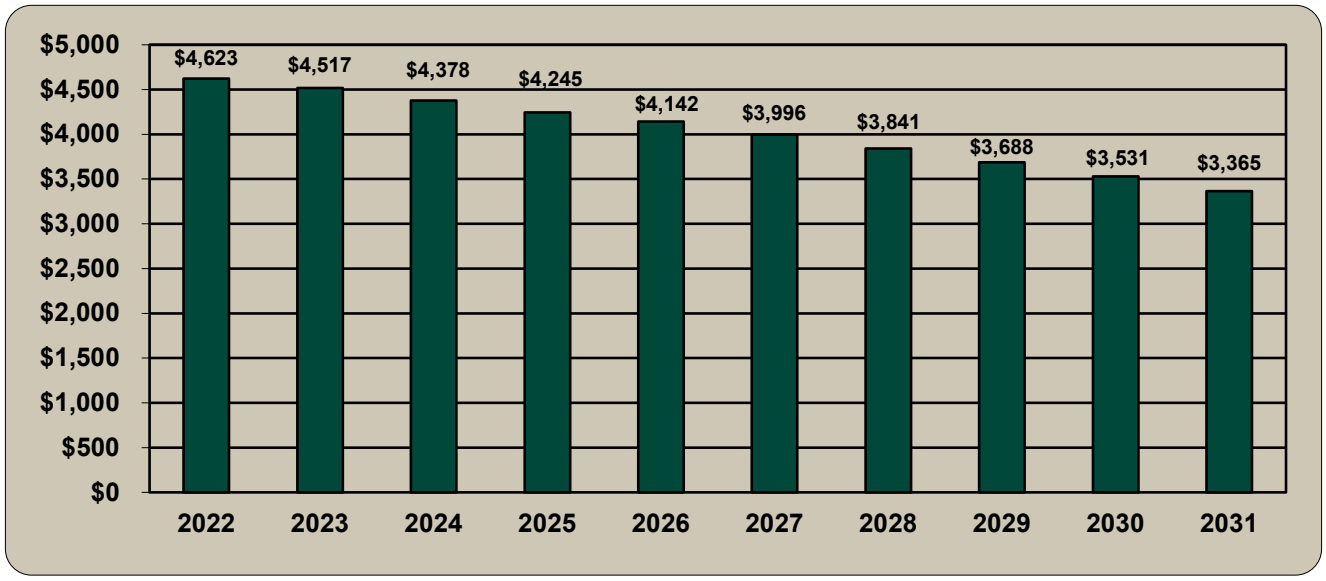
| UNFUNDED VESTED BENEFIT LIABILITY ON DECEMBER 31, 2021 | | |
|---|---|---|
| 1. Vested Benefit Liability* | | |
| a. For retired participants and beneficiaries in pay status | $ | 33,957,300 |
| b. Active participants | | 0 |
| c. Vested Terminated | | 27,378,956 |
| d. Expense Liability | | 1,056,168 |
| e. Total | $ | 62,392,424 |
| 2. Present Value of Withdrawal Liability Payments | $ | 1,955,593 |

* The interest rates prescribed by the PBGC for the month of December, 2021 are 2.40% for the first 20 years following the valuation date and 2.11% thereafter.

# PROJECTED BENEFIT PAYMENTS AND CASH FLOW

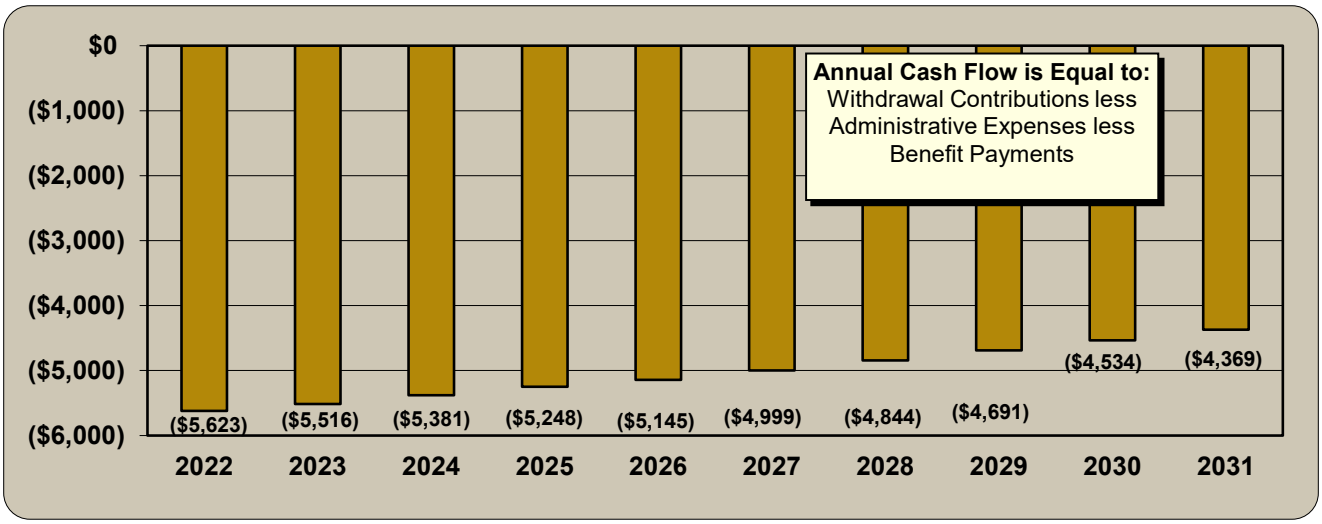
The following graph illustrates the expected benefit payments over the next ten years for participants who are in the plan as of December 31, 2021.

**Expected Benefit Payments (in thousands)**




**Note:** The benefit disbursements are calculated based on the assumptions used in the valuation.

**Projected Cash Flow (in thousands)**



# RECONCILIATION OF PARTICIPANT DATA

| | | Actives | Pensioners & Beneficiaries | Deferred Vested Participants | Total |
|---|---|---|---|---|---|
| 1. | Participants in Prior Valuation | 0 | 2,245 | 1,704 | 3,949 |
| 2. | Change During Year | | | | |
| a. | retirements | 0 | 66 | (66) | 0 |
| b. | deaths with beneficiary | 0 | (8) | (144) | (152) |
| c. | deaths without beneficiary | 0 | (215) | 0 | (215) |
| d. | new beneficiaries | 0 | 8 | 144 | 152 |
| e. | QDRO | 0 | 0 | 0 | 0 |
| f. | lump sum payments | 0 | 0 | 0 | 0 |
| g. | end of certain period | 0 | 0 | 0 | 0 |
| h. | data corrections | 0 | 2 | (3) | (1) |
| i. | total increase | 0 | (147) | (69) | (216) |
| 3. | Participants in Current Valuation | 0 | 2,098 | 1,635 | 3,733 |

# AGE DISTRIBUTION OF INACTIVE PARTICIPANTS

| Age Last Birthday | Normal, Early, and Deferred Vested Retirements* | | Terminated Participants & Beneficiaries with Rights to Future Benefits ** | | Total | |
|---|---|---|---|---|---|---|
| | Number | Annual Benefit | Number | Annual Benefit | Number | Annual Benefit |
| Under 45 | 0 | $ 0 | 35 | $ 24,700 | 35 | $ 24,700 |
| 45-49 | 1 | 654 | 75 | 68,668 | 76 | 69,322 |
| 50-54 | 1 | 773 | 155 | 161,641 | 156 | 162,414 |
| 55-59 | 5 | 6,535 | 279 | 390,765 | 284 | 397,300 |
| 60-64 | 26 | 59,475 | 342 | 527,829 | 368 | 587,304 |
| 65-69 | 262 | 442,905 | 198 | 239,775 | 460 | 682,680 |
| 70-74 | 361 | 670,660 | 183 | 224,605 | 544 | 895,265 |
| 75-79 | 486 | 764,896 | 160 | 174,810 | 646 | 939,706 |
| 80 & Over | 956 | 1,545,786 | 208 | 227,355 | 1,164 | 1,773,141 |
| Total | 2,098 | $ 3,491,684 | 1,635 | $ 2,040,148 | 3,733 | $ 5,531,832 |

| | | |
|---|---|---|
| Average age ..... | 79.46 | 65.67 |
| Average annual benefit ..... | $1,664 | $1,248 |

* Including surviving spouses in pay status.

** Including surviving spouses eligible for future payment.

# PARTICIPANTS IN PAY STATUS AS OF DECEMBER 31, 2021

| Retirees | Count | Avg. Age | Avg. Annual Benefits |
|---|---|---|---|
| Males | | | |
| Single Life | 638 | 79.13 | $ 2,144.15 |
| J&S | 329 | 76.54 | $ 1,975.60 |
| Females | | | |
| Single Life | 1,026 | 81.08 | $ 1,321.32 |
| J&S | 105 | 74.76 | $ 1,124.46 |

# ACTUARIAL ASSUMPTIONS AND METHODS

**Interest Rates:**

**PBGC rates for December 2021:** 2.40% per annum for the first 20 years following the date of valuation, 2.11% per year thereafter.

**Mortality:**

**PBGC Mortality:** Mortality as prescribed by Appendix A of PBGC regulation 4044.

**Assumed Retirement Age:** Earliest possible retirement age.

**Marital Status:** 75% of the non-retired participants were assumed to be married with wives assumed to be 3 years younger than husbands.

**Actuarial Valuation Method:** Unit Credit Cost Method.

**Changes since the Prior Valuation:** The interest rate and mortality assumptions were updated to comply with the PBGC prescribed interest and mortality assumptions for a mass withdrawal.

**Participant Data:** Because the Plan became insolvent effective October 1, 2021, the benefits valued were as follows:

For all participants in payment status, their PBGC guaranteed benefits were valued.

For all deferred vested participants, their accrued benefits were valued since their PBGC guaranteed benefits had not been calculated yet for this valuation.

# SUMMARY OF PRINCIPAL PLAN PROVISIONS

**Effective Date:**

September 15, 1953. The plan has been amended from time to time with the most recent restatement as of January 1, 2009. Effective December 31, 2006, the Fish and Seafood Workers Local 635 Retirement Plan ("Fresh Fish") and the Smoked Seafood Workers Local 635 Retirement Plan ("Smoked Fish") were merged into the Plan. Effective December 31, 2008, the Fur Service Employees' Pension Plan and the United Mechanics 150 Pension Fund were merged into the Plan.

**Eligibility:**

For Local 1, Local 121, Fresh Fish, and Smoked Fish participants, eligibility begins on the earliest January 1 or July 1 following completion of a 12-consecutive month period during which the employee worked at least: (i) 87 days in Covered Employment, if a Local 1 participant; (ii) 5 months in Covered Employment, if a Local 121 participant; (iii) 10 weeks in Covered Employment, if a Fresh Fish participant, or; (iv) 2 months in Covered Employment, if a Smoked Fish participant.

For Fur Service and United Mechanics 150 participants, eligibility begins immediately.

**Credited Service:**

For Local 1 participant employment after January 1, 1955:

| Calendar Year Employment | Quarter Years of Credit |
|---|---|
| Less than 40 days | 0 |
| 40 but less than 80 days | 1 |
| 80 but less than 120 days | 2 |
| 120 but less than 160 days | 3 |
| 160 or more days | 4 |

Effective January 1, 2002, Local 1 participants cease accruing Credited Service as of the date their employers cease contributions to this plan.

For Local 121 participants: One-twelfth (1/12) of a year of credited service for each month of work for which employer contributions are made.

For Fresh Fish participants: One-quarter (1/4) of a year of credited service for each 400 hours of pension service in a year, up to a maximum of one year of service.

# SUMMARY OF PRINCIPAL PLAN PROVISIONS

**(continued)**

**Credited Service (continued):**

For Smoked Fish participants: One-quarter (1/4) of a year of credited service for each 400 hours of pension service in a year, up to a maximum of one year of service.

For Fur Service participants: 1,000 hours = 1 Year of Service.

For United Mechanics 150 participants: 1,000 hours = 1 Year of Service.

No Credited Service is earned after December 31, 2013.

**Vesting Service:**

One year of vesting service for each credited year during the contribution period in which the employee works 87 days (Local 1) or five months (Local 121).

After 1975, for Fish Fund participants, one year of vesting service for each plan year during the contribution period in which the employee works 1,000 hours. Fish Fund participants may receive partial years of vesting service (a quarter of a year per 250 hours worked).

For Fur Service participants, 1,000 hours equals 1 Year of Vesting Service.

For United Mechanics 150 participants, 1,000 hours equals 1 Year of Vesting Service.

No Vesting Service is earned after December 31, 2013.

**Normal Retirement Eligibility:**

The later of age 65 and the completion of five years of participation in the plan.

# SUMMARY OF PRINCIPAL PLAN PROVISIONS
**(continued)**

**Normal Retirement Pension:** Monthly benefit for life equal to the applicable benefit level, as indicated below:

| | |
|---|---|
| Local 1: | $8.50 multiplied by years of Credited Service |
| Local 121: | $6.50 multiplied by years of Credited Service up to 20 years |
| Fresh Fish: | $20.00 multiplied by years of Credited Service |
| Smoked Fish: | $23.33 multiplied by years of Credited Service |
| Fur Service: | $24.20 multiplied by years of Credited Service |
| UM 150: | $13.28 multiplied by years of Credited Service prior to 1993 plus $14.55 multiplied by years of Credited Service after 1992 |

**Early Retirement Eligibility:** Attainment of age 62 and

| | |
|---|---|
| Local 1: | 15 years of Credited Service |
| Local 121: | 20 years of Credited Service |
| Fish Funds: | 10 years of Vesting Service |
| Fur Service: | 20 years of Vesting Service |
| UM 150: | 20 years of Vesting Service |

**Early Retirement Pension:** The normal retirement benefit, reduced for commencement prior to normal retirement age as follows:

| | |
|---|---|
| Local 1: | 6.67% per year |
| Local 121: | 6.00% per year |
| Fish Funds: | 6.00% per year, unreduced if 30 years of Credited Service |
| Fur Service: | 6.00% per year |
| UM 150: | 6.00% per year |

# SUMMARY OF PRINCIPAL PLAN PROVISIONS

**(continued)**

**Disability Eligibility:**

At the time of disability, the participant must satisfy the following service requirement:

| | |
|---|---|
| Local 1: | 15 years of Credited Service |
| Local 121: | 20 years of Credited Service |
| Fish Funds: | 10 years of Vesting Service |
| Fur Service: | 15 years of Vesting Service |
| UM 150: | 15 years of Vesting Service |

The disability benefit is not available after December 31, 2013.

**Disability Pension:**

The normal retirement benefit accrued as of the date of disability, payable immediately.

**Vesting:**

A participant is 100% vested in his or her benefit upon attainment of five years of Vesting Service.

**Vested Benefit:**

Accrued benefit payable at Normal Retirement, or reduced upon attainment of Early Retirement eligibility.

**Pre-Retirement Spouse's Benefit:**

If a vested participant or vested former participant dies before his pension begins, his surviving spouse will be entitled to a lifetime pension. The amount of such pension will be 50% of the benefit the participant would have received if the participant had retired the day before he or she died and elected the joint and survivor option. If the employee died prior to eligibility for an early retirement pension, the spouse's benefit is deferred to the date the participant would have attained his or her earliest retirement age.

If an active vested Smoked Fish participant dies and is not eligible for the above spousal annuity, his beneficiary will receive a lump sum death benefit equal to $100 times his or her years of Credited Service, up to a maximum of $1,000.

The pre-retirement lump sum benefit is not available after December 31, 2013.

# SUMMARY OF PRINCIPAL PLAN PROVISIONS
**(continued)**

**Post-Retirement Spouse's Benefit:**

A lump sum of $1,500 is payable to the beneficiary of Local 1 participants. This benefit is not available after December 31, 2013.

The beneficiary of a Smoked Fish retiree who dies and did not elect joint and survivor coverage will receive a lump sum death benefit equal to $100 times the years of Credited Service, up to a maximum of $1,000. This benefit is not available after December 31, 2013. This amount is reduced based on the number of pension payments received according to the following schedule:

| Number of Payments | Reduction in Lump Sum |
|---|---|
| under 11 | 0% |
| 11 | 10% |
| 12 to 23 | 20% |
| 24 to 35 | 30% |
| 36 to 47 | 40% |
| over 47 | 50% |

If married, pension benefits are paid in the form of a joint and survivor annuity unless this form is rejected by the participant and spouse. If not rejected, the benefit amount otherwise payable is reduced to reflect the joint and survivor coverage. If rejected, or if not married, benefits are payable for the life of the employee, or in any other available optional form elected by the participant in an actuarially equivalent amount.

**Optional Forms of Benefit:**

The following forms of benefit are available under the Plan:

Life Annuity
50% Qualified Joint and Survivor
75% Qualified Optional Joint and Survivor

**Changes in Plan Provisions Since Prior Valuation:**

None.

# Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund

# ACTUARIAL VALUATION AFTER MASS WITHDRAWAL AS OF JANUARY 1, 2021

*Prepared by:*




*1845 Walnut Street*
*Philadelphia, PA 19103-4755*
*(215) 587-0700*

*December, 2021*

CBIZ Retirement Plan Services

December 16, 2021

Board of Trustees
Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund
166 E. Jericho Turnpike
Mineola, NY 11501-2098

Dear Trustees:

This report presents the results of the actuarial valuation of the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund following the mass withdrawal as of December 31, 2013. The primary purposes of the valuation are to review the experience with respect to the mass withdrawal through January 1, 2021 and perform the annual insolvency determination required by regulation.

This report is intended for the sole use of the Plan Sponsor and Plan Administrator to comply with the stated purposes and may not be appropriate for other purposes. This report should not be relied upon for other purposes without consulting CBIZ Retirement Plan Services (RPS).

CBIZ RPS has relied upon participant data provided by the UFCW Local 342 Fund Office and the audited financial statements prepared by Novak Francella, LLC. We did not audit this data, but we have reviewed it for reasonableness and consistency with prior years. To the best of our knowledge, all plan participants on January 1, 2021, and all plan provisions in effect on that date have been reflected in the valuation.

In our opinion, all calculations and procedures are in conformity with generally accepted actuarial principles and practices; and the results presented comply with the requirement of the Internal Revenue Code, ERISA, or Statements of Financial Accounting Standards, as applicable. All significant assumptions are prescribed by law.

There were no events after the measurement date and before the date of communication which necessitated adjustments to the actuarial findings. There are no significant benefits that are excluded from the valuation.

The actuary whose signature appears below meets the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States and is qualified to render the actuarial opinion contained herein. CBIZ Retirement Plan Services' ("CBIZ RPS") relationship with the Plan and Plan Sponsor is strictly professional. There are no aspects of the relationship that may impair or appear to impair the objectivity of our work.

We will be pleased to review this report with you at your convenience.

Respectfully submitted:
CBIZ RPS



David B. Reid, MAAA, FCA, MSPA
Enrolled Actuary No. 20-06971

CBIZ Retirement Plan Services is a trade name under which certain subsidiaries of CBIZ, Inc. market investment advisory, third party administration, actuarial and other corporate retirement plan services.

## Section 1 - Summary and Introduction


| | | |
|---|---|---|
| Exhibit A-1 | Introduction | 1 |
| Exhibit A-2 | Calculation of Unfunded Vested Liability | 2 |
| Exhibit A-3 | Employers' Withdrawal Liability Payments as Fund Asset | 4 |
| Exhibit A-4 | Unfunded Vested Benefit Liability | 5 |
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## Section 2 - Test for Insolvency


| | | |
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| Exhibit B-1 | Test for Insolvency | 7 |


## Section 3 - Plan Assets


| | | |
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| Exhibit C-2 | Statement of Assets as of December 31, 2020 | 9 |
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## Section 4 - Participant Data


| | | |
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## Section 5 - Appendices


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# INTRODUCTION

The plan terminated due to mass withdrawal of the contributing employers during the plan year beginning January 1, 2013. Under the law, the "mass withdrawal valuation date" is defined as the last day of that plan year, December 31, 2013. An annual valuation of the Plan is required beginning on the mass withdrawal date and each anniversary thereafter.

For each valuation, the Plan's benefit liability for non-forfeitable benefits is calculated and compared to Plan assets. Plan assets consist of assets held as of the valuation date plus the value of future withdrawal liability payments expected to be received. If Plan assets exceed the benefit liability, then the Plan may ultimately be able to fulfill all benefit obligations through the purchase of an insured annuity arrangement, once all withdrawal liability payments have been received. If Plan assets are less than the benefit liability, then the Plan has an unfunded vested liability and, without favorable investment and/or liability experience, the Plan may become insolvent (unable to pay benefits due) at some point in the future. Financial assistance from the Pension Benefit Guaranty Corporation (PBGC) is available for insolvent plans, but limitations may apply.

Based on the participant data as of January 1, 2021, the non-forfeitable benefits accrued as of the mass withdrawal date, and the actuarial methods and assumptions as described in the statute and summarized in Appendix 1, we have calculated the unfunded vested liability as of January 1, 2021 to be $68,040,106. This is based on a present value of vested benefits of $75,017,198 and a market value of assets including the present value of future withdrawal liability payments expected to be received of $6,977,092.

The Plan became insolvent effective October 1, 2021 and is receiving financial assistance from the Pension Benefit Guaranty Corporation ("PBGC").



CBIZ CBIZ Retirement Plan Services

# CALCULATION OF UNFUNDED VESTED LIABILITY

## Participant Data

The participant census as of January 1, 2021 includes 1,704 participants not yet in pay status but eligible for future benefits (including participants who were actively working as of January 1, 2021). Last year, the Plan had 1,800 vested participants (including actively employed participants) not yet in pay status. Of those participants, 63 elected to begin receiving benefits.

Exhibit D-1 shows a reconciliation of the data from last year to this year.

Exhibit D-3 provides a summary of 2,245 participants who were in pay status as of January 1, 2021, showing the number and average age and benefit statistics broken down by gender and form of benefit. Last year, 2,284 participants were in pay status. Of those participants, 118 died (14 with survivor benefits continuing to a spouse). Exhibit D-2 also provides a similar breakdown for the terminated vested employees.

## Financial Information

The audited financial statements show the market value of assets as of December 31, 2020 at $4,075,763. The Fund received $3,995,343 in withdrawal liability payments from employers and paid $5,517,429 in benefits to participants and administrative expenses. Investment income net of investment and administrative expenses amounted to -$1,437,663 which produced a rate of return of -25.96% for the year.

## Quarterly Withdrawal Liability Payment Schedules

Exhibit A-3 is a summary of the outstanding quarterly withdrawal liability payment schedules for each employer. Where applicable, the schedules have been adjusted for:

**Redetermination Liability** - Additional liability resulting from removing previous application of a deduction based upon a *de minimis* amount or application of the 20-year limitation on the payment schedule, and

**Reallocation Liability** - Additional unfunded vested liability as of the mass withdrawal date, December 31, 2013, allocated to employers deemed viable as of the reallocation record date, December 31, 2014 as chosen by the Trustees.

# CALCULATION OF UNFUNDED VESTED LIABILITY

**(continued)**

## Value of Non-Forfeitable Vested Benefits

The benefits payable to Plan participants have been valued in accordance with regulations and the required assumptions specified therein (see Appendix 1). The results are presented in Item 1 of Exhibit A-4. As shown, with an allowance for the required expense loading, it is estimated that $75,017,198 in assets would have been required to settle the Plan's obligations in full as of January 1, 2021.

## Unfunded Vested Benefit Liability

The value of non-forfeitable vested benefits continues to exceed the total of assets on hand and the value of future withdrawal liability payments. As of January 1, 2021, the unfunded vested benefit liability is $68,040,106 (this includes the present value of future withdrawal liability payments expected to be received of $2,901,329).



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# EMPLOYERS' WITHDRAWAL LIABILITY PAYMENTS AS FUND ASSET

The remaining quarterly payment schedules as of January 1, 2021 are as follows:

| Employer | Mass Withdrawal Liability | Quarterly Payment | Payment Period in Years | Present Value of Payments | Date of Last Payment | Payment Status |
|---|---|---|---|---|---|---|
| AMSCOR, Inc. | $ 270,056 | $ 327.08 | Infinite | $ - | 09/16/19 | Default letter sent 11/12/2019 |
| Avenue J Fish Market | $ 342,846 | $ 1,050.00 | Infinite | $ 293,001 | 10/12/21 | Current with payments |
| B & Z Steel Equipment Co. | $ 260,673 | $ 367.50 | Infinite | $ 102,550 | 10/12/21 | Current with payments |
| Central Fur Storage Co. | $ 6,952,655 | $ 1,391.85 | Infinite | $ - | 10/04/17 | In default |
| Crossbay Sea Shell | $ 688,511 | $ 3,552.53 | Infinite | $ 35,163 | 10/15/21 | Settled for $36,000 over 36 months |
| European Finishing Equipment Corp. | $ 53,340 | $ 308.00 | Infinite | $ 85,947 | 10/28/21 | Current with payments |
| Key Handling Systems, Inc. | $ 4,702,329 | $ 2,443.33 | Infinite | $ - | N/A | In default |
| New York Sewing Machine | $ 752,386 | $ 1,365.00 | Infinite | $ - | N/A | In default |
| Randall Leather Machinery Corp. | $ 31,376 | $ 1,371.25 | 27.20 | $ - | N/A | In default |
| Scheman & Grant | $ 72,286 | $ 1,369.00 | 23.75 | $ 109,028 | 08/10/21 | Current with payments |
| Sea Tide Fish & Lobster | $ 72,973 | $ 2,713.00 | 34.03 | $ - | N/A | In default |
| Service Smoked Fish | $ 1,017,505 | $ 7,641.35 | Infinite | $ - | 10/21/15 | In default |
| Sibeau Handbag, Inc. | $ 524,142 | $ 6.70 | Infinite | $ - | 01/28/19 | Acceleration letter sent 8/23/2019 |
| Superior Repairs Center | $ 1,214,179 | $ 11.33 | Infinite | $ - | N/A | In default |
| Tony's Fish & Seafood | $ 2,696,667 | $ 8,154.98 | Infinite | $ 2,275,639 | 10/14/21 | Current with payments |



CBIZ Retirement Plan Services

# UNFUNDED VESTED BENEFIT LIABILITY

The unfunded vested benefit liability as of January 1, 2021 was calculated using the PBGC interest rates and mortality assumptions as required for a mass withdrawal.

The calculation of the unfunded vested benefit liability is shown below:

| UNFUNDED VESTED BENEFIT LIABILITY ON JANUARY 1, 2021 | | |
|---|---|---|
| 1. Vested Benefit Liability* | | |
| a. For retired participants and beneficiaries in pay status | $ | 41,312,244 |
| b. Active participants | | 0 |
| c. Vested Terminated | | 32,601,454 |
| d. Expense Liability | | 1,103,500 |
| e. Total | $ | 75,017,198 |
| 2. Market Value of Assets ** | $ | 6,977,092 |
| 3. Unfunded / (Overfunded) Vested Benefit Liability | $ | 68,040,106 |

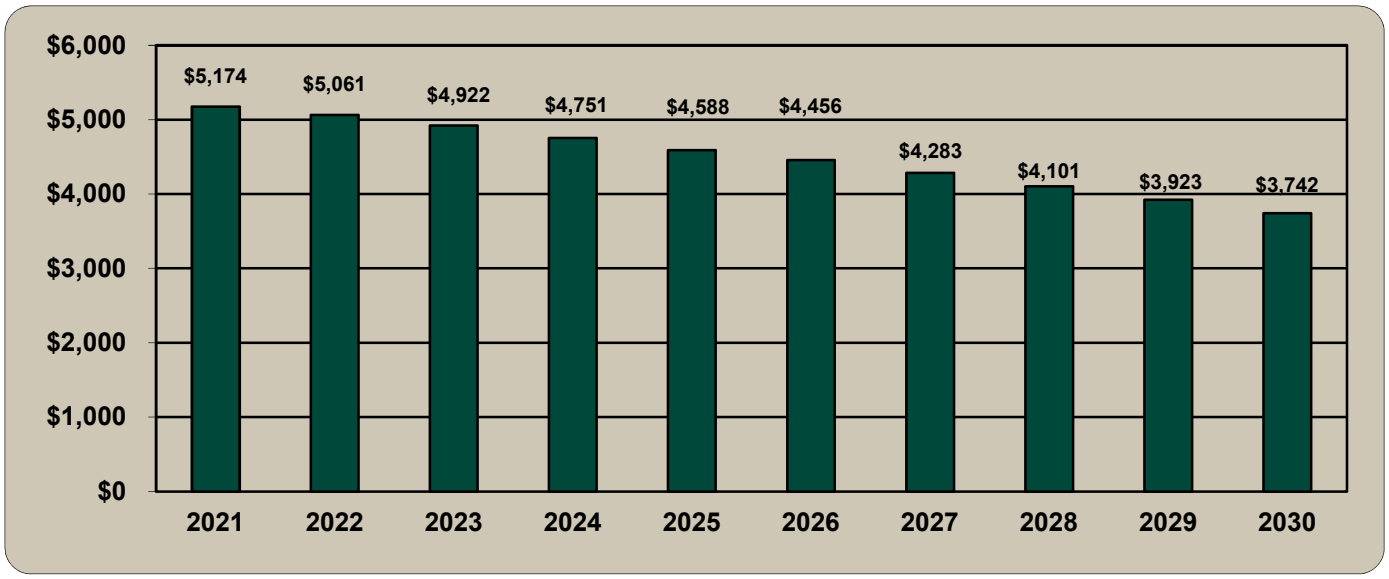
* The interest rates prescribed by the PBGC for the month of December, 2020 are 1.62% for the first 20 years following the valuation date and 1.40% thereafter.

** This includes the present value of future withdrawal liability payments expected to be received of $2,901,329.

# PROJECTED BENEFIT PAYMENTS AND CASH FLOW

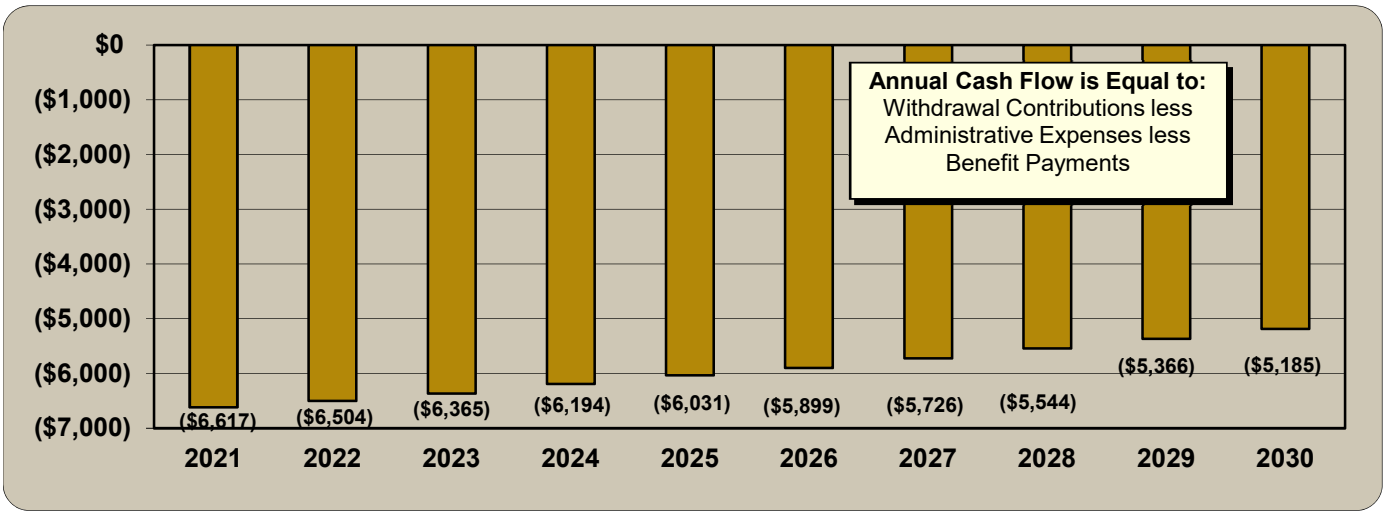
The following graph illustrates the expected benefit payments over the next ten years for participants who are in the plan as of January 1, 2021. This information can be used by the plan's investment advisors in determining the liquidity requirements that the plan will face in the near term.

**Expected Benefit Payments (in thousands)**




**Note:** The benefit disbursements are calculated based on the assumptions used in the valuation.

**Projected Cash Flow (in thousands)**




**Comment:** Mathematically, if two portfolios have the same average rate of return, the portfolio with less period-to-period volatility will have a greater compound rate of return. The larger a plan's negative cash flow, the more susceptible its time-weighted, compound investment return will be to volatility.



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# TEST FOR INSOLVENCY

The Plan became insolvent effective October 1, 2021 and is now receiving financial assistance from the PBGC.

**Benefit Cash Flow / Projected Insolvency**

Exhibit A-5 presents the projection of benefit payments in each future year. Assumptions are made to project that:

1. Plan expenses will be $1,500,000 for the plan year ending December 31, 2021, and all future years,

2. Future withdrawal liability payments for employers current with their payments are received in full and on a timely basis, and

3. Future market rates of return equal the current assumption of 1.00%.

# SUMMARY OF ASSET VALUES AND RATES OF RETURN

## *A. Summary of Asset Values*

| | | | |
|---|---|---|---|
| 1. | Fair Value of Assets | $ | 4,168,751 |
| 2. | Amounts Receivable | | 137,258 |
| 3. | Amounts Payable | | 230,246 |
| 4. | Market Value of Assets: (1) + (2) - (3) | $ | 4,075,763 |
| 5. | Actuarial Value of Assets | $ | 4,075,763 |

## *B. Rate of Return*

| | | | Market Value |
|---|---|---|---|
| 1. | Plan assets as of January 1, 2020 | $ | 5,562,916 |
| 2. | Employer contributions[1] | | 3,995,343 |
| 3. | Benefit payments made | | (4,044,833) |
| 4. | Expenses paid from the trust | | (1,472,596) |
| 5. | Investment return, net of expenses | | 34,933 |
| 6. | Plan assets as of January 1, 2021: (1) + (2) + (3) + (4) + (5) | $ | 4,075,763 |
| 7. | Approximate rate of return (net of investment expenses) on average invested assets | | |
| | a. Average invested assets[2] | $ | 4,801,873 |
| | b. Rate of return: (5) ÷ (7a) | | 0.73% |
| 8. | Approximate rate of return (net of total expenses) on average invested assets | | |
| | a. Average invested assets[3] | $ | 5,538,171 |
| | b. Rate of return: [(5) + (4)] ÷ (8a) | | -25.96% |

1. Including withdrawal payments
2. Determined using the Schedule MB (Form 5500) methodology: [Item 1 + Item 2÷2 + Item 3÷2 + Item 4÷2]
3. Determined using the Schedule MB (Form 5500) methodology: [Item 1 + Item 2÷2 + Item 3÷2]



CBIZ Retirement Plan Services

# STATEMENT OF ASSETS AS OF DECEMBER 31, 2020

| | | | | |
|---|---|---|---|---|
| 1. | Total noninterest-bearing cash | | | $ 139,430 |
| 2. | Receivables | | | |
| | a. Employer contributions | $ 0 | | |
| | b. Other | 137,258 | | |
| | c. Total: (a) + (b) | | | $ 137,258 |
| 3. | General Investments | | | |
| | a. Interest-bearing cash | $ 2,847,740 | | |
| | b. U.S. Government securities | 0 | | |
| | c. Corporate debt instruments | 0 | | |
| | d. Corporate stocks | 0 | | |
| | e. Real estate | 0 | | |
| | f. Partnership/Joint venture interests | 75,111 | | |
| | g. Value of interest in common/collective trusts | 1,060,959 | | |
| | h. Value of interest in pooled separate accounts | 0 | | |
| | i. Value of interest in master trusts | 0 | | |
| | j. Value of interest in 103-12 investment entities | 0 | | |
| | k. Value of interest in registered investment companies | 0 | | |
| | l. Value of funds held in insurance company general account | 0 | | |
| | m. Other | 0 | | |
| | n. Total: [add (a) through (l)] | | | $ 3,983,810 |
| 4. | Employer-related investments - Prepaid expenses | | | $ 45,511 |
| 5. | Buildings and other property used in plan operation | | | $ 0 |
| 6. | Total assets: (1) + (2c) + (3n) + (4) + (5) | | | $ 4,306,009 |
| 7. | Liabilities | | | |
| | a. Benefits claims payable | $ 0 | | |
| | b. Other payables and/or liabilities | 230,246 | | |
| | c. Total liabilities: (a) + (b) | | | $ 230,246 |
| 8. | Net Assets: (6) - (7c) | | | $ 4,075,763 |



CBIZ Retirement Plan Services

# RECONCILIATION OF MARKET VALUE OF ASSETS

| | | | | | |
|---|---|---|---|---|---|
| 1. | Market Value of Assets as of January 1, 2020 | | | | $ 5,562,916 |
| 2. | Contributions | | | | |
| | a. Employer | | | $ 3,995,343 | |
| | b. Other | | | 0 | |
| | c. Total contributions: (a) + (b) | | | | $ 3,995,343 |
| 3. | Earnings on investments | | | | |
| | a. Interest | | | | |
| | (i) Interest-bearing cash | $ 0 | | | |
| | (ii) U.S. Government securities | 0 | | | |
| | (iii) Corporate debt instruments | 0 | | | |
| | (iv) Other interest | 0 | | | |
| | (v) Total interest: [add (i) through (iv)] | | $ 0 | | |
| | b. Stock dividends | | 755 | | |
| | c. Net gain (loss) on sale of assets | | 0 | | |
| | d. Unrealized appreciation (depreciation) of assets | | 34,094 | | |
| | e. Net investment gain (loss) from common/collective trusts | | 0 | | |
| | f. Net investment gain (loss) from pooled separate accounts | | 0 | | |
| | g. Net investment gain (loss) from master trusts | | 0 | | |
| | h. Net investment gain (loss) from 103-12 investment entities | | 0 | | |
| | i. Net investment gain (loss) from registered investment companies | | 0 | | |
| | j. Total earnings: [add (av) through (i)] | | | | $ 34,849 |
| 4. | Other income | | | | $ 25,956 |
| 5. | Benefit payment and payment to provide benefits | | | | |
| | a. Directly to participants or beneficiaries | | | $ 4,044,833 | |
| | b. To insurance carriers for the provision of benefits | | | 0 | |
| | c. Total payments: (a) + (b) | | | | $ 4,044,833 |
| 6. | Interest expense | | | | $ 0 |
| 7. | Administrative expenses | | | | |
| | a. Professional fees | | | $ 226,220 | |
| | b. Third party administration fees | | | 344,338 | |
| | c. Investment advisory and management fees | | | 25,872 | |
| | d. Other | | | 902,038 | |
| | e. Total administrative expenses: [add (a) through (d)] | | | | $ 1,498,468 |
| 8. | Transfers to (from) the plan | | | | $ 0 |
| 9. | Net assets at end of year: (1) + (2c) + (3j) + (4) - (5c) - (6) - (7e) + (8) | | | | $ 4,075,763 |



CBIZ Retirement Plan Services

# RECONCILIATION OF PARTICIPANT DATA

| | | Actives | Pensioners & Beneficiaries | Deferred Vested Participants | Total |
|---|---|---|---|---|---|
| 1. | Participants in Prior Valuation | 0 | 2,284 | 1,800 | 4,084 |
| 2. | Change During Year | | | | |
| a. | retirements | 0 | 63 | (63) | 0 |
| b. | deaths with beneficiary | 0 | (14) | (3) | (17) |
| c. | deaths without beneficiary | 0 | (104) | (15) | (119) |
| d. | new beneficiaries | 0 | 14 | 3 | 17 |
| e. | QDRO | 0 | 1 | 0 | 1 |
| f. | lump sum payments | 0 | 0 | 0 | 0 |
| g. | end of certain period | 0 | 0 | 0 | 0 |
| h. | data corrections | 0 | 1 | (18) | (17) |
| i. | total increase | 0 | (39) | (96) | (135) |
| 3. | Participants in Current Valuation | 0 | 2,245 | 1,704 | 3,949 |



CBIZ Retirement Plan Services

# AGE DISTRIBUTION OF INACTIVE PARTICIPANTS

| Age Last Birthday | Normal, Early, and Deferred Vested Retirements* | | Terminated Participants & Beneficiaries with Rights to Future Benefits ** | | Total | |
|---|---|---|---|---|---|---|
| | Number | Annual Benefit | Number | Annual Benefit | Number | Annual Benefit |
| Under 45 | 0 | $ 0 | 43 | $ 30,694 | 43 | $ 30,694 |
| 45-49 | 1 | 654 | 86 | 83,153 | 87 | 83,807 |
| 50-54 | 1 | 788 | 171 | 169,615 | 172 | 170,403 |
| 55-59 | 4 | 5,747 | 285 | 434,271 | 289 | 440,018 |
| 60-64 | 29 | 59,524 | 383 | 604,371 | 412 | 663,895 |
| 65-69 | 260 | 499,925 | 209 | 262,723 | 469 | 762,648 |
| 70-74 | 430 | 789,232 | 182 | 248,297 | 612 | 1,037,529 |
| 75-79 | 457 | 867,054 | 162 | 152,962 | 619 | 1,020,016 |
| 80 & Over | 1,063 | 1,842,767 | 183 | 200,874 | 1,246 | 2,043,641 |
| Total | 2,245 | $ 4,065,691 | 1,704 | $ 2,186,960 | 3,949 | $ 6,252,651 |
| Average age ..... | 79.81 | | 64.76 | | | |
| Average annual benefit ..... | $1,811 | | $1,283 | | | |

* Including surviving spouses in pay status.

** Including surviving spouses eligible for future payment.



CBIZ Retirement Plan Services

# PARTICIPANTS IN PAY STATUS AS OF JANUARY 1, 2021

| Retirees | Count | Avg. Age | Avg. Annual Benefits |
|---|---|---|---|
| Males | | | |
| Single Life | 684 | 79.43 | $ 2,353.65 |
| J&S | 334 | 76.69 | $ 2,181.18 |
| Females | | | |
| Single Life | 1,121 | 81.51 | $ 1,417.74 |
| J&S | 106 | 74.21 | $ 1,301.85 |



CBIZ Retirement Plan Services

# ACTUARIAL ASSUMPTIONS AND METHODS

**Interest Rates:**

**PBGC rates:** 1.62% per annum for the first 20 years following the date of valuation, 1.40% per year thereafter.

**Mortality:**

**PBGC Mortality:** Mortality as prescribed by Appendix A of PBGC regulation 4044.

**Assumed Retirement Age:** Earliest possible retirement age.

**Marital Status:** 75% of the non-retired participants were assumed to be married with wives assumed to be 3 years younger than husbands.

**Actuarial Value of Assets:** Market Value for assets held in trust. The present value of future withdrawal liability payments expected to be received was calculated using the PBGC's interest rates for December, 2020 as listed above.

**Expenses:** Expenses are assumed to be $1,500,000 per year.

**Actuarial Valuation Method:** Unit Credit Cost Method.

**Changes since the Prior Valuation:** All assumptions were updated to comply with PBGC prescribed assumptions for the December 2020 valuation date.

**Rationale for Selection of Significant Actuarial Assumptions:** All significant assumptions are prescribed by law.



CBIZ Retirement Plan Services

# SUMMARY OF PRINCIPAL PLAN PROVISIONS

**Effective Date:**

September 15, 1953. The plan has been amended from time to time with the most recent restatement as of January 1, 2009. Effective December 31, 2006, the Fish and Seafood Workers Local 635 Retirement Plan ("Fresh Fish") and the Smoked Seafood Workers Local 635 Retirement Plan ("Smoked Fish") were merged into the Plan. Effective December 31, 2008, the Fur Service Employees' Pension Plan and the United Mechanics 150 Pension Fund were merged into the Plan.

**Eligibility:**

For Local 1, Local 121, Fresh Fish, and Smoked Fish participants, eligibility begins on the earliest January 1 or July 1 following completion of a 12-consecutive month period during which the employee worked at least: (i) 87 days in Covered Employment, if a Local 1 participant; (ii) 5 months in Covered Employment, if a Local 121 participant; (iii) 10 weeks in Covered Employment, if a Fresh Fish participant, or; (iv) 2 months in Covered Employment, if a Smoked Fish participant.

For Fur Service and United Mechanics 150 participants, eligibility begins immediately.

**Credited Service:**

For Local 1 participant employment after January 1, 1955:

| Calendar Year Employment | Quarter Years of Credit |
|---|---|
| Less than 40 days | 0 |
| 40 but less than 80 days | 1 |
| 80 but less than 120 days | 2 |
| 120 but less than 160 days | 3 |
| 160 or more days | 4 |

Effective January 1, 2002, Local 1 participants cease accruing Credited Service as of the date their employers cease contributions to this plan.

For Local 121 participants: One-twelfth (1/12) of a year of credited service for each month of work for which employer contributions are made.

For Fresh Fish participants: One-quarter (1/4) of a year of credited service for each 400 hours of pension service in a year, up to a maximum of one year of service.



CBIZ Retirement Plan Services

# SUMMARY OF PRINCIPAL PLAN PROVISIONS

**(continued)**

**Credited Service (continued):**

For Smoked Fish participants: One-quarter (1/4) of a year of credited service for each 400 hours of pension service in a year, up to a maximum of one year of service.

For Fur Service participants: 1,000 hours = 1 Year of Service.

For United Mechanics 150 participants: 1,000 hours = 1 Year of Service.

No Credited Service is earned after December 31, 2013.

**Vesting Service:**

One year of vesting service for each credited year during the contribution period in which the employee works 87 days (Local 1) or five months (Local 121).

After 1975, for Fish Fund participants, one year of vesting service for each plan year during the contribution period in which the employee works 1,000 hours. Fish Fund participants may receive partial years of vesting service (a quarter of a year per 250 hours worked).

For Fur Service participants, 1,000 hours equals 1 Year of Vesting Service.

For United Mechanics 150 participants, 1,000 hours equals 1 Year of Vesting Service.

No Vesting Service is earned after December 31, 2013.

**Normal Retirement Eligibility:**

The later of age 65 and the completion of five years of participation in the plan.



CBIZ Retirement Plan Services

# SUMMARY OF PRINCIPAL PLAN PROVISIONS
**(continued)**

**Normal Retirement Pension:**

Monthly benefit for life equal to the applicable benefit level, as indicated below:

| | |
|---|---|
| Local 1: | $8.50 multiplied by years of Credited Service |
| Local 121: | $6.50 multiplied by years of Credited Service up to 20 years |
| Fresh Fish: | $20.00 multiplied by years of Credited Service |
| Smoked Fish: | $23.33 multiplied by years of Credited Service |
| Fur Service: | $24.20 multiplied by years of Credited Service |
| UM 150: | $13.28 multiplied by years of Credited Service prior to 1993 plus $14.55 multiplied by years of Credited Service after 1992 |

**Early Retirement Eligibility:**

Attainment of age 62 and

| | |
|---|---|
| Local 1: | 15 years of Credited Service |
| Local 121: | 20 years of Credited Service |
| Fish Funds: | 10 years of Vesting Service |
| Fur Service: | 20 years of Vesting Service |
| UM 150: | 20 years of Vesting Service |

**Early Retirement Pension:**

The normal retirement benefit, reduced for commencement prior to normal retirement age as follows:

| | |
|---|---|
| Local 1: | 6.67% per year |
| Local 121: | 6.00% per year |
| Fish Funds: | 6.00% per year, unreduced if 30 years of Credited Service |
| Fur Service: | 6.00% per year |
| UM 150: | 6.00% per year |



CBIZ Retirement Plan Services

# SUMMARY OF PRINCIPAL PLAN PROVISIONS

**(continued)**

**Disability Eligibility:**

At the time of disability, the participant must satisfy the following service requirement:

| | |
|---|---|
| Local 1: | 15 years of Credited Service |
| Local 121: | 20 years of Credited Service |
| Fish Funds: | 10 years of Vesting Service |
| Fur Service: | 15 years of Vesting Service |
| UM 150: | 15 years of Vesting Service |

The disability benefit is not available after December 31, 2013.

**Disability Pension:**

The normal retirement benefit accrued as of the date of disability, payable immediately.

**Vesting:**

A participant is 100% vested in his or her benefit upon attainment of five years of Vesting Service.

**Vested Benefit:**

Accrued benefit payable at Normal Retirement, or reduced upon attainment of Early Retirement eligibility.

**Pre-Retirement Spouse's Benefit:**

If a vested participant or vested former participant dies before his pension begins, his surviving spouse will be entitled to a lifetime pension. The amount of such pension will be 50% of the benefit the participant would have received if the participant had retired the day before he or she died and elected the joint and survivor option. If the employee died prior to eligibility for an early retirement pension, the spouse's benefit is deferred to the date the participant would have attained his or her earliest retirement age.

If an active vested Smoked Fish participant dies and is not eligible for the above spousal annuity, his beneficiary will receive a lump sum death benefit equal to $100 times his or her years of Credited Service, up to a maximum of $1,000.

The pre-retirement lump sum benefit is not available after December 31, 2013.



CBIZ Retirement Plan Services

# SUMMARY OF PRINCIPAL PLAN PROVISIONS
**(continued)**

**Post-Retirement Spouse's Benefit:**

A lump sum of $1,500 is payable to the beneficiary of Local 1 participants. This benefit is not available after December 31, 2013.

The beneficiary of a Smoked Fish retiree who dies and did not elect joint and survivor coverage will receive a lump sum death benefit equal to $100 times the years of Credited Service, up to a maximum of $1,000. This benefit is not available after December 31, 2013. This amount is reduced based on the number of pension payments received according to the following schedule:

| Number of Payments | Reduction in Lump Sum |
|---|---|
| under 11 | 0% |
| 11 | 10% |
| 12 to 23 | 20% |
| 24 to 35 | 30% |
| 36 to 47 | 40% |
| over 47 | 50% |

If married, pension benefits are paid in the form of a joint and survivor annuity unless this form is rejected by the participant and spouse. If not rejected, the benefit amount otherwise payable is reduced to reflect the joint and survivor coverage. If rejected, or if not married, benefits are payable for the life of the employee, or in any other available optional form elected by the participant in an actuarially equivalent amount.

**Optional Forms of Benefit:**

The following forms of benefit are available under the Plan:

Life Annuity
50% Qualified Joint and Survivor
75% Qualified Optional Joint and Survivor

**Changes in Plan Provisions Since Prior Valuation:**

None.



CBIZ Retirement Plan Services

# Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund

# ACTUARIAL VALUATION AFTER MASS WITHDRAWAL AS OF JANUARY 1, 2020

*Prepared by:*




*1845 Walnut Street*
*Philadelphia, PA 19103-4755*
*(215) 587-0700*

*October, 2020*

CBIZ Retirement Plan Services
CBIZ Benefits & Insurance Services, Inc.
1845 Walnut Street, 14th Floor
Philadelphia, PA 19103
Ph: 844.672.8489 ▪ F: 215.563.9943
www.cbiz.com/retirement

October 8, 2020

Board of Trustees
Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund
166 E. Jericho Turnpike
Mineola, NY 11501-2098

Dear Trustees:

This report presents the results of the actuarial valuation of the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund following the mass withdrawal as of December 31, 2013. The primary purposes of the valuation are to review the experience with respect to the mass withdrawal through January 1, 2020 and perform the annual insolvency determination required by regulation.

This report is intended for the sole use of the Plan Sponsor and Plan Administrator to comply with the stated purposes and may not be appropriate for other purposes. This report should not be relied upon for other purposes without consulting CBIZ Retirement Plan Services (RPS).

CBIZ RPS has relied upon participant data provided by the UFCW Local 342 Fund Office and the audited financial statements prepared by Novak Francella, LLC. We did not audit this data, but we have reviewed it for reasonableness and consistency with prior years. To the best of our knowledge, all plan participants on January 1, 2020, and all plan provisions in effect on that date have been reflected in the valuation.

In our opinion, all calculations and procedures are in conformity with generally accepted actuarial principles and practices; and the results presented comply with the requirement of the Internal Revenue Code, ERISA, or Statements of Financial Accounting Standards, as applicable. All significant assumptions are prescribed by law.

There were no events after the measurement date and before the date of communication which necessitated adjustments to the actuarial findings. There are no significant benefits that are excluded from the valuation.

The actuary whose signature appears below meets the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States and is qualified to render the actuarial opinion contained herein. CBIZ Retirement Plan Services' ("CBIZ RPS") relationship with the Plan and Plan Sponsor is strictly professional. There are no aspects of the relationship that may impair or appear to impair the objectivity of our work.

We will be pleased to review this report with you at your convenience.

Respectfully submitted:
CBIZ RPS



David B. Reid, MAAA, FCA, MSPA
Enrolled Actuary No. 20-06971

CBIZ Retirement Plan Services is a trade name under which certain subsidiaries of CBIZ, Inc. market investment advisory, third party administration, actuarial and other corporate retirement plan services.

## Section 1 - Summary and Introduction


| | | |
|---|---|---|
| Exhibit A-1 | Introduction | 1 |
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| Exhibit A-3 | Employers' Withdrawal Liability Payments as Fund Asset | 4 |
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## Section 2 - Test for Insolvency


| | | |
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## Section 3 - Plan Assets


| | | |
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## Section 4 - Participant Data


| | | |
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## Section 5 - Appendices


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| Appendix 2 | Summary of Principal Plan Provisions | 15 |

# INTRODUCTION

The plan terminated due to mass withdrawal of the contributing employers during the plan year beginning January 1, 2013. Under the law, the "mass withdrawal valuation date" is defined as the last day of that plan year, December 31, 2013. An annual valuation of the Plan is required beginning on the mass withdrawal date and each anniversary thereafter.

For each valuation, the Plan's benefit liability for non-forfeitable benefits is calculated and compared to Plan assets. Plan assets consist of assets held as of the valuation date plus the value of future withdrawal liability payments expected to be received. If Plan assets exceed the benefit liability, then the Plan may ultimately be able to fulfill all benefit obligations through the purchase of an insured annuity arrangement, once all withdrawal liability payments have been received. If Plan assets are less than the benefit liability, then the Plan has an unfunded vested liability and, without favorable investment and/or liability experience, the Plan may become insolvent (unable to pay benefits due) at some point in the future. Financial assistance from the Pension Benefit Guaranty Corporation (PBGC) is available for insolvent plans, but limitations may apply.

Based on the participant data as of January 1, 2020, the non-forfeitable benefits accrued as of the mass withdrawal date, and the actuarial methods and assumptions as described in the statute and summarized in Appendix 1, we have calculated the unfunded vested liability as of January 1, 2020 to be $60,346,339. This is based on a present value of vested benefits of $71,466,981 and a market value of assets including the present value of future withdrawal liability payments expected to be received of $11,120,642.

Since the unfunded liability is currently $60,346,339 and withdrawal payments total $385,470, it is likely that the Plan will become insolvent in the future. The calendar year of this insolvency is estimated to be 2021, but the actual date this occurs depends upon asset return, timing of benefit and expense payments, and the annual withdrawal liability the fund receives.

# CALCULATION OF UNFUNDED VESTED LIABILITY

## Participant Data

The participant census as of January 1, 2020 includes 1,800 participants not yet in pay status but eligible for future benefits (including participants who were actively working as of January 1, 2020). Last year, the Plan had 1,898 vested participants (including actively employed participants) not yet in pay status. Of those participants, 86 elected to begin receiving benefits.

Exhibit D-1 shows a reconciliation of the data from last year to this year.

Exhibit D-3 provides a summary of 2,284 participants who were in pay status as of January 1, 2020, showing the number and average age and benefit statistics broken down by gender and form of benefit. Last year, 2,286 participants were in pay status. Of those participants, 105 died (8 with survivor benefits continuing to a spouse). Exhibit D-2 also provides a similar breakdown for the terminated vested employees.

## Financial Information

The unaudited financial statements show the market value of assets as of December 31, 2019 at $5,562,916. The Fund received $385,470 in withdrawal liability payments from employers and paid $6,120,939 in benefits to participants and administrative expenses. Investment income net of investment and administrative expenses amounted to -$489,570 which produced a rate of return of -6.05% for the year.

## Quarterly Withdrawal Liability Payment Schedules

Exhibit A-3 is a summary of the outstanding quarterly withdrawal liability payment schedules for each employer. Where applicable, the schedules have been adjusted for:

**Redetermination Liability** - Additional liability resulting from removing previous application of a deduction based upon a *de minimis* amount or application of the 20-year limitation on the payment schedule, and

**Reallocation Liability** - Additional unfunded vested liability as of the mass withdrawal date, December 31, 2013, allocated to employers deemed viable as of the reallocation record date, December 31, 2014 as chosen by the Trustees.

# CALCULATION OF UNFUNDED VESTED LIABILITY

**(continued)**

## Value of Non-Forfeitable Vested Benefits

The benefits payable to Plan participants have been valued in accordance with regulations and the required assumptions specified therein (see Appendix 1). The results are presented in Item 1 of Exhibit A-4. As shown, with an allowance for the required expense loading, it is estimated that $71,466,981 in assets would have been required to settle the Plan's obligations in full as of January 1, 2020.

## Unfunded Vested Benefit Liability

The value of non-forfeitable vested benefits continues to exceed the total of assets on hand and the value of future withdrawal liability payments. As of January 1, 2020, the unfunded vested benefit liability is $60,346,339 (this includes the present value of future withdrawal liability payments expected to be received of $5,557,726).



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# EMPLOYERS' WITHDRAWAL LIABILITY PAYMENTS AS FUND ASSET

The remaining quarterly payment schedules as of January 1, 2020 are as follows:

| Employer | Mass Withdrawal Liability | Quarterly Payment | Payment Period in Years | Date of Last Payment | Payment Status |
|---|---|---|---|---|---|
| ACME Smoked Fish | $ 13,012,446 | $ 67,997.48 | Infinite | 08/10/20 | Settled for $3,750,000 on 8/10/2020 |
| AMSCOR, Inc. | $ 270,056 | $ 327.08 | Infinite | 09/16/19 | Default letter sent 11/12/2019 |
| Avenue J Fish Market | $ 342,846 | $ 1,050.00 | Infinite | 09/17/20 | Current with payments |
| B & Z Steel Equipment Co. | $ 260,673 | $ 367.50 | Infinite | 09/23/20 | Current with payments |
| Central Fur Storage Co. | $ 6,952,655 | $ 1,391.85 | Infinite | 10/04/17 | In default |
| Crossbay Sea Shell | $ 688,511 | $ 3,552.53 | Infinite | N/A | In default |
| European Finishing Equipment Corp. | $ 53,340 | $ 308.00 | Infinite | 09/03/20 | Current with payments |
| Key Handling Systems, Inc. | $ 4,702,329 | $ 2,443.33 | Infinite | N/A | In default |
| New York Sewing Machine | $ 752,386 | $ 1,365.00 | Infinite | N/A | In default |
| Randall Leather Machinery Corp. | $ 31,376 | $ 1,371.25 | 27.20 | N/A | In default |
| Scheman & Grant | $ 72,286 | $ 1,369.00 | 24.75 | 08/17/20 | Current with payments |
| Sea Tide Fish & Lobster | $ 72,973 | $ 2,713.00 | 34.03 | N/A | In default |
| Service Smoked Fish | $ 1,017,505 | $ 7,641.35 | Infinite | 10/21/15 | In default |
| Sibeau Handbag, Inc. | $ 524,142 | $ 6.70 | Infinite | 01/28/19 | Acceleration letter sent 8/23/2019 |
| Superior Repairs Center | $ 1,214,179 | $ 11.33 | Infinite | N/A | In default |
| Tony's Fish & Seafood | $ 2,696,667 | $ 8,154.98 | Infinite | 07/10/20 | Current with payments |
| Wire & Cable Fabrication | $ 63,497 | $ 358.33 | Infinite | 08/05/20 | Settled for $2,741.44 |

# UNFUNDED VESTED BENEFIT LIABILITY

The unfunded vested benefit liability as of January 1, 2020 is the amount used in the determination of withdrawal liability under the Multiemployer Pension Plan Amendments Act of 1980. The vested benefit liability was calculated using the PBGC interest rates and mortality assumptions as required for a mass withdrawal.

The calculation of the unfunded vested benefit liability is shown below:

| UNFUNDED VESTED BENEFIT LIABILITY ON JANUARY 1, 2020 | | |
|---|---|---|
| 1. Vested Benefit Liability* | | |
| a. For retired participants and beneficiaries in pay status | $ | 39,401,572 |
| b. Active participants | | 0 |
| c. Vested Terminated | | 30,886,068 |
| d. Expense Liability | | 1,179,341 |
| e. Total | $ | 71,466,981 |
| 2. Market Value of Assets ** | $ | 11,120,642 |
| 3. Unfunded / (Overfunded) Vested Benefit Liability | $ | 60,346,339 |

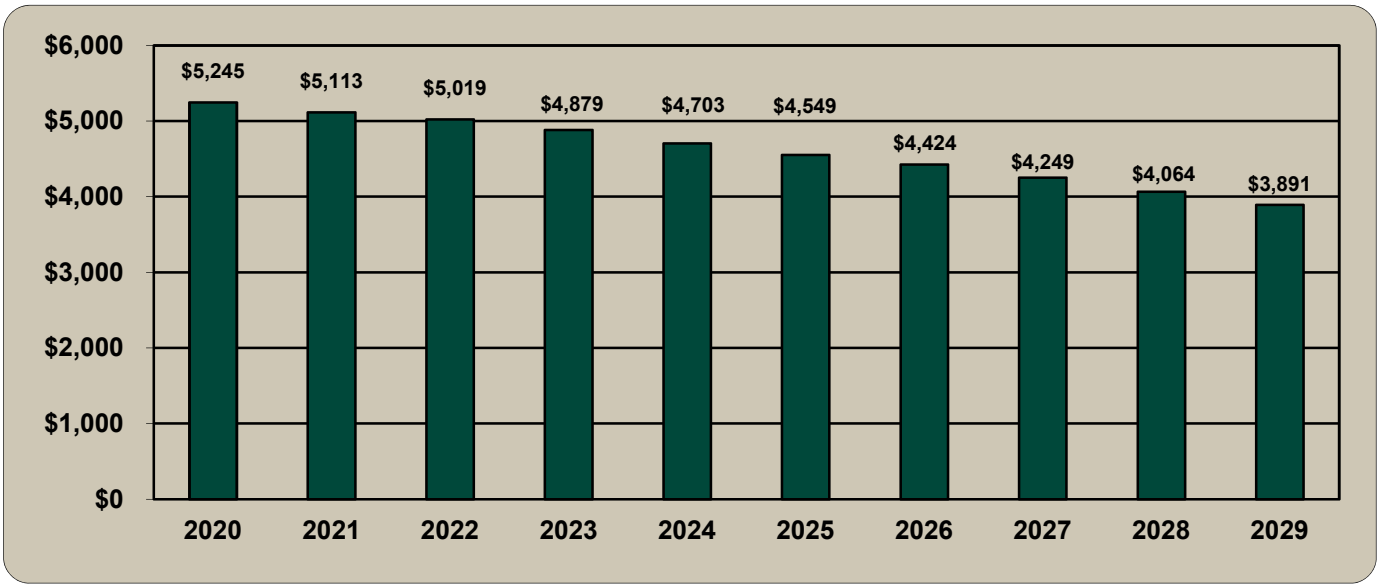
* The interest rates prescribed by the PBGC for the month of December, 2019 are 2.53% for the first 25 years following the valuation date and 2.53% thereafter.

** This includes the present value of future withdrawal liability payments expected to be received of $5,557,726.

# PROJECTED BENEFIT PAYMENTS AND CASH FLOW

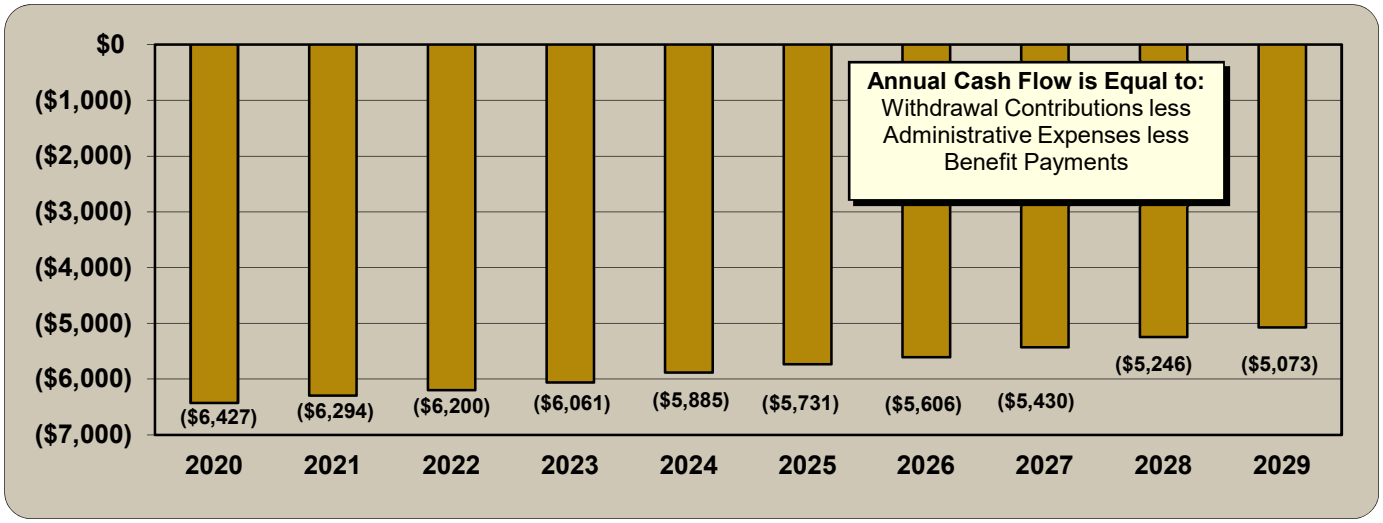
The following graph illustrates the expected benefit payments over the next ten years for participants who are in the plan as of January 1, 2020. This information can be used by the plan's investment advisors in determining the liquidity requirements that the plan will face in the near term.

**Expected Benefit Payments (in thousands)**




**Note:** The benefit disbursements are calculated based on the assumptions used in the valuation.

**Projected Cash Flow (in thousands)**




**Comment:** Mathematically, if two portfolios have the same average rate of return, the portfolio with less period-to-period volatility will have a greater compound rate of return. The larger a plan's negative cash flow, the more susceptible its time-weighted, compound investment return will be to volatility.

# TEST FOR INSOLVENCY

Because the value of nonforfeitable benefits exceeds the value of Plan assets, ERISA Regulation 4041A.24 requries periodic determinations of plan solvency in accordance with ERISA Regulation 4041A.25. Following the regulation, the determination must be made by June 29, 2020 for the plan year beginning January 1, 2021.

With the market value of assets as of December 31, 2019 at $5,562,916 and expected benefit payments plus administrative expenses less withdrawal contributions during the plan years beginning January 1, 2020 and January 1, 2021 projected at $5,800,955 and $5,654,422, respectively, the Plan is expected to be insolvent for the Plan year beginning January 1, 2021.

**Benefit Cash Flow / Projected Insolvency**

Exhibit A-5 presents the projection of benefit payments in each future year. Assumptions are made to project that:

1. Plan expenses will be $1,500,000 for the plan year ending December 31, 2020, and all future years,

2. Future withdrawal liability payments for employers current with their payments are received in full and on a timely basis, and

3. Future market rates of return equal the current assumption of 1.00%.

Based on the above assumptions, the Plan is projected to become insolvent during the Plan Year beginning January 1, 2021.

# SUMMARY OF ASSET VALUES AND RATES OF RETURN

## *A. Summary of Asset Values*

| | | | |
|---|---|---|---|
| 1. | Fair Value of Assets | $ | 5,562,916 |
| 2. | Amounts Receivable | | 0 |
| 3. | Amounts Payable | | 0 |
| 4. | Market Value of Assets: (1) + (2) - (3) | $ | 5,562,916 |
| 5. | Actuarial Value of Assets | $ | 5,562,916 |

## *B. Rate of Return*

| | | | Market Value |
|---|---|---|---|
| 1. | Plan assets as of January 1, 2019 | $ | 10,135,507 |
| 2. | Employer contributions[1] | | 385,470 |
| 3. | Benefit payments made | | (4,468,491) |
| 4. | Expenses paid from the trust | | (1,652,448) |
| 5. | Investment return, net of expenses | | 1,162,878 |
| 6. | Plan assets as of January 1, 2020: (1) + (2) + (3) + (4) + (5) | $ | 5,562,916 |
| 7. | Approximate rate of return (net of investment expenses) on average invested assets | | |
| | a. Average invested assets[2] | $ | 7,267,773 |
| | b. Rate of return: (5) ÷ (7a) | | 16.00% |
| 8. | Approximate rate of return (net of total expenses) on average invested assets | | |
| | a. Average invested assets[3] | $ | 8,093,997 |
| | b. Rate of return: [(5) + (4)] ÷ (8a) | | -6.05% |

1. Including withdrawal payments
2. Determined using the Schedule MB (Form 5500) methodology: [Item 1 + Item 2÷2 + Item 3÷2 + Item 4÷2]
3. Determined using the Schedule MB (Form 5500) methodology: [Item 1 + Item 2÷2 + Item 3÷2]



CBIZ Retirement Plan Services

# STATEMENT OF ASSETS AS OF DECEMBER 31, 2019

| | | | | |
|---|---|---|---|---|
| 1. | Total noninterest-bearing cash | | | $ 1,566,326 |
| 2. | Receivables | | | |
| | a. Employer contributions | $ 0 | | |
| | b. Other | 0 | | |
| | c. Total: (a) + (b) | | | $ 0 |
| 3. | General Investments | | | |
| | a. Interest-bearing cash | $ 75,897 | | |
| | b. U.S. Government securities | 0 | | |
| | c. Corporate debt instruments | 0 | | |
| | d. Corporate stocks | 0 | | |
| | e. Real estate | 0 | | |
| | f. Partnership/Joint venture interests | 0 | | |
| | g. Value of interest in common/collective trusts | 0 | | |
| | h. Value of interest in pooled separate accounts | 0 | | |
| | i. Value of interest in master trusts | 0 | | |
| | j. Value of interest in 103-12 investment entities | 0 | | |
| | k. Value of interest in registered investment companies | 3,920,693 | | |
| | l. Value of funds held in insurance company general account | 0 | | |
| | m. Other | 0 | | |
| | n. Total: [add (a) through (l)] | | | $ 3,996,590 |
| 4. | Employer-related investments (Securities and Real Property) | | | $ 0 |
| 5. | Buildings and other property used in plan operation | | | $ 0 |
| 6. | Total assets: (1) + (2c) + (3n) + (4) + (5) | | | $ 5,562,916 |
| 7. | Liabilities | | | |
| | a. Benefits claims payable | $ 0 | | |
| | b. Other payables and/or liabilities | 0 | | |
| | c. Total liabilities: (a) + (b) | | | $ 0 |
| 8. | Net Assets: (6) - (7c) | | | $ 5,562,916 |



CBIZ Retirement Plan Services

# RECONCILIATION OF MARKET VALUE OF ASSETS

| | | | | | |
|---|---|---|---|---|---|
| 1. | Market Value of Assets as of January 1, 2019 | | | | $ 10,135,507 |
| 2. | Contributions | | | | |
| | a. Employer | | | $ 385,470 | |
| | b. Other | | | 0 | |
| | c. Total contributions: (a) + (b) | | | | $ 385,470 |
| 3. | Earnings on investments | | | | |
| | a. Interest | | | | |
| | (i) Interest-bearing cash | $ 0 | | | |
| | (ii) U.S. Government securities | 0 | | | |
| | (iii) Corporate debt instruments | 0 | | | |
| | (iv) Other interest | 0 | | | |
| | (v) Total interest: [add (i) through (iv)] | | | $ 0 | |
| | b. Stock dividends | | | 0 | |
| | c. Net gain (loss) on sale of assets | | | 0 | |
| | d. Unrealized appreciation (depreciation) of assets | | | 0 | |
| | e. Net investment gain (loss) from common/collective trusts | | | 0 | |
| | f. Net investment gain (loss) from pooled separate accounts | | | 0 | |
| | g. Net investment gain (loss) from master trusts | | | 0 | |
| | h. Net investment gain (loss) from 103-12 investment entities | | | 0 | |
| | i. Net investment gain (loss) from registered investment companies | | | 1,194,391 | |
| | j. Total earnings: [add (av) through (i)] | | | | $ 1,194,391 |
| 4. | Other income | | | | $ 0 |
| 5. | Benefit payment and payment to provide benefits | | | | |
| | a. Directly to participants or beneficiaries | | | $ 4,468,491 | |
| | b. To insurance carriers for the provision of benefits | | | 0 | |
| | c. Total payments: (a) + (b) | | | | $ 4,468,491 |
| 6. | Interest expense | | | | $ 0 |
| 7. | Administrative expenses | | | | |
| | a. Professional fees | | | $ 384,275 | |
| | b. Third party administration fees | | | 331,109 | |
| | c. Investment advisory and management fees | | | 31,513 | |
| | d. Other | | | 937,064 | |
| | e. Total administrative expenses: [add (a) through (d)] | | | | $ 1,683,961 |
| 8. | Transfers to (from) the plan | | | | $ 0 |
| 9. | Net assets at end of year: (1) + (2c) + (3j) + (4) - (5c) - (6) - (7e) + (8) | | | | $ 5,562,916 |



CBIZ Retirement Plan Services

# RECONCILIATION OF PARTICIPANT DATA

| | | Actives | Pensioners & Beneficiaries | Deferred Vested Participants | Total |
|---|---|---|---|---|---|
| 1. | Participants in Prior Valuation | 0 | 2,286 | 1,898 | 4,184 |
| 2. | Change During Year | | | | |
| a. | retirements | 0 | 86 | (86) | 0 |
| b. | deaths with beneficiary | 0 | (8) | (12) | (20) |
| c. | deaths without beneficiary | 0 | (97) | (2) | (99) |
| d. | new beneficiaries | 0 | 8 | 12 | 20 |
| e. | QDRO | 0 | 0 | 0 | 0 |
| f. | lump sum payments | 0 | 0 | 0 | 0 |
| g. | end of certain period | 0 | 0 | 0 | 0 |
| h. | data corrections | 0 | 9 | (10) | (1) |
| i. | total increase | 0 | (2) | (98) | (100) |
| 3. | Participants in Current Valuation | 0 | 2,284 | 1,800 | 4,084 |



CBIZ Retirement Plan Services

# AGE DISTRIBUTION OF INACTIVE PARTICIPANTS

| Age Last Birthday | Normal, Early, and Deferred Vested Retirements* | | Terminated Participants & Beneficiaries with Rights to Future Benefits ** | | Total | |
|---|---|---|---|---|---|---|
| | Number | Annual Benefit | Number | Annual Benefit | Number | Annual Benefit |
| Under 45 | 0 | $ 0 | 49 | $ 32,989 | 49 | $ 32,989 |
| 45-49 | 0 | 0 | 108 | 104,088 | 108 | 104,088 |
| 50-54 | 1 | 788 | 207 | 225,707 | 208 | 226,495 |
| 55-59 | 6 | 7,869 | 297 | 476,400 | 303 | 484,269 |
| 60-64 | 31 | 67,277 | 394 | 620,765 | 425 | 688,042 |
| 65-69 | 274 | 505,290 | 231 | 308,430 | 505 | 813,720 |
| 70-74 | 450 | 806,708 | 186 | 231,686 | 636 | 1,038,394 |
| 75-79 | 471 | 920,476 | 179 | 175,642 | 650 | 1,096,118 |
| 80 & Over | 1,051 | 1,816,986 | 149 | 163,858 | 1,200 | 1,980,844 |
| Total | 2,284 | $ 4,125,394 | 1,800 | $ 2,339,565 | 4,084 | $ 6,464,959 |

| | | |
|---|---|---|
| Average age ..... | 79.63 | 63.98 |
| Average annual benefit ..... | $1,806 | $1,300 |

* Including surviving spouses in pay status.

** Including surviving spouses eligible for future payment.



CBIZ Retirement Plan Services

# PARTICIPANTS IN PAY STATUS AS OF JANUARY 1, 2020

| Retirees | Count | Avg. Age | Avg. Annual Benefits |
|---|---|---|---|
| Males | | | |
| Single Life | 692 | 79.21 | $ 2,338.53 |
| J&S | 340 | 76.38 | $ 2,224.59 |
| Females | | | |
| Single Life | 1,148 | 81.40 | $ 1,405.63 |
| J&S | 104 | 73.39 | $ 1,318.35 |



CBIZ Retirement Plan Services

# ACTUARIAL ASSUMPTIONS AND METHODS

**Interest Rates:**

**PBGC rates:** 2.53% per annum for the first 25 years following the date of valuation, 2.53% per year thereafter.

**Mortality:**

**PBGC Mortality:** Mortality as prescribed by Appendix A of PBGC regulation 4044.

**Assumed Retirement Age:** Earliest possible retirement age.

**Marital Status:** 75% of the non-retired participants were assumed to be married with wives assumed to be 3 years younger than husbands.

**Actuarial Value of Assets:** Market Value for assets held in trust. The present value of future withdrawal liability payments expected to be received was calculated using the PBGC's interest rates for December, 2019 as listed above.

**Expenses:** Expenses are assumed to be $1,500,000 per year.

**Actuarial Valuation Method:** Unit Credit Cost Method.

**Changes since the Prior Valuation:** All assumptions were updated to comply with PBGC prescribed assumptions for the December 2019 valuation date.

Expenses were $1,500,000 in 2019 compared to $1,300,000 in 2018.

**Rationale for Selection of Significant Actuarial Assumptions:** All significant assumptions are prescribed by law.

# SUMMARY OF PRINCIPAL PLAN PROVISIONS

**Effective Date:**

September 15, 1953. The plan has been amended from time to time with the most recent restatement as of January 1, 2009. Effective December 31, 2006, the Fish and Seafood Workers Local 635 Retirement Plan ("Fresh Fish") and the Smoked Seafood Workers Local 635 Retirement Plan ("Smoked Fish") were merged into the Plan. Effective December 31, 2008, the Fur Service Employees' Pension Plan and the United Mechanics 150 Pension Fund were merged into the Plan.

**Eligibility:**

For Local 1, Local 121, Fresh Fish, and Smoked Fish participants, eligibility begins on the earliest January 1 or July 1 following completion of a 12-consecutive month period during which the employee worked at least: (i) 87 days in Covered Employment, if a Local 1 participant; (ii) 5 months in Covered Employment, if a Local 121 participant; (iii) 10 weeks in Covered Employment, if a Fresh Fish participant, or; (iv) 2 months in Covered Employment, if a Smoked Fish participant.

For Fur Service and United Mechanics 150 participants, eligibility begins immediately.

**Credited Service:**

For Local 1 participant employment after January 1, 1955:

| Calendar Year Employment | Quarter Years of Credit |
|---|---|
| Less than 40 days | 0 |
| 40 but less than 80 days | 1 |
| 80 but less than 120 days | 2 |
| 120 but less than 160 days | 3 |
| 160 or more days | 4 |

Effective January 1, 2002, Local 1 participants cease accruing Credited Service as of the date their employers cease contributions to this plan.

For Local 121 participants: One-twelfth (1/12) of a year of credited service for each month of work for which employer contributions are made.

For Fresh Fish participants: One-quarter (1/4) of a year of credited service for each 400 hours of pension service in a year, up to a maximum of one year of service.



CBIZ Retirement Plan Services

# SUMMARY OF PRINCIPAL PLAN PROVISIONS

**(continued)**

**Credited Service (continued):**

For Smoked Fish participants: One-quarter (1/4) of a year of credited service for each 400 hours of pension service in a year, up to a maximum of one year of service.

For Fur Service participants: 1,000 hours = 1 Year of Service.

For United Mechanics 150 participants: 1,000 hours = 1 Year of Service.

No Credited Service is earned after December 31, 2013.

**Vesting Service:**

One year of vesting service for each credited year during the contribution period in which the employee works 87 days (Local 1) or five months (Local 121).

After 1975, for Fish Fund participants, one year of vesting service for each plan year during the contribution period in which the employee works 1,000 hours. Fish Fund participants may receive partial years of vesting service (a quarter of a year per 250 hours worked).

For Fur Service participants, 1,000 hours equals 1 Year of Vesting Service.

For United Mechanics 150 participants, 1,000 hours equals 1 Year of Vesting Service.

No Vesting Service is earned after December 31, 2013.

**Normal Retirement Eligibility:**

The later of age 65 and the completion of five years of participation in the plan.



CBIZ Retirement Plan Services

# SUMMARY OF PRINCIPAL PLAN PROVISIONS

**(continued)**

**Normal Retirement Pension:** Monthly benefit for life equal to the applicable benefit level, as indicated below:

| | |
|---|---|
| Local 1: | $8.50 multiplied by years of Credited Service |
| Local 121: | $6.50 multiplied by years of Credited Service up to 20 years |
| Fresh Fish: | $20.00 multiplied by years of Credited Service |
| Smoked Fish: | $23.33 multiplied by years of Credited Service |
| Fur Service: | $24.20 multiplied by years of Credited Service |
| UM 150: | $13.28 multiplied by years of Credited Service prior to 1993 plus $14.55 multiplied by years of Credited Service after 1992 |

**Early Retirement Eligibility:** Attainment of age 62 and

| | |
|---|---|
| Local 1: | 15 years of Credited Service |
| Local 121: | 20 years of Credited Service |
| Fish Funds: | 10 years of Vesting Service |
| Fur Service: | 20 years of Vesting Service |
| UM 150: | 20 years of Vesting Service |

**Early Retirement Pension:** The normal retirement benefit, reduced for commencement prior to normal retirement age as follows:

| | |
|---|---|
| Local 1: | 6.67% per year |
| Local 121: | 6.00% per year |
| Fish Funds: | 6.00% per year, unreduced if 30 years of Credited Service |
| Fur Service: | 6.00% per year |
| UM 150: | 6.00% per year |



CBIZ Retirement Plan Services

# SUMMARY OF PRINCIPAL PLAN PROVISIONS

**(continued)**

**Disability Eligibility:**

At the time of disability, the participant must satisfy the following service requirement:

| | |
|---|---|
| Local 1: | 15 years of Credited Service |
| Local 121: | 20 years of Credited Service |
| Fish Funds: | 10 years of Vesting Service |
| Fur Service: | 15 years of Vesting Service |
| UM 150: | 15 years of Vesting Service |

The disability benefit is not available after December 31, 2013.

**Disability Pension:**

The normal retirement benefit accrued as of the date of disability, payable immediately.

**Vesting:**

A participant is 100% vested in his or her benefit upon attainment of five years of Vesting Service.

**Vested Benefit:**

Accrued benefit payable at Normal Retirement, or reduced upon attainment of Early Retirement eligibility.

**Pre-Retirement Spouse's Benefit:**

If a vested participant or vested former participant dies before his pension begins, his surviving spouse will be entitled to a lifetime pension. The amount of such pension will be 50% of the benefit the participant would have received if the participant had retired the day before he or she died and elected the joint and survivor option. If the employee died prior to eligibility for an early retirement pension, the spouse's benefit is deferred to the date the participant would have attained his or her earliest retirement age.

If an active vested Smoked Fish participant dies and is not eligible for the above spousal annuity, his beneficiary will receive a lump sum death benefit equal to $100 times his or her years of Credited Service, up to a maximum of $1,000.

The pre-retirement lump sum benefit is not available after December 31, 2013.

# SUMMARY OF PRINCIPAL PLAN PROVISIONS

**(continued)**

**Post-Retirement Spouse's Benefit:**

A lump sum of $1,500 is payable to the beneficiary of Local 1 participants. This benefit is not available after December 31, 2013.

The beneficiary of a Smoked Fish retiree who dies and did not elect joint and survivor coverage will receive a lump sum death benefit equal to $100 times the years of Credited Service, up to a maximum of $1,000. This benefit is not available after December 31, 2013. This amount is reduced based on the number of pension payments received according to the following schedule:

| Number of Payments | Reduction in Lump Sum |
|---|---|
| under 11 | 0% |
| 11 | 10% |
| 12 to 23 | 20% |
| 24 to 35 | 30% |
| 36 to 47 | 40% |
| over 47 | 50% |

If married, pension benefits are paid in the form of a joint and survivor annuity unless this form is rejected by the participant and spouse. If not rejected, the benefit amount otherwise payable is reduced to reflect the joint and survivor coverage. If rejected, or if not married, benefits are payable for the life of the employee, or in any other available optional form elected by the participant in an actuarially equivalent amount.

**Optional Forms of Benefit:**

The following forms of benefit are available under the Plan:

Life Annuity
50% Qualified Joint and Survivor
75% Qualified Optional Joint and Survivor

**Changes in Plan Provisions Since Prior Valuation:**

None.



CBIZ Retirement Plan Services

# Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund

# ACTUARIAL VALUATION AFTER MASS WITHDRAWAL AS OF DECEMBER 31, 2018

*Prepared by:*


*1845 Walnut Street*
*Philadelphia, PA 19103-4755*
*(215) 587-0700*


*November, 2019*

CBIZ Retirement Plan Services
CBIZ Benefits & Insurance Services, Inc.
1845 Walnut Street, 14th Floor
Philadelphia, PA 19103
Ph: 844.672.8489 ▪ F: 215.563.9943
www.cbiz.com/retirement

November 5, 2019

Board of Trustees
Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund
166 E. Jericho Turnpike
Mineola, NY 11501-2098

Dear Trustees:

This report presents the results of the actuarial valuation of the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund following the mass withdrawal as of December 31, 2013. The primary purposes of the valuation are to review the experience with respect to the mass withdrawal through December 31, 2018 and perform the annual insolvency determination required by regulation.

The basic employee data used in the report was provided by the UFCW Local 342 Fund Office and the audited financial statements were prepared by Novak Francella, LLC. We did not audit this data, but we have reviewed it for reasonableness and consistency with prior years. To the best of our knowledge, all plan participants on December 31, 2018, and all plan provisions in effect on that day have been reflected in the valuation. In our opinion, all calculations and procedures are in conformity with generally accepted actuarial principles and practices; and the results presented comply with the requirement of the Internal Revenue Code, ERISA, or Statements of Financial Accounting Standards, as applicable.

There were no events after the measurement date and before the date of communication which necessitated adjustments to the actuarial findings. There are no significant benefits that are excluded from the valuation.

The actuary whose signature appears below meets the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States and is qualified to render the actuarial opinion contained herein. CBIZ Retirement Plan Services' ("CBIZ RPS") relationship with the Plan and Plan Sponsor is strictly professional. There are no aspects of the relationship that may impair or appear to impair the objectivity of our work.

We will be pleased to review this report with you at your convenience.

Respectfully submitted:
CBIZ RPS



David B. Reid
Fellow of the Conference of Consulting Actuaries
Enrolled Actuary No. 17-06971

CBIZ Retirement Plan Services is a trade name under which certain subsidiaries of CBIZ, Inc. market investment advisory, third party administration, actuarial and other corporate retirement plan services.

## Section 1 - Summary and Introduction


| | | |
|---|---|---|
| Exhibit A-1 | Introduction | 1 |
| Exhibit A-2 | Calculation of Unfunded Vested Liability | 2 |
| Exhibit A-3 | Employers' Withdrawal Liability Payments as Fund Asset | 4 |
| Exhibit A-4 | Unfunded Vested Benefit Liability | 5 |
| Exhibit A-5 | Projected Benefit Payments and Cash Flow | 6 |


## Section 2 - Test for Insolvency


| | | |
|---|---|---|
| Exhibit B-1 | Test for Insolvency | 7 |


## Section 3 - Plan Assets


| | | |
|---|---|---|
| Exhibit C-1 | Summary of Asset Values and Rates of Return | 8 |
| Exhibit C-2 | Statement of Assets as of December 31, 2018 | 9 |
| Exhibit C-3 | Reconciliation of Market Value of Assets | 10 |


## Section 4 - Participant Data


| | | |
|---|---|---|
| Exhibit D-1 | Reconciliation of Participant Data | 11 |
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| Exhibit D-3 | Participants in Pay Status as of December 31, 2018 | 13 |


## Section 5 - Appendices


| | | |
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| Appendix 1 | Actuarial Assumptions and Methods | 14 |
| Appendix 2 | Summary of Principal Plan Provisions | 15 |

# INTRODUCTION

The plan terminated due to mass withdrawal of the contributing employers during the plan year beginning January 1, 2013. Under the law, the "mass withdrawal valuation date" is defined as the last day of that plan year, December 31, 2013. An annual valuation of the Plan is required beginning on the mass withdrawal date and each anniversary thereafter.

For each valuation, the Plan's benefit liability for non-forfeitable benefits is calculated and compared to Plan assets. Plan assets consist of assets held as of the valuation date plus the value of future withdrawal liability payments expected to be received. If Plan assets exceed the benefit liability, then the Plan may ultimately be able to fulfill all benefit obligations through the purchase of an insured annuity arrangement, once all withdrawal liability payments have been received. If Plan assets are less than the benefit liability, then the Plan has an unfunded vested liability and, without favorable investment and/or liability experience, the Plan may become insolvent (unable to pay benefits due) at some point in the future. Financial assistance from the Pension Benefit Guaranty Corporation (PBGC) is available for insolvent plans, but limitations may apply.

Based on the participant data as of December 31, 2018, the non-forfeitable benefits accrued as of the mass withdrawal date, and the actuarial methods and assumptions as described in the statute and summarized in Appendix 1, we have calculated the unfunded vested liability as of December 31, 2018 to be $49,934,707. This is based on a present value of vested benefits of $71,754,507 and a market value of assets including the present value of future withdrawal liability payments expected to be received of $21,819,800.

The magnitude of the current unfunded liability suggests that the Plan is likely to become insolvent at some point in the future. Exactly when that occurs will depend on the rate of return on invested assets and the amount of withdrawal liability payments actually received. If all the future experience follows the assumptions and expectations exactly, the Plan will become insolvent in the plan year beginning January 1, 2021.

# CALCULATION OF UNFUNDED VESTED LIABILITY

## Participant Data

The participant census as of December 31, 2018 includes 1,898 participants not yet in pay status but eligible for future benefits (including participants who were actively working as of December 31, 2018). Last year, the Plan had 1,949 vested participants (including actively employed participants) not yet in pay status. Of those participants, 54 elected to begin receiving benefits.

Exhibit D-3 provides a summary of 2,286 participants who were in pay status as of December 31, 2018, showing the number and average age and benefit statistics broken down by gender and form of benefit. Last year, 2,330 participants were in pay status. Of those participants, 92 died (9 with survivor benefits continuing to a spouse). Exhibit D-2 provides a breakdown of annual benefits for all participants based on age as of the valuation date.

## Financial Information

The audited financial statements show the market value of assets as of December 31, 2018 at $10,135,507. The Fund received $322,770 in withdrawal liability payments from employers and paid $5,444,234 in benefits to participants and administrative expenses. Investment income, net of total expenses, amounted to -$1,201,997 which produced a rate of return of -9.06% for the year.

## Quarterly Withdrawal Liability Payment Schedules

Exhibit A-3 is a summary of the outstanding quarterly withdrawal liability payment schedules for each employer. The schedules have been adjusted where applicable

**Redetermination Liability** - Liability resulting from previous application of a deduction based upon a *de minimis* amount or application of the 20-year limitation on the payment schedule, and

**Reallocation Liability** - The unfunded vested liability as of the mass withdrawal date, December 31, 2013, allocated to employers deemed viable as of the reallocation record date, December 31, 2014 as chosen by the Trustees.

The present value of the withdrawal liability payments expected to be received in Exhibit A-3 as of December 31, 2018 is $11,684,293. This amount is considered as Plan assets in the calculation of the unfunded vested liability.

# CALCULATION OF UNFUNDED VESTED LIABILITY

**(continued)**

## Value of Non-Forfeitable Vested Benefits

The benefits payable to Plan participants have been valued in accordance with regulations and the required assumptions specified therein (see Appendix 1). The results are presented in Item 1 of Exhibit A-4. As shown, with an allowance for the required expense loading, it is estimated that $71,754,507 in assets would have been required to settle the Plan's obligations in full as of December 31, 2018.

## Unfunded Vested Benefit Liability

The value of non-forfeitable vested benefits continues to exceed the total of assets on hand and the value of future withdrawal liability payments. As of December 31, 2018, the unfunded vested benefit liability is $49,934,707 (this includes the present value of future withdrawal liability payments expected to be received of $11,684,293).

# EMPLOYERS' WITHDRAWAL LIABILITY PAYMENTS AS FUND ASSET

The remaining quarterly payment schedules as of December 31, 2018 are as follows:

| Employer | Mass Withdrawal Liability | Quarterly Payment | Payment Period in Years | Date of Last Payment | Payment Status |
|---|---|---|---|---|---|
| ACME Smoked Fish | $ 13,012,446 | $ 67,997.48 | Infinite | 07/15/19 | Current with payments |
| AMSCOR, Inc. | $ 270,056 | $ 327.08 | Infinite | 09/16/19 | Current with payments |
| Avenue J Fish Market | $ 342,846 | $ 1,050.00 | Infinite | 09/26/19 | Current with payments |
| B & Z Steel Equipment Co. | $ 260,673 | $ 367.50 | Infinite | 09/19/19 | Current with payments |
| Central Fur Storage Co. | $ 6,952,655 | $ 1,391.85 | Infinite | 10/04/17 | In default |
| Crossbay Sea Shell | $ 688,511 | $ 3,552.53 | Infinite | N/A | In default |
| European Finishing Equipment Corp. | $ 53,340 | $ 308.00 | Infinite | 09/24/19 | Current with payments |
| Jesse J. Heap & Sons, Inc. | $ 554,813 | $ 283.98 | Infinite | 08/02/19 | Settlement Agreement Payment received $20,000 |
| Key Handling Systems, Inc. | $ 4,702,329 | $ 2,443.33 | Infinite | N/A | In default |
| New York Sewing Machine | $ 752,386 | $ 1,365.00 | Infinite | N/A | In default |
| Randall Leather Machinery Corp. | $ 31,376 | $ 1,371.25 | 27.20 | N/A | In default |
| Scheman & Grant | $ 72,286 | $ 1,369.00 | 25.75 | 08/08/19 | Current with payments |
| Sea Tide Fish & Lobster | $ 72,973 | $ 2,713.00 | 34.03 | N/A | In default |
| Service Smoked Fish | $ 1,017,505 | $ 7,641.35 | Infinite | 10/21/15 | In default |
| Sibeau Handbag, Inc. | $ 524,142 | $ 6.70 | Infinite | 01/28/19 | Acceleration letter sent 8/23/2019 |
| Superior Repairs Center | $ 1,214,179 | $ 11.33 | Infinite | N/A | In default |
| Tony's Fish & Seafood | $ 2,696,667 | $ 8,154.98 | Infinite | 07/12/19 | Current with payments |
| Wire & Cable Fabrication | $ 63,497 | $ 358.33 | Infinite | 08/26/19 | Current with payments |

# UNFUNDED VESTED BENEFIT LIABILITY

The unfunded vested benefit liability as of December 31, 2018 is the amount used in the determination of withdrawal liability under the Multiemployer Pension Plan Amendments Act of 1980. The vested benefit liability was calculated using the PBGC interest rates and mortality assumptions as required for a mass withdrawal.

The calculation of the unfunded vested benefit liability is shown below:

| UNFUNDED VESTED BENEFIT LIABILITY ON DECEMBER 31, 2018 | | |
|---|---|---|
| 1. Vested Benefit Liability* | | |
| a. For retired participants and beneficiaries in pay status | $ | 38,802,431 |
| b. Active participants | $ | 0 |
| c. Vested Terminated | $ | 31,729,702 |
| d. Expense Liability | $ | 1,222,374 |
| e. Total | $ | 71,754,507 |
| 2. Market Value of Assets (including withdrawal payments) | $ | 21,819,800 |
| 3. Unfunded / (Overfunded) Vested Benefit Liability | $ | 49,934,707 |

* The interest rates prescribed by the PBGC for the month of December, 2018 are 2.84% for the first 20 years following the valuation date and 2.76% thereafter.

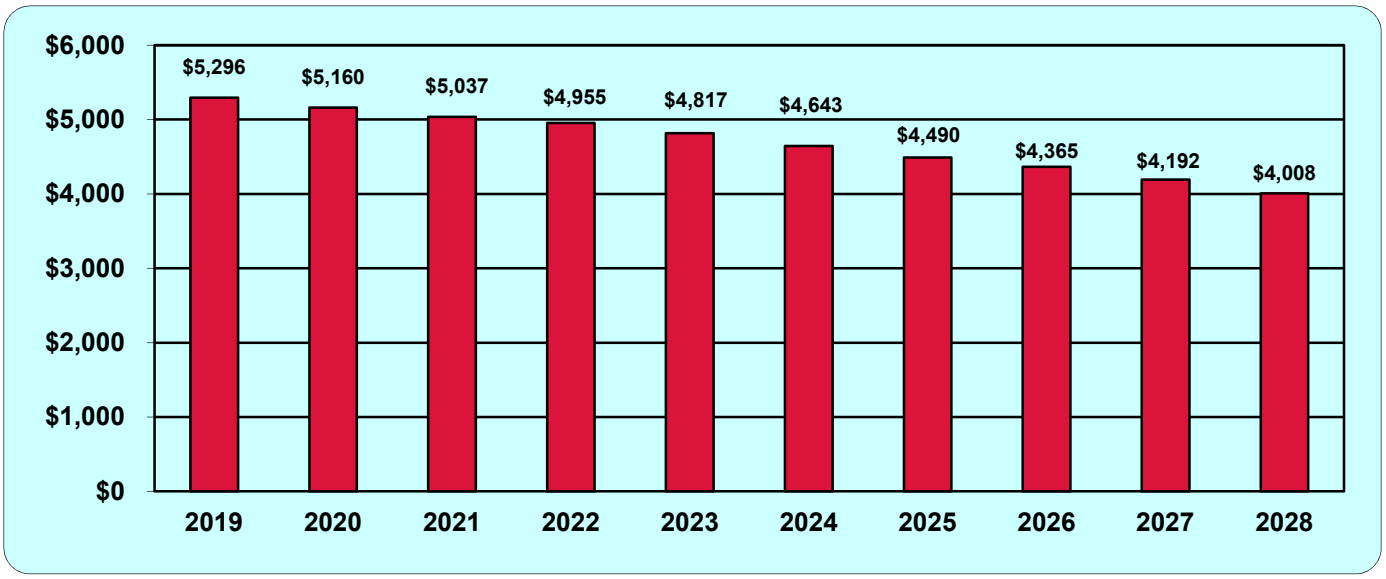


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# PROJECTED BENEFIT PAYMENTS AND CASH FLOW

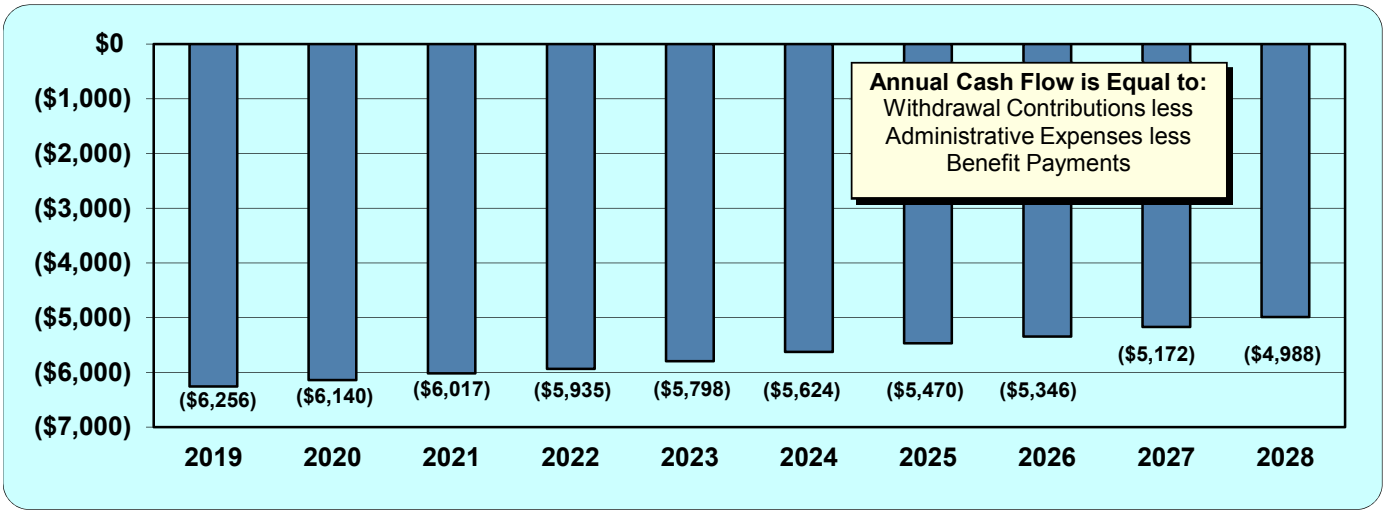
The following graph illustrates the expected benefit payments over the next ten years for participants who are in the plan as of December 31, 2018. This information can be used by the plan's investment advisors in determining the liquidity requirements that the plan will face in the near term.

**Expected Benefit Payments (in thousands)**




**Note:** The benefit disbursements are calculated based on the assumptions used in the valuation.

**Projected Cash Flow (in thousands)**




**Comment:** Mathematically, if two portfolios have the same average rate of return, the portfolio with less period-to-period volatility will have a greater compound rate of return. The larger a plan's negative cash flow, the more susceptible its time-weighted, compound investment return will be to volatility.



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# TEST FOR INSOLVENCY

Because the value of nonforfeitable benefits exceeds the value of Plan assets, ERISA Regulation 4041A.24 requries periodic determinations of plan solvency in accordance with ERISA Regulation 4041A.25. Following the regulation, the determination must be made by June 30, 2019 for the plan year beginning January 1, 2020.

With the market value of assets as of December 31, 2018 at $10,135,507 and expected benefit payments less administrative expenses plus withdrawal contributions during the plan years beginning January 1, 2019 and January 1, 2020 projected at $5,460,271 and $5,480,271, respectively, the Plan is not expected to be insolvent for the Plan year beginning January 1, 2020.

## Benefit Cash Flow / Projected Insolvency

Exhibit A-5 presents the projection of benefit payments in each future year. Assumptions are made to project that:

1. Plan expenses will be $1,300,000 for the plan year ending December 31, 2019, and all future years,

2. Future withdrawal liability payments for employers current with their payments are received in full and on a timely basis, and

3. Future market rates of return equal the current assumption of 6.00%.

Based on the above assumptions, the Plan is projected to become insolvent during the Plan Year beginning January 1, 2021.

# SUMMARY OF ASSET VALUES AND RATES OF RETURN

## *A. Summary of Asset Values*

| | | | |
|---|---|---|---|
| 1. | Fair Value of Assets | $ | 10,340,237 |
| 2. | Amounts Receivable | | 64,489 |
| 3. | Amounts Payable | | 269,219 |
| 4. | Market Value of Assets: (1) + (2) - (3) | $ | 10,135,507 |
| 5. | Actuarial Value of Assets | $ | 10,135,507 |

## *B. Rate of Return*

| | | | Market Value |
|---|---|---|---|
| 1. | Plan assets as of January 1, 2018 | $ | 15,190,375 |
| 2. | Employer contributions[1] | | 322,770 |
| 3. | Benefit payments made | | (4,175,641) |
| 4. | Expenses paid from the trust | | (1,268,593) |
| 5. | Investment return, net of expenses | | 66,596 |
| 6. | Plan assets as of January 1, 2019: (1) + (2) + (3) + (4) + (5) | $ | 10,135,507 |
| 7. | Approximate rate of return (net of investment expenses) on average invested assets | | |
| | a. Average invested assets[2] | $ | 12,629,643 |
| | b. Rate of return: (5) ÷ (7a) | | 0.53% |
| 8. | Approximate rate of return (net of total expenses) on average invested assets | | |
| | a. Average invested assets[3] | $ | 13,263,940 |
| | b. Rate of return: [(5) + (4)] ÷ (8a) | | -9.06% |

1. Including withdrawal payments
2. Determined using the Schedule MB (Form 5500) methodology: [Item 1 + Item 2÷2 + Item 3÷2 + Item 4÷2]
3. Determined using the Schedule MB (Form 5500) methodology: [Item 1 + Item 2÷2 + Item 3÷2]



CBIZ Retirement Plan Services

# STATEMENT OF ASSETS AS OF DECEMBER 31, 2018

| | | | | |
|---|---|---|---|---|
| 1. | Total noninterest-bearing cash | | | $ 1,026,994 |
| 2. | Receivables | | | |
| | a. Employer contributions | $ 0 | | |
| | b. Other | 64,489 | | |
| | c. Total: (a) + (b) | | | $ 64,489 |
| 3. | General Investments | | | |
| | a. Interest-bearing cash | $ 255,527 | | |
| | b. U.S. Government securities | 0 | | |
| | c. Corporate debt instruments | 0 | | |
| | d. Corporate stocks | 0 | | |
| | e. Real estate | 0 | | |
| | f. Partnership/Joint venture interests | 1,281,517 | | |
| | g. Value of interest in common/collective trusts | 7,037,365 | | |
| | h. Value of interest in pooled separate accounts | 699,972 | | |
| | i. Value of interest in master trusts | 0 | | |
| | j. Value of interest in 103-12 investment entities | 0 | | |
| | k. Value of interest in registered investment companies | 0 | | |
| | l. Value of funds held in insurance company general account | 0 | | |
| | m. Other | 38,862 | | |
| | n. Total: [add (a) through (l)] | | | $ 9,313,243 |
| 4. | Employer-related investments (Securities and Real Property) | | | $ 0 |
| 5. | Buildings and other property used in plan operation | | | $ 0 |
| 6. | Total assets: (1) + (2c) + (3n) + (4) + (5) | | | $ 10,404,726 |
| 7. | Liabilities | | | |
| | a. Benefits claims payable | $ 0 | | |
| | b. Other payables and/or liabilities | 269,219 | | |
| | c. Total liabilities: (a) + (b) | | | $ 269,219 |
| 8. | Net Assets: (6) - (7c) | | | $ 10,135,507 |



CBIZ Retirement Plan Services

# RECONCILIATION OF MARKET VALUE OF ASSETS

| | | | | | |
|---|---|---|---|---|---|
| 1. | Market Value of Assets as of January 1, 2018 | | | | $ 15,190,375 |
| 2. | Contributions | | | | |
| | a. Employer | | | $ 322,770 | |
| | b. Other | | | 0 | |
| | c. Total contributions: (a) + (b) | | | | $ 322,770 |
| 3. | Earnings on investments | | | | |
| | a. Interest | | | | |
| | (i) Interest-bearing cash | $ 1,284 | | | |
| | (ii) U.S. Government securities | 0 | | | |
| | (iii) Corporate debt instruments | 0 | | | |
| | (iv) Other interest | 0 | | | |
| | (v) Total interest: [add (i) through (iv)] | | | $ 1,284 | |
| | b. Stock dividends | | | 0 | |
| | c. Net gain (loss) on sale of assets | | | 0 | |
| | d. Unrealized appreciation (depreciation) of assets | | | 98,281 | |
| | e. Net investment gain (loss) from common/collective trusts | | | 0 | |
| | f. Net investment gain (loss) from pooled separate accounts | | | 0 | |
| | g. Net investment gain (loss) from master trusts | | | 0 | |
| | h. Net investment gain (loss) from 103-12 investment entities | | | 0 | |
| | i. Net investment gain (loss) from registered investment companies | | | 0 | |
| | j. Total earnings: [add (av) through (i)] | | | | $ 99,565 |
| 4. | Other income | | | | $ 3,812 |
| 5. | Benefit payment and payment to provide benefits | | | | |
| | a. Directly to participants or beneficiaries | | | $ 4,175,641 | |
| | b. To insurance carriers for the provision of benefits | | | 0 | |
| | c. Total payments: (a) + (b) | | | | $ 4,175,641 |
| 6. | Interest expense | | | | $ 0 |
| 7. | Administrative expenses | | | | |
| | a. Professional fees | | | $ 175,073 | |
| | b. Third party administration fees | | | 296,485 | |
| | c. Investment advisory and management fees | | | 36,781 | |
| | d. Other | | | 797,035 | |
| | e. Total administrative expenses: [add (a) through (d)] | | | | $ 1,305,374 |
| 8. | Transfers to (from) the plan | | | | $ 0 |
| 9. | Net assets at end of year: (1) + (2c) + (3j) + (4) - (5c) - (6) - (7e) + (8) | | | | $ 10,135,507 |



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# RECONCILIATION OF PARTICIPANT DATA

| | | Actives | Pensioners & Beneficiaries | Deferred Vested Participants | Total |
|---|---|---|---|---|---|
| 1. | Participants in Prior Valuation | 0 | 2,330 | 1,949 | 4,279 |
| 2. | Change During Year | | | | |
| a. | retirements | 0 | 54 | (54) | 0 |
| b. | deaths with beneficiary | 0 | (9) | (33) | (42) |
| c. | deaths without beneficiary | 0 | (83) | (11) | (94) |
| d. | new beneficiaries | 0 | 9 | 33 | 42 |
| e. | QDRO | 0 | 0 | 0 | 0 |
| f. | lump sum payments | 0 | (6) | 0 | (6) |
| g. | end of certain period | 0 | 0 | 0 | 0 |
| h. | data corrections | 0 | (9) | 14 | 5 |
| i. | total increase | 0 | (44) | (51) | (95) |
| 3. | Participants in Current Valuation | 0 | 2,286 | 1,898 | 4,184 |



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# AGE DISTRIBUTION OF INACTIVE PARTICIPANTS

| Age Last Birthday | Normal, Early, and Deferred Vested Retirements* | | Terminated Participants & Beneficiaries with Rights to Future Benefits ** | | Total | |
|---|---|---|---|---|---|---|
| | Number | Annual Benefit | Number | Annual Benefit | Number | Annual Benefit |
| Under 45 | 0 | $ 0 | 73 | $ 55,632 | 73 | $ 55,632 |
| 45-49 | 0 | 0 | 119 | 127,146 | 119 | 127,146 |
| 50-54 | 2 | 2,642 | 242 | 304,399 | 244 | 307,041 |
| 55-59 | 6 | 7,030 | 294 | 464,769 | 300 | 471,799 |
| 60-64 | 30 | 57,884 | 418 | 652,974 | 448 | 710,858 |
| 65-69 | 275 | 538,113 | 264 | 336,208 | 539 | 874,321 |
| 70-74 | 461 | 828,668 | 189 | 225,132 | 650 | 1,053,800 |
| 75-79 | 479 | 944,838 | 185 | 230,103 | 664 | 1,174,941 |
| 80 & Over | 1,033 | 1,748,807 | 114 | 126,249 | 1,147 | 1,875,056 |
| Total | 2,286 | $ 4,127,982 | 1,898 | $ 2,522,612 | 4,184 | $ 6,650,594 |
| Average age ..... | 79.48 | | 63.20 | | | |
| Average annual benefit ..... | $1,806 | | $1,329 | | | |

* Including surviving spouses in pay status.

** Including surviving spouses eligible for future payment.



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# PARTICIPANTS IN PAY STATUS AS OF DECEMBER 31, 2018

| Retirees | Count | Avg. Age | Avg. Annual Benefits |
|---|---|---|---|
| Males | | | |
| Single Life | 702 | 78.98 | $ 2,358.76 |
| J&S | 325 | 76.47 | $ 2,273.77 |
| Females | | | |
| Single Life | 1,164 | 81.13 | $ 1,381.28 |
| J&S | 95 | 73.32 | $ 1,319.47 |



CBIZ Retirement Plan Services

# ACTUARIAL ASSUMPTIONS AND METHODS

**Interest Rates:**

**PBGC rates for December, 2018:** 2.84% per annum for the first 20 years following the date of valuation, 2.76% per year thereafter.

**Mortality:**

**PBGC Mortality:** Mortality as prescribed by Appendix A of PBGC regulation 4044.

**Assumed Retirement Age:** Earliest possible retirement age.

**Marital Status:** 75% of the non-retired participants were assumed to be married with wives assumed to be 3 years younger than husbands.

**Actuarial Value of Assets:** Market Value for assets held in trust. The present value of future withdrawal liability payments expected to be received was calculated using the PBGC's interest rates for December, 2018 as listed above.

**Expenses:** Expenses are assumed to be $1,300,000 per year.

**Actuarial Valuation Method:** Unit Credit Cost Method.

**Changes since the Prior Valuation:** All assumptions were updated to comply with PBGC prescribed assumptions for the December 2018 valuation date.

Expenses were $1,300,000 in 2018 compared to $1,400,000 in 2017.

**Rationale for Selection of Significant Actuarial Assumptions:** All significant assumptions are prescribed by law.

# SUMMARY OF PRINCIPAL PLAN PROVISIONS

**Effective Date:**

September 15, 1953. The plan has been amended from time to time with the most recent restatement as of January 1, 2009. Effective December 31, 2006, the Fish and Seafood Workers Local 635 Retirement Plan ("Fresh Fish") and the Smoked Seafood Workers Local 635 Retirement Plan ("Smoked Fish") were merged into the Plan. Effective December 31, 2008, the Fur Service Employees' Pension Plan and the United Mechanics 150 Pension Fund were merged into the Plan.

**Eligibility:**

For Local 1, Local 121, Fresh Fish, and Smoked Fish participants, eligibility begins on the earliest January 1 or July 1 following completion of a 12-consecutive month period during which the employee worked at least: (i) 87 days in Covered Employment, if a Local 1 participant; (ii) 5 months in Covered Employment, if a Local 121 participant; (iii) 10 weeks in Covered Employment, if a Fresh Fish participant, or; (iv) 2 months in Covered Employment, if a Smoked Fish participant.

For Fur Service and United Mechanics 150 participants, eligibility begins immediately.

**Credited Service:**

For Local 1 participant employment after January 1, 1955:

| Calendar Year Employment | Quarter Years of Credit |
|---|---|
| Less than 40 days | 0 |
| 40 but less than 80 days | 1 |
| 80 but less than 120 days | 2 |
| 120 but less than 160 days | 3 |
| 160 or more days | 4 |

Effective January 1, 2002, Local 1 participants cease accruing Credited Service as of the date their employers cease contributions to this plan.

For Local 121 participants: One-twelfth (1/12) of a year of credited service for each month of work for which employer contributions are made.

For Fresh Fish participants: One-quarter (1/4) of a year of credited service for each 400 hours of pension service in a year, up to a maximum of one year of service.



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# SUMMARY OF PRINCIPAL PLAN PROVISIONS

**(continued)**

**Credited Service (continued):**

For Smoked Fish participants: One-quarter (1/4) of a year of credited service for each 400 hours of pension service in a year, up to a maximum of one year of service.

For Fur Service participants: 1,000 hours = 1 Year of Service.

For United Mechanics 150 participants: 1,000 hours = 1 Year of Service.

No Credited Service is earned after December 31, 2013.

**Vesting Service:**

One year of vesting service for each credited year during the contribution period in which the employee works 87 days (Local 1) or five months (Local 121).

After 1975, for Fish Fund participants, one year of vesting service for each plan year during the contribution period in which the employee works 1,000 hours. Fish Fund participants may receive partial years of vesting service (a quarter of a year per 250 hours worked).

For Fur Service participants, 1,000 hours equals 1 Year of Vesting Service.

For United Mechanics 150 participants, 1,000 hours equals 1 Year of Vesting Service.

No Vesting Service is earned after December 31, 2013.

**Normal Retirement Eligibility:**

The later of age 65 and the completion of five years of participation in the plan.



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# SUMMARY OF PRINCIPAL PLAN PROVISIONS
**(continued)**

**Normal Retirement Pension:**

Monthly benefit for life equal to the applicable benefit level, as indicated below:

| | |
|---|---|
| Local 1: | $8.50 multiplied by years of Credited Service |
| Local 121: | $6.50 multiplied by years of Credited Service up to 20 years |
| Fresh Fish: | $20.00 multiplied by years of Credited Service |
| Smoked Fish: | $23.33 multiplied by years of Credited Service |
| Fur Service: | $24.20 multiplied by years of Credited Service |
| UM 150: | $13.28 multiplied by years of Credited Service prior to 1993 plus $14.55 multiplied by years of Credited Service after 1992 |

**Early Retirement Eligibility:**

Attainment of age 62 and

| | |
|---|---|
| Local 1: | 15 years of Credited Service |
| Local 121: | 20 years of Credited Service |
| Fish Funds: | 10 years of Vesting Service |
| Fur Service: | 20 years of Vesting Service |
| UM 150: | 20 years of Vesting Service |

**Early Retirement Pension:**

The normal retirement benefit, reduced for commencement prior to normal retirement age as follows:

| | |
|---|---|
| Local 1: | 6.67% per year |
| Local 121: | 6.00% per year |
| Fish Funds: | 6.00% per year, unreduced if 30 years of Credited Service |
| Fur Service: | 6.00% per year |
| UM 150: | 6.00% per year |



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# SUMMARY OF PRINCIPAL PLAN PROVISIONS

**(continued)**

**Disability Eligibility:**

At the time of disability, the participant must satisfy the following service requirement:

| | |
|---|---|
| Local 1: | 15 years of Credited Service |
| Local 121: | 20 years of Credited Service |
| Fish Funds: | 10 years of Vesting Service |
| Fur Service: | 15 years of Vesting Service |
| UM 150: | 15 years of Vesting Service |

The disability benefit is not available after December 31, 2013.

**Disability Pension:**

The normal retirement benefit accrued as of the date of disability, payable immediately.

**Vesting:**

A participant is 100% vested in his or her benefit upon attainment of five years of Vesting Service.

**Vested Benefit:**

Accrued benefit payable at Normal Retirement, or reduced upon attainment of Early Retirement eligibility.

**Pre-Retirement Spouse's Benefit:**

If a vested participant or vested former participant dies before his pension begins, his surviving spouse will be entitled to a lifetime pension. The amount of such pension will be 50% of the benefit the participant would have received if the participant had retired the day before he or she died and elected the joint and survivor option. If the employee died prior to eligibility for an early retirement pension, the spouse's benefit is deferred to the date the participant would have attained his or her earliest retirement age.

If an active vested Smoked Fish participant dies and is not eligible for the above spousal annuity, his beneficiary will receive a lump sum death benefit equal to $100 times his or her years of Credited Service, up to a maximum of $1,000.

The pre-retirement lump sum benefit is not available after December 31, 2013.

# SUMMARY OF PRINCIPAL PLAN PROVISIONS

**(continued)**

**Post-Retirement Spouse's Benefit:**

A lump sum of $1,500 is payable to the beneficiary of Local 1 participants. This benefit is not available after December 31, 2013.

The beneficiary of a Smoked Fish retiree who dies and did not elect joint and survivor coverage will receive a lump sum death benefit equal to $100 times the years of Credited Service, up to a maximum of $1,000. This benefit is not available after December 31, 2013. This amount is reduced based on the number of pension payments received according to the following schedule:

| Number of Payments | Reduction in Lump Sum |
|---|---|
| under 11 | 0% |
| 11 | 10% |
| 12 to 23 | 20% |
| 24 to 35 | 30% |
| 36 to 47 | 40% |
| over 47 | 50% |

If married, pension benefits are paid in the form of a joint and survivor annuity unless this form is rejected by the participant and spouse. If not rejected, the benefit amount otherwise payable is reduced to reflect the joint and survivor coverage. If rejected, or if not married, benefits are payable for the life of the employee, or in any other available optional form elected by the participant in an actuarially equivalent amount.

**Optional Forms of Benefit:**

The following forms of benefit are available under the Plan:

Life Annuity
50% Qualified Joint and Survivor
75% Qualified Optional Joint and Survivor

**Changes in Plan Provisions Since Prior Valuation:**

None.



CBIZ Retirement Plan Services

# Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund

# ACTUARIAL VALUATION AFTER MASS WITHDRAWAL AS OF DECEMBER 31, 2017

*Prepared by:*




*1845 Walnut Street*
*Philadelphia, PA 19103-4755*
*(215) 587-0700*

*October, 2018*

CBIZ Retirement Plan Services
CBIZ Benefits & Insurance Services, Inc.
1845 Walnut Street, 14th Floor
Philadelphia, PA 19103
Ph: 844.672.8489 ▪ F: 215.563.9943
www.cbiz.com/retirement

October 25, 2018

Board of Trustees
Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund
166 E. Jericho Turnpike
Mineola, NY 11501-2098

Dear Trustees:

This report presents the results of the actuarial valuation of the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1, Joint Retirement Fund following the mass withdrawal as of December 31, 2013. The primary purposes of the valuation are to review the experience with respect to the mass withdrawal through December 31, 2017 and perform the annual insolvency determination required by regulation.

The basic employee data used in the report was provided by the UFCW Local 342 Fund Office and the draft audited financial statements were prepared by Novak Francella, LLC. We did not audit this data, but we have reviewed it for reasonableness and consistency with prior years. To the best of our knowledge, all plan participants on December 31, 2017, and all plan provisions in effect on that day have been reflected in the valuation. In our opinion, all calculations and procedures are in conformity with generally accepted actuarial principles and practices; and the results presented comply with the requirement of the Internal Revenue Code, ERISA, or Statements of Financial Accounting Standards, as applicable.

There were no events after the measurement date and before the date of communication which necessitated adjustments to the actuarial findings. There are no significant benefits that are excluded from the valuation.

The actuary whose signature appears below meets the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States and is qualified to render the actuarial opinion contained herein. CBIZ Retirement Plan Services' ("CBIZ RPS") relationship with the Plan and Plan Sponsor is strictly professional. There are no aspects of the relationship that may impair or appear to impair the objectivity of our work.

We will be pleased to review this report with you at your convenience.

Respectfully submitted:
CBIZ RPS



David B. Reid
Fellow of the Conference of Consulting Actuaries
Enrolled Actuary No. 17-06971

CBIZ Retirement Plan Services is a trade name under which certain subsidiaries of CBIZ, Inc. market investment advisory, third party administration, actuarial and other corporate retirement plan services.

## Section 1 - Summary and Introduction


| | | |
|---|---|---|
| Exhibit A-1 | Introduction | 1 |
| Exhibit A-2 | Calculation of Unfunded Vested Liability | 2 |
| Exhibit A-3 | Employers Withdrawal Liability Payments as Fund Asset | 4 |
| Exhibit A-4 | Unfunded Vested Benefit Liability | 5 |
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## Section 2 - Test for Insolvency


| | | |
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| Exhibit B-1 | Test for Insolvency | 7 |


## Section 3 - Plan Assets


| | | |
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| Exhibit C-1 | Summary of Asset Values and Rates of Return | 8 |
| Exhibit C-2 | Statement of Assets as of December 31, 2017 | 9 |
| Exhibit C-3 | Reconciliation of Market Value of Assets | 10 |


## Section 4 - Participant Data


| | | |
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| Exhibit D-1 | Reconciliation of Participant Data | 11 |
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| Exhibit D-3 | Participants in Pay Status as of December 31, 2017 | 13 |


## Section 5 - Appendices


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| Appendix 2 | Summary of Principal Plan Provisions | 15 |

# INTRODUCTION

The plan terminated due to mass withdrawal of the contributing employers during the plan year beginning January 1, 2013. Under the law, the "mass withdrawal valuation date" is defined as the last day of that plan year, December 31, 2013. An annual valuation of the Plan is required beginning on the mass withdrawal date and each anniversary thereafter.

For each valuation, the Plan's benefit liability for non-forfeitable benefits is calculated and compared to Plan assets. Plan assets consist of assets held as of the valuation date plus the value of future withdrawal liability payments expected to be received. If Plan assets exceed the benefit liability, then the Plan may ultimately be able to fulfill all benefit obligations through the purchase of an insured annuity arrangement, once all withdrawal liability payments have been received. If Plan assets are less than the benefit liability, then the Plan has an unfunded vested liability and, without favorable investment and/or liability experience, the Plan may become insolvent (unable to pay benefits due) at some point in the future. Financial assistance from the Pension Benefit Guaranty Corporation (PBGC) is available for insolvent plans, but limitations may apply.

Based on the participant data as of December 31, 2017, the non-forfeitable benefits accrued as of the mass withdrawal date, and the actuarial methods and assumptions as described in the statute and summarized in Appendix 1, we have calculated the unfunded vested liability as of December 31, 2017 to be $49,469,542. This is based on a present value of vested benefits of $77,358,270 and a market value of assets including the present value of future withdrawal liability payments expected to be received of $27,888,728.

The magnitude of the current unfunded liability suggests that the Plan is likely to become insolvent at some point in the future. Exactly when that occurs will depend on the rate of return on invested assets and the amount of withdrawal liability payments actually received. If all the future experience follows the assumptions and expectations exactly, the Plan will become insolvent in the plan year beginning January 1, 2020.

# CALCULATION OF UNFUNDED VESTED LIABILITY

## Participant Data

The participant census as of December 31, 2017 includes 1,949 participants not yet in pay status but eligible for future benefits (includes participants who were actively working as of December 31, 2017). Last year, the Plan had 2,026 vested participants (including actively employed participants) not yet in pay status. Of those participants, 69 elected to begin receiving benefits.

Exhibit D-3 provides a summary of 2,330 participants who were in pay status as of December 31, 2017, showing the number and average age and benefit statistics broken down by gender and form of benefit. Last year, 2,360 participants were in pay status. Of those participants, 109 died (15 with survivor benefits continuing to a spouse). Exhibit D-2 provides a breakdown of annual benefits for all participants based on age as of the valuation date.

## Financial Information

The draft audited financial statements show the market value of assets as of December 31, 2017 at $15,190,375. The Fund received $498,711 in withdrawal liability payments from employers and paid $5,531,695 in benefits to participants and administrative expenses. Investment income, net of investment expenses, amounted to $497,371 which produced a rate of return of 3.01% for the year.

## Quarterly Withdrawal Liability Payment Schedules

Exhibit A-3 is a summary of the outstanding quarterly withdrawal liability payment schedules for each employer. The schedules have been adjusted where applicable

Redetermination Liability - Liability resulting from previous application of a deduction based upon a *de minimis* amount or application of the 20-year limitation on the payment schedule, and

Reallocation Liability - The unfunded vested liability as of the mass withdrawal date, December 31, 2013, allocated to employers deemed viable as of the reallocation record date, December 31, 2014 as chosen by the Trustees.

The present value of the withdrawal liability payments expected to be received in Exhibit A-3 as of December 31, 2017 is $12,698,353. This amount is considered as Plan assets in the calculation of the unfunded vested liability.

# CALCULATION OF UNFUNDED VESTED LIABILITY

**(continued)**

## Value of Non-Forfeitable Vested Benefits

The benefits payable to Plan participants have been valued in accordance with regulations and the required assumptions specified therein (see Appendix 1). The results are presented in Item 1 of Exhibit A-4. As shown, with an allowance for the required expense loading, it is estimated that $77,358,270 in assets would have been required to settle the Plan's obligations in full as of December 31, 2017.

## Unfunded Vested Benefit Liability

The value of non-forfeitable vested benefits continues to exceed the total of assets on hand and the value of future withdrawal liability payments. As of December 31, 2017, the unfunded vested benefit liability is $49,469,542 (this includes the present value of future withdrawal liability payments expected to be received of $12,698,353).

# EMPLOYERS WITHDRAWAL LIABILITY PAYMENTS AS FUND ASSET

The remaining quarterly payment schedules as of December 31, 2017 are as follows:

| Employer | Mass Withdrawal Liability | Quarterly Payment | Payment Period in Years | Date of Last Payment | Payment Status |
|---|---|---|---|---|---|
| ACME Smoked Fish | $ 13,012,446 | $ 67,997.48 | Infinite | 07/23/18 | Current with payments |
| AMSCOR, Inc. | $ 270,056 | $ 327.08 | Infinite | N/A | In default |
| Avenue J Fish Market | $ 342,846 | $ 1,050.00 | Infinite | N/A | In default |
| B & Z Steel Equipment Co. | $ 260,673 | $ 367.50 | Infinite | 07/05/18 | Current with payments |
| Central Fur Storage Co. | $ 6,952,655 | $ 1,391.85 | Infinite | 10/04/17 | In default |
| Crossbay Sea Shell | $ 688,511 | $ 3,552.53 | Infinite | N/A | In default |
| European Finishing Equipment Corp. | $ 53,340 | $ 308.00 | Infinite | 08/31/18 | Current with payments |
| Jesse J. Heap & Sons, Inc. | $ 554,813 | $ 283.98 | Infinite | 12/12/12 | Paid through December 2017; In default |
| Key Handling Systems, Inc. | $ 4,702,329 | $ 2,443.33 | Infinite | N/A | In default |
| New York Sewing Machine | $ 752,386 | $ 1,365.00 | Infinite | N/A | In default |
| Randall Leather Machinery Corp. | $ 31,376 | $ 1,371.25 | 27.20 | N/A | In default |
| Scheman & Grant | $ 72,286 | $ 1,369.00 | 26.75 | 08/16/18 | Current with payments |
| Sea Tide Fish & Lobster | $ 72,973 | $ 2,713.00 | 34.03 | N/A | In default |
| Service Smoked Fish | $ 1,017,505 | $ 7,641.35 | Infinite | 10/21/15 | In default |
| Sibeau Handbag, Inc. | $ 524,142 | $ 6.70 | Infinite | 09/17/18 | Current with payments |
| Superior Repairs Center | $ 1,214,179 | $ 11.33 | Infinite | N/A | In default |
| Tony's Fish & Seafood | $ 2,696,667 | $ 8,154.98 | Infinite | 07/16/18 | Current with payments |
| Wire & Cable Fabrication | $ 63,497 | $ 358.33 | Infinite | 08/20/18 | Current with payments |



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# UNFUNDED VESTED BENEFIT LIABILITY

The unfunded vested benefit liability as of December 31, 2017 is the amount used in the determination of withdrawal liability under the Multiemployer Pension Plan Amendments Act of 1980. The vested benefit liability was calculated using the PBGC interest rates and mortality assumptions as required for a mass withdrawal.

The calculation of the unfunded vested benefit liability is shown below:

| UNFUNDED VESTED BENEFIT LIABILITY ON DECEMBER 31, 2017 | | |
|---|---|---|
| 1. Vested Benefit Liability* | | |
| a. For retired participants and beneficiaries in pay status | $ | 41,759,707 |
| b. Active participants | $ | 0 |
| c. Vested Terminated | $ | 34,365,286 |
| d. Expense Liability | $ | 1,233,277 |
| e. Total | $ | 77,358,270 |
| 2. Market Value of Assets (including withdrawal payments) | $ | 27,888,728 |
| 3. Unfunded / (Overfunded) Vested Benefit Liability | $ | 49,469,542 |

* The interest rates prescribed by the PBGC for the month of December, 2017 are 2.34% for the first 20 years following the valuation date and 2.63% thereafter.

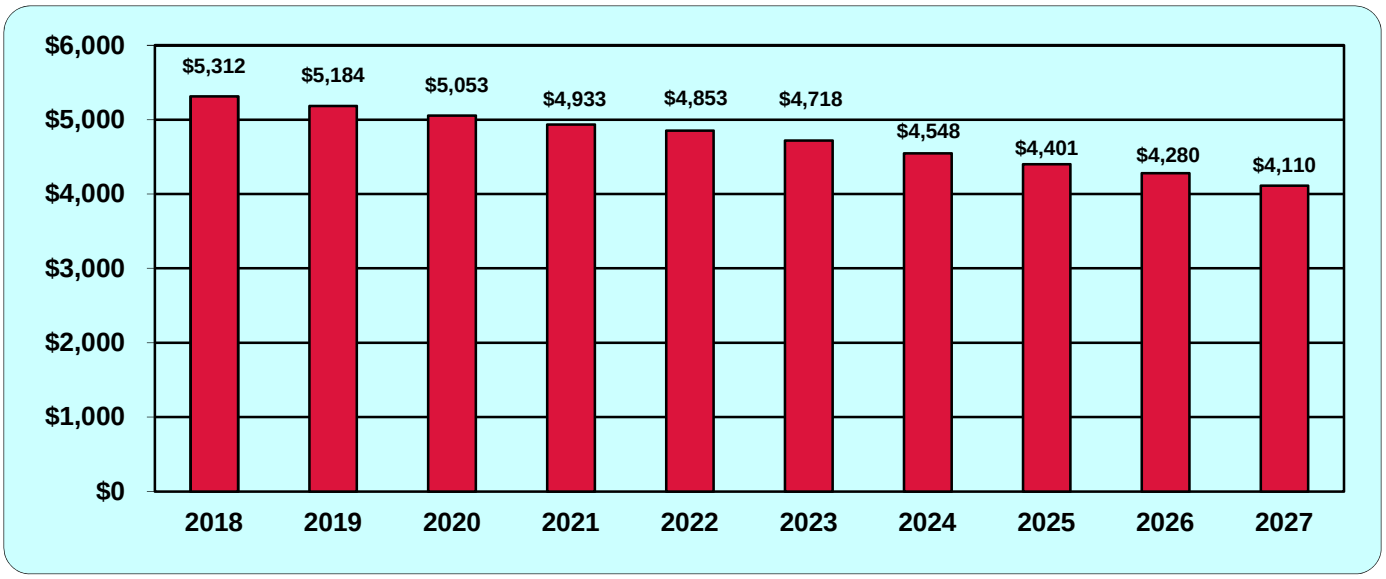


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# PROJECTED BENEFIT PAYMENTS AND CASH FLOW

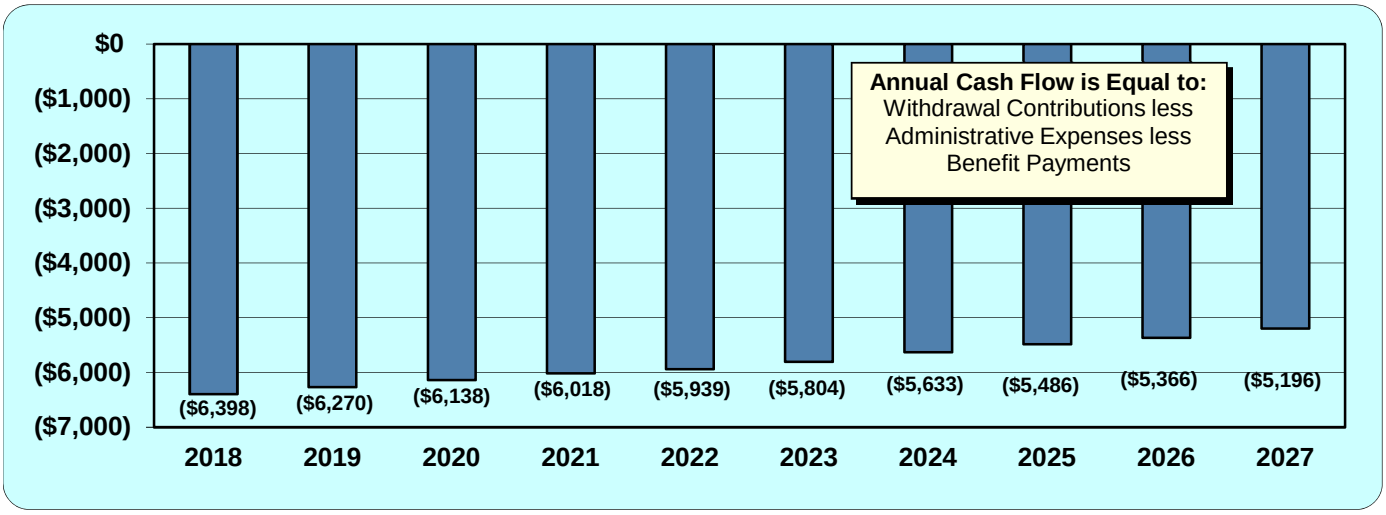
The following graph illustrates the expected benefit payments over the next ten years for participants who are in the plan as of December 31, 2017. This information should assist the plan's investment advisors in determining the liquidity requirements that the plan will face in the near term.

**Expected Benefit Payments (in thousands)**




**Note:** The benefit disbursements are calculated based on the assumptions used in the valuation.

**Projected Cash Flow (in thousands)**




**Comment:** Mathematically, if two portfolios have the same average rate of return, the portfolio with less period-to-period volatility will have a greater compound rate of return. The larger a plan's negative cash flow, the more susceptible its time-weighted, compound investment return will be to volatility.



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# TEST FOR INSOLVENCY

Because the value of nonforfeitable benefits exceeds the value of Plan assets, ERISA Regulation 4041A.24(b)(2) requries periodic determinations of plan solvency in accordance with ERISA Regulation 4041A.25. Following the regulation, the determination must be made by May 30, 2018 for the plan year beginning January 1, 2019.

With the market value of assets as of December 31, 2017 at $15,190,375 and expected benefit payments less administrative expenses plus withdrawal contributions during the plan years beginning January 1, 2018 and January 1, 2019 projected at $6,397,740 and $6,270,132, respectively, the Plan is not expected to be insolvent for the Plan year beginning January 1, 2019.

## Benefit Cash Flow / Projected Insolvency

Exhibit A-5 presents the projection of benefit payments in each future year. Assumptions are made to project that:

1. Plan expenses will be $1,400,000 for the plan year ending December 31, 2018, and all future years,

2. Future withdrawal liability payments for employers current with their payments are received in full and on a timely basis, and

3. Future market rates of return equal the current assumption of 6.00%.

Based on the above assumptions, the Plan is projected to become insolvent during the Plan Year beginning January 1, 2020.

# SUMMARY OF ASSET VALUES AND RATES OF RETURN

## *A. Summary of Asset Values*

| | | | |
|---|---|---|---|
| 1. | Fair Value of Assets | $ | 15,293,897 |
| 2. | Amounts Receivable | | 111,011 |
| 3. | Amounts Payable | | 214,533 |
| 4. | Market Value of Assets: (1) + (2) - (3) | $ | 15,190,375 |
| 5. | Actuarial Value of Assets | $ | 15,190,375 |

## *B. Rate of Return*

| | | | Market Value |
|---|---|---|---|
| 1. | Plan assets as of January 1, 2017 | $ | 18,393,268 |
| 2. | Employer contributions[1] | | 498,711 |
| 3. | Benefit payments made | | (4,198,975) |
| 4. | Expenses paid from the trust | | (1,332,720) |
| 5. | Investment return, net of expenses | | 1,830,091 |
| 6. | Plan assets as of January 1, 2018: (1) + (2) + (3) + (4) + (5) | $ | 15,190,375 |
| 7. | Approximate rate of return (net of investment expenses) on average invested assets | | |
| | a. Average invested assets[2] | $ | 15,876,776 |
| | b. Rate of return: (5) ÷ (7a) | | 11.53% |
| 8. | Approximate rate of return (net of total expenses) on average invested assets | | |
| | a. Average invested assets[3] | $ | 16,543,136 |
| | b. Rate of return: [(5) + (4)] ÷ (8a) | | 3.01% |

1. Including withdrawal payments
2. Determined using the Schedule MB (Form 5500) methodology: [Item 1 + Item 2÷2 + Item 3÷2 + Item 4÷2]
3. Determined using the Schedule MB (Form 5500) methodology: [Item 1 + Item 2÷2 + Item 3÷2]



CBIZ Retirement Plan Services

# STATEMENT OF ASSETS AS OF DECEMBER 31, 2017

| | | | | |
|---|---|---|---|---|
| 1. | Total noninterest-bearing cash | | | $ 328,030 |
| 2. | Receivables | | | |
| | a. Employer contributions | $ 0 | | |
| | b. Other | 111,011 | | |
| | c. Total: (a) + (b) | | | $ 111,011 |
| 3. | General Investments | | | |
| | a. Interest-bearing cash | $ 0 | | |
| | b. U.S. Government securities | 0 | | |
| | c. Corporate debt instruments | 0 | | |
| | d. Corporate stocks | 0 | | |
| | e. Real estate | 0 | | |
| | f. Partnership/Joint venture interests | 2,158,941 | | |
| | g. Value of interest in common/collective trusts | 10,676,124 | | |
| | h. Value of interest in pooled separate accounts | 2,090,582 | | |
| | i. Value of interest in master trusts | 0 | | |
| | j. Value of interest in 103-12 investment entities | 0 | | |
| | k. Value of interest in registered investment companies | 0 | | |
| | l. Value of funds held in insurance company general account | 0 | | |
| | m. Other | 40,220 | | |
| | n. Total: [add (a) through (l)] | | | $ 14,965,867 |
| 4. | Employer-related investments (Securities and Real Property) | | | $ 0 |
| 5. | Buildings and other property used in plan operation | | | $ 0 |
| 6. | Total assets: (1) + (2c) + (3m) + (4) + (5) | | | $ 15,404,908 |
| 7. | Liabilities | | | |
| | a. Benefits claims payable | $ 0 | | |
| | b. Other payables and/or liabilities | 214,533 | | |
| | c. Total liabilities: (a) + (b) | | | $ 214,533 |
| 8. | Net Assets: (6) - (7c) | | | $ 15,190,375 |



CBIZ Retirement Plan Services

# RECONCILIATION OF MARKET VALUE OF ASSETS

| | | | | | |
|---|---|---|---|---|---|
| 1. | Market Value of Assets as of January 1, 2017 | | | | $ 18,393,268 |
| 2. | Contributions | | | | |
| | a. Employer | | $ 498,711 | | |
| | b. Other | | 0 | | |
| | c. Total contributions: (a) + (b) | | | | $ 498,711 |
| 3. | Earnings on investments | | | | |
| | a. Interest | | | | |
| | (i) Interest-bearing cash | $ 68 | | | |
| | (ii) U.S. Government securities | 0 | | | |
| | (iii) Corporate debt instruments | 0 | | | |
| | (iv) Other interest | 0 | | | |
| | (v) Total interest: [add (i) through (iv)] | | $ 68 | | |
| | b. Stock dividends | | 0 | | |
| | c. Net gain (loss) on sale of assets | | 0 | | |
| | d. Unrealized appreciation (depreciation) of assets | | 0 | | |
| | e. Net investment gain (loss) from common/collective trusts | | 1,499,603 | | |
| | f. Net investment gain (loss) from pooled separate accounts | | 0 | | |
| | g. Net investment gain (loss) from master trusts | | 0 | | |
| | h. Net investment gain (loss) from 103-12 investment entities | | 0 | | |
| | i. Net investment gain (loss) from registered investment companies | | 0 | | |
| | j. Total earnings: [add (av) through (i)] | | | | $ 1,499,671 |
| 4. | Other income | | | | $ 368,602 |
| 5. | Benefit payment and payment to provide benefits | | | | |
| | a. Directly to participants or beneficiaries | | $ 4,198,975 | | |
| | b. To insurance carriers for the provision of benefits | | 0 | | |
| | c. Total payments: (a) + (b) | | | | $ 4,198,975 |
| 6. | Interest expense | | | | $ 0 |
| 7. | Administrative expenses | | | | |
| | a. Professional fees | | $ 133,762 | | |
| | b. Third party administration fees | | 298,147 | | |
| | c. Investment advisory and management fees | | 38,182 | | |
| | d. Other | | 900,811 | | |
| | e. Total administrative expenses: [add (a) through (d)] | | | | $ 1,370,902 |
| 8. | Transfers to (from) the plan | | | | $ 0 |
| 9. | Net assets at end of year: (1) + (2c) + (3j) + (4) - (5c) - (6) - (7e) + (8) | | | | $ 15,190,375 |



CBIZ Retirement Plan Services

# RECONCILIATION OF PARTICIPANT DATA

| | | Actives | Pensioners & Beneficiaries | Deferred Vested Participants | Total |
|---|---|---|---|---|---|
| 1. | Participants in Prior Valuation | 0 | 2,360 | 2,026 | 4,386 |
| 2. | Change During Year | | | | |
| a. | retirements | 0 | 69 | (69) | 0 |
| b. | deaths with beneficiary | 0 | (15) | (3) | (18) |
| c. | deaths without beneficiary | 0 | (94) | (2) | (96) |
| d. | new beneficiaries | 0 | 15 | 3 | 18 |
| e. | QDRO | 0 | 0 | 0 | 0 |
| f. | lump sum payments | 0 | 0 | 0 | 0 |
| g. | end of certain period | 0 | 0 | 0 | 0 |
| h. | data corrections | 0 | (5) | (6) | (11) |
| i. | total increase | 0 | (30) | (77) | (107) |
| 3. | Participants in Current Valuation | 0 | 2,330 | 1,949 | 4,279 |



CBIZ Retirement Plan Services

# AGE DISTRIBUTION OF INACTIVE PARTICIPANTS

| Age Last Birthday | Normal, Early, and Deferred Vested Retirements* | | Terminated Participants & Beneficiaries with Rights to Future Benefits ** | | Total | |
|---|---|---|---|---|---|---|
| | Number | Annual Benefit | Number | Annual Benefit | Number | Annual Benefit |
| Under 45 | 0 | $ 0 | 91 | $ 72,812 | 91 | $ 72,812 |
| 45-49 | 0 | 0 | 139 | 152,842 | 139 | 152,842 |
| 50-54 | 4 | 5,699 | 268 | 363,560 | 272 | 369,259 |
| 55-59 | 6 | 6,606 | 306 | 496,537 | 312 | 503,143 |
| 60-64 | 35 | 70,012 | 432 | 659,263 | 467 | 729,275 |
| 65-69 | 298 | 591,816 | 266 | 340,618 | 564 | 932,434 |
| 70-74 | 472 | 828,991 | 188 | 211,892 | 660 | 1,040,883 |
| 75-79 | 496 | 994,037 | 186 | 189,363 | 682 | 1,183,400 |
| 80 & Over | 1,019 | 1,734,595 | 73 | 93,619 | 1,092 | 1,828,214 |
| Total | 2,330 | $ 4,231,756 | 1,949 | $ 2,580,506 | 4,279 | $ 6,812,262 |
| Average age ..... | 79.13 | | 62.25 | | | |
| Average annual benefit ..... | $1,816 | | $1,324 | | | |

* Including surviving spouses in pay status.

** Including surviving spouses eligible for future payment.



CBIZ Retirement Plan Services

# PARTICIPANTS IN PAY STATUS AS OF DECEMBER 31, 2017

| Retirees | Count | Avg. Age | Avg. Annual Benefits |
|---|---|---|---|
| Males | | | |
| Single Life | 719 | 78.62 | $ 2,353.45 |
| J&S | 324 | 76.19 | $ 2,345.52 |
| Females | | | |
| Single Life | 1,202 | 80.60 | $ 1,385.63 |
| J&S | 85 | 72.96 | $ 1,343.02 |

# ACTUARIAL ASSUMPTIONS AND METHODS

**Interest Rates:**

**PBGC rates for December, 2017:** 2.34% per annum for the first 20 years following the date of valuation, 2.63% per annum thereafter.

**Mortality:**

**PBGC Mortality:** Mortality as prescribed by Appendix A of PBGC regulation 4044.

**Assumed Retirement Age:** Earliest possible retirement age.

**Marital Status:** 75% of the non-retired participants were assumed to be married with wives assumed to be 3 years younger than husbands.

**Actuarial Value of Assets:** Market Value for assets held in trust. The present value of future withdrawal liability payments expected to be received was calculated using the PBGC's interest rates for December, 2017 as listed above.

**Expenses:** Expenses are assumed to be $1,400,000 per year.

**Actuarial Valuation Method:** Unit Credit Cost Method.

**Changes since the Prior Valuation:** All assumptions were updated to comply with PBGC prescribed assumptions for the December 2017 valuation date.

Expenses were $1,400,000 in 2017 compared to $1,300,000 in 2016.

**Rationale for Selection of Significant Actuarial Assumptions:** All significant assumptions are prescribed by law.



CBIZ Retirement Plan Services

# SUMMARY OF PRINCIPAL PLAN PROVISIONS

**Effective Date:**

September 15, 1953. The plan has been amended from time to time with the most recent restatement as of January 1, 2009. Effective December 31, 2006, the Fish and Seafood Workers Local 635 Retirement Plan ("Fresh Fish") and the Smoked Seafood Workers Local 635 Retirement Plan ("Smoked Fish") were merged into the Plan. Effective December 31, 2008, the Fur Service Employees' Pension Plan and the United Mechanics 150 Pension Fund were merged into the Plan.

**Eligibility:**

For Local 1, Local 121, Fresh Fish, and Smoked Fish participants, eligibility begins on the earliest January 1 or July 1 following completion of a 12-consecutive month period during which the employee worked at least: (i) 87 days in Covered Employment, if a Local 1 participant; (ii) 5 months in Covered Employment, if a Local 121 participant; (iii) 10 weeks in Covered Employment, if a Fresh Fish participant, or; (iv) 2 months in Covered Employment, if a Smoked Fish participant.

For Fur Service and United Mechanics 150 participants, eligibility begins immediately.

**Credited Service:**

For Local 1 participant employment after January 1, 1955:

| Calendar Year Employment | Quarter Years of Credit |
|---|---|
| Less than 40 days | 0 |
| 40 but less than 80 days | 1 |
| 80 but less than 120 days | 2 |
| 120 but less than 160 days | 3 |
| 160 or more days | 4 |

Effective January 1, 2002, Local 1 participants cease accruing Credited Service as of the date their employers cease contributions to this plan.

For Local 121 participants: One-twelfth (1/12) of a year of credited service for each month of work for which employer contributions are made.

For Fresh Fish participants: One-quarter (1/4) of a year of credited service for each 400 hours of pension service in a year, up to a maximum of one year of service.



CBIZ Retirement Plan Services

# SUMMARY OF PRINCIPAL PLAN PROVISIONS

**(continued)**

**Credited Service (continued):**

For Smoked Fish participants: One-quarter (1/4) of a year of credited service for each 400 hours of pension service in a year, up to a maximum of one year of service.

For Fur Service participants: 1,000 hours = 1 Year of Service.

For United Mechanics 150 participants: 1,000 hours = 1 Year of Service.

No Credited Service is earned after December 31, 2013.

**Vesting Service:**

One year of vesting service for each credited year during the contribution period in which the employee works 87 days (Local 1) or five months (Local 121).

After 1975, for Fish Fund participants, one year of vesting service for each plan year during the contribution period in which the employee works 1,000 hours. Fish Fund participants may receive partial years of vesting service (a quarter of a year per 250 hours worked).

For Fur Service participants, 1,000 hours equals 1 Year of Vesting Service.

For United Mechanics 150 participants, 1,000 hours equals 1 Year of Vesting Service.

No Vesting Service is earned after December 31, 2013.

**Normal Retirement Eligibility:**

The later of age 65 and the completion of five years of participation in the plan.

# SUMMARY OF PRINCIPAL PLAN PROVISIONS
**(continued)**

**Normal Retirement Pension:** Monthly benefit for life equal to the applicable benefit level, as indicated below:

| | |
|---|---|
| Local 1: | $8.50 multiplied by years of Credited Service |
| Local 121: | $6.50 multiplied by years of Credited Service up to 20 years |
| Fresh Fish: | $20.00 multiplied by years of Credited Service |
| Smoked Fish: | $23.33 multiplied by years of Credited Service |
| Fur Service: | $24.20 multiplied by years of Credited Service |
| UM 150: | $13.28 multiplied by years of Credited Service prior to 1993 plus $14.55 multiplied by years of Credited Service after 1992 |

**Early Retirement Eligibility:** Attainment of age 62 and

| | |
|---|---|
| Local 1: | 15 years of Credited Service |
| Local 121: | 20 years of Credited Service |
| Fish Funds: | 10 years of Vesting Service |
| Fur Service: | 20 years of Vesting Service |
| UM 150: | 20 years of Vesting Service |

**Early Retirement Pension:** The normal retirement benefit, reduced for commencement prior to normal retirement age as follows:

| | |
|---|---|
| Local 1: | 6.67% per year |
| Local 121: | 6.00% per year |
| Fish Funds: | 6.00% per year, unreduced if 30 years of Credited Service |
| Fur Service: | 6.00% per year |
| UM 150: | 6.00% per year |



CBIZ Retirement Plan Services

# SUMMARY OF PRINCIPAL PLAN PROVISIONS
**(continued)**

**Disability Eligibility:**

At the time of disability, the participant must satisfy the following service requirement:

| | |
|---|---|
| Local 1: | 15 years of Credited Service |
| Local 121: | 20 years of Credited Service |
| Fish Funds: | 10 years of Vesting Service |
| Fur Service: | 15 years of Vesting Service |
| UM 150: | 15 years of Vesting Service |

The disability benefit is not available after December 31, 2013.

**Disability Pension:**

The normal retirement benefit accrued as of the date of disability, payable immediately.

**Vesting:**

A participant is 100% vested in his or her benefit upon attainment of five years of Vesting Service.

**Vested Benefit:**

Accrued benefit payable at Normal Retirement, or reduced upon attainment of Early Retirement eligibility.

**Pre-Retirement Spouse's Benefit:**

If a vested participant or vested former participant dies before his pension begins, his surviving spouse will be entitled to a lifetime pension. The amount of such pension will be 50% of the benefit the participant would have received if the participant had retired the day before he or she died and elected the joint and survivor option. If the employee died prior to eligibility for an early retirement pension, the spouse's benefit is deferred to the date the participant would have attained his or her earliest retirement age.

If an active vested Smoked Fish participant dies and is not eligible for the above spousal annuity, his beneficiary will receive a lump sum death benefit equal to $100 times his or her years of Credited Service, up to a maximum of $1,000.

The pre-retirement lump sum benefit is not available after December 31, 2013.

# SUMMARY OF PRINCIPAL PLAN PROVISIONS
**(continued)**

**Post-Retirement Spouse's Benefit:**

A lump sum of $1,500 is payable to the beneficiary of Local 1 participants. This benefit is not available after December 31, 2013.

The beneficiary of a Smoked Fish retiree who dies and did not elect joint and survivor coverage will receive a lump sum death benefit equal to $100 times the years of Credited Service, up to a maximum of $1,000. This benefit is not available after December 31, 2013. This amount is reduced based on the number of pension payments received according to the following schedule:

| Number of Payments | Reduction in Lump Sum |
|---|---|
| under 11 | 0% |
| 11 | 10% |
| 12 to 23 | 20% |
| 24 to 35 | 30% |
| 36 to 47 | 40% |
| over 47 | 50% |

If married, pension benefits are paid in the form of a joint and survivor annuity unless this form is rejected by the participant and spouse. If not rejected, the benefit amount otherwise payable is reduced to reflect the joint and survivor coverage. If rejected, or if not married, benefits are payable for the life of the employee, or in any other available optional form elected by the participant in an actuarially equivalent amount.

**Optional Forms of Benefit:**

The following forms of benefit are available under the Plan:

Life Annuity
50% Qualified Joint and Survivor
75% Qualified Optional Joint and Survivor

**Changes in Plan Provisions Since Prior Valuation:**

None.



CBIZ Retirement Plan Services

**Version Updates** v20230727p

| Version | Date updated | |
|---|---|---|
| v20230727p | 07/27/2023 | Updated to highlight explanation needed if contributions and withdrawal liability payments do not match the plan year 5500 amounts. |
| v20220701p | 07/01/2022 | |

**TEMPLATE 3**

**Historical Plan Information**

File name: *Template 3 Plan Name* , where "Plan Name" is an abbreviated version of the plan name. v20230727p

For additional submission due to merger under § 4262.4(f)(1)(ii): *Template 3 Plan Name Merged* , where "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.

Provide historical plan information for the 2010 plan year through the plan year immediately preceding the date the plan's initial application was filed that separately identifies: total contributions, total contribution base units (including identification of the base unit used (i.e., hourly, weekly)), average contribution rates, and number of active participants at the beginning of each plan year. Also show separately for each of the plan years in the same period all other sources of non-investment income, including, if applicable, withdrawal liability payments collected, reciprocity contributions (if applicable), additional contributions from the rehabilitation plan (if any), and other identifiable contribution streams.

If the contributions and withdrawal liabilities shown on this table do not equal the amount shown as credited to the funding standard account on the plan year Schedule MB of Form 5500, include an explanation as a footnote to this table.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Local 1 JRF |
| EIN: | 13-5622665 |
| PN: | 001 |

| | |
|---|---|
| Unit (e.g. hourly, weekly) | monthly |

| | | | | | | All Other Sources of Non-Investment Income | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Plan Year (in order from oldest to most recent) | Plan Year Start Date | Plan Year End Date | Total Contributions*, ** | Total Contribution Base Units | Average Contribution Rate | Reciprocity Contributions (if applicable) | Additional Rehab Plan Contributions (if applicable) | Other - Explain if Applicable | Withdrawal Liability Payments Collected** | Number of Active Participants at Beginning of Plan Year |
| 2010 | 01/01/2010 | 12/31/2010 | $266,275 | 1,117 | $238.37 | | | | $79,905.00 | 201 |
| 2011 | 01/01/2011 | 12/31/2011 | $254,244 | 1,093 | $232.61 | | | | $31,257.00 | 183 |
| 2012 | 01/01/2012 | 12/31/2012 | $232,114 | 969 | $239.45 | | | | $15,729.00 | 171 |
| 2013 | 01/01/2013 | 12/31/2013 | $220,110 | 959 | $229.48 | | | | $8,494.00 | 164 |
| 2014 | 01/01/2014 | 12/31/2014 | $0 | | | | | | $219,663.00 | - |
| 2015 | 01/01/2015 | 12/31/2015 | $399 | 2 | $229.48 | | | | $365,470.00 | |
| 2016 | 01/01/2016 | 12/31/2016 | | | | | | | $351,636.00 | |
| 2017 | 01/01/2017 | 12/31/2017 | | | | | | | $498,711.00 | |
| 2018 | 01/01/2018 | 12/31/2018 | | | | | | | $322,770.00 | |
| 2019 | 01/01/2019 | 12/31/2019 | | | | | | | $385,470.00 | |
| 2020 | 01/01/2020 | 12/31/2020 | | | | | | | $3,995,343.00 | |
| 2021 | 01/01/2021 | 12/31/2021 | | | | | | | $46,948.00 | |
| 2022 | 01/01/2022 | 12/31/2022 | | | | | | | $57,630.00 | |
| 2023 | 01/01/2023 | 12/31/2023 | | | | | | | $56,415.00 | |
| 2024 | 01/01/2024 | 12/31/2024 | | | | | | | $54,998.00 | |
| 2025 | 01/01/2025 | 04/30/2025 | | | | | | | $19,712.00 | |

* Total contributions shown here should be contributions based upon CBUs and should not include items separately shown in any columns under "All Other Sources of Non-Investment Income."

** If the contributions and withdrawal liabilities shown on this table do not equal the amounts shown as credited to the funding standard account on the plan year Schedule MB of Form 5500, include an explanation as a footnote to this table.

# TEMPLATE 4A

v20221102p

**SFA Determination - under the "basic method" for all plans, and under the "increasing assets method" for MPRA plans**

File name: *Template 4A Plan Name* , where "Plan Name" is an abbreviated version of the plan name.

If submitting additional information due to a merger under § 4262.4(f)(1)(ii): *Template 4A Plan Name Merged* , where "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.

If submitting additional information due to certain events with limitations under § 4262.4(f)(1)(i): *Template 4A Plan Name Add* , where "Plan Name" is an abbreviated version of the plan name.

If submitting a supplemented application under § 4262.4(g)(6): *Template 4A Supp Plan Name* , where "Plan Name" is an abbreviated version of the plan name.

Instructions for Section C, Item (4) of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:

IFR filers submitting a supplemented application should see Addendum C for more information.

MPRA plans using the "increasing assets method" should see Addendum D for more information.

For all plans, provide information used to determine the amount of SFA under the "basic method" described in § 4262.4(a)(1).

For MPRA plans, also provide information used to determine the amount of SFA under the "increasing assets method" described in § 4262.4(a)(2)(i).

The information to be provided is:

***NOTE: All items below are provided on Sheet '4A-4 SFA Details .4(a)(1)' unless otherwise indicated.***

a. The amount of SFA calculated using the "basic method", determined as a lump sum as of the SFA measurement date.

b. Non-SFA interest rate required under § 4262.4(e)(1) of PBGC's SFA regulation, including supporting details on how it was determined.
*[Sheet: 4A-1 Interest Rates]*

c. SFA interest rate required under § 4262.4(e)(2) of PBGC's SFA regulation, including supporting details on how it was determined.
*[Sheet: 4A-1 Interest Rates]*

d. Fair market value of assets as of the SFA measurement date. This amount should include any assets at the SFA measurement date attributable to financial assistance received by the plan under section 4261 of ERISA, but should not reflect a payable for amounts owed to PBGC for all amounts of such financial assistance received by the plan.

e. For each plan year in the period beginning on the SFA measurement date and ending on the last day of the last plan year ending in 2051 (the "SFA coverage period"):

   i. Separately identify the projected amount of contributions, projected withdrawal liability payments reflecting a reasonable allowance for amounts considered uncollectible, and other payments expected to be made to the plan (excluding the amount of financial assistance under section 4261 of ERISA and SFA to be received by the plan).

   ii. Identify the benefit payments described in § 4262.4(b)(1) (including any benefits that were restored under 26 CFR 1.432(e)(9)-(1)(e)(3) and excluding the payments in e.iii. below), separately for current retirees and beneficiaries, current terminated vested participants not yet in pay status, current active participants, and new entrants.
   *[Sheet: 4A-2 SFA Ben Pmts]*

   Identify total benefit payments paid and expected to be paid from projected SFA assets separately from total benefit payments paid and expected to be paid from non-SFA assets after the projected SFA assets are fully exhausted.

   iii. Separately identify the make-up payments described in § 4262.4(b)(1) attributable to the reinstatement of benefits under § 4262.15 that were previously suspended through the SFA measurement date.
   [Also see applicable examples in Section C, Item (4)e.iii. of the SFA instructions.]

   iv. Separately identify administrative expenses paid and expected to be paid (excluding the amount owed PBGC under section 4261 of ERISA) for premiums to PBGC and for all other administrative expenses.
   *[Sheet: 4A-3 SFA Pcount and Admin Exp]*

   Identify total administrative expenses paid and expected to be paid from projected SFA assets separately from total administrative expenses paid and expected to be paid from non-SFA assets after the projected SFA assets are fully exhausted.

   v. Provide the projected total participant count at the beginning of each year.
   *[Sheet: 4A-3 SFA Pcount and Admin Exp]*

   vi. Provide the projected investment income earned by assets not attributable to SFA based on the non-SFA interest rate in b. above and the projected fair market value of non-SFA assets at the end of each plan year.

   vii. Provide the projected investment income earned by assets attributable to SFA based on the SFA interest rate in c. above (excluding investment returns for the plan year in which the sum of annual projected benefit payments and administrative expenses for the year exceeds the beginning-of-year projected SFA assets) and the projected fair market value of SFA assets at the end of each plan year.

f. The projected SFA exhaustion year. This is the first day of the plan year in which the sum of annual projected benefit payments and administrative expenses for the year exceeds the beginning-of-year projected SFA assets. Note this date is only required for the calculation method under which the requested amount of SFA is determined.

Additional instructions for each individual worksheet:

Sheet

**4A-1 SFA Determination - non-SFA Interest Rate and SFA Interest Rate**

See instructions on 4A-1 Interest Rates.

**4A-2 SFA Determination - Benefit Payments for the "basic method" for all plans, and for the "increasing assets method" for MRPA plans**

*This sheet is not required for an IFR filer submitting a supplemented application under § 4262.4(g)(6) if the total projected benefit payments are the same as those used in the application approved under the interim final rule.*

On this sheet, you will provide:
--Basic plan information (plan name, EIN/PN, SFA measurement date), and
--Year-by-year deterministic projection of benefit payments.

For each plan year in the period beginning on the SFA measurement date and ending on the last day of the last plan year ending in 2051 (the "SFA coverage period"), identify benefit payments described in § 4262.4(b)(1) for current retirees and beneficiaries, current terminated vested participants not yet in pay status, currently active participants, and new entrants. Projected benefit payments should be entered based on current participant status as of the SFA census date. On this Sheet 4A-2, show all benefit payments as positive amounts.

If the plan has suspended benefit payments under sections 305(e)(9) or 4245(a) of ERISA, the benefit payments in this Sheet 4A-2 projection should reflect prospective reinstatement of benefits assuming such reinstatements commence as of the SFA measurement date. If the plan restored or partially restored benefits under 26 CFR 1.432(e)(9)-1(e)(3) before the SFA measurement date, the benefit payments in this Sheet 4A-2 should reflect fully restored prospective benefits.

Make-up payments to be paid to restore previously suspended benefits should not be included in this Sheet 4A-2, and are separately shown in Sheet 4A-4.

Except for the first row in the projection exhibit, each row must include the full plan year of the indicated information up to the plan year ending in 2051. The first row in the projection period is for the period beginning on the SFA measurement date and ending on the last day of the plan year containing the SFA measurement date, so the first row may contain less than a full plan year of information. For all other periods, provide the full plan year of information up to the plan year ending in 2051.

## 4A-3 SFA Determination - Participant Count and Administrative Expenses for the "basic method" for all plans, and for the "increasing assets method" for MPRA plans

*This sheet is not required for an IFR filer submitting a supplemented application under § 4262.4(g)(6).*

On this sheet, you will provide:
--Basic plan information (plan name, EIN/PN, SFA measurement date), and
--Year-by-year deterministic projection of participant count and administrative expenses.

For each plan year in the period beginning on the SFA measurement date and ending on the last day of the last plan year ending in 2051 (the "SFA coverage period"), identify the projected total participant count at the beginning of each year, as well as administrative expenses, separately for premiums to PBGC and for all other administrative expenses. On this Sheet 4A-3, show all administrative expenses as positive amounts. Total expenses should match the amounts shown on 4A-4 and 4A-5.

Any amounts owed to PBGC for financial assistance under section 4261 of ERISA should not be included in this Sheet 4A-3.

Except for the first row in the projection exhibit, each row must include the full plan year of the indicated information up to the plan year ending in 2051. The first row in the projection period is for the period beginning on the SFA measurement date and ending on the last day of the plan year containing the SFA measurement date, so the first row may contain less than a full plan year of information. For all other periods, provide the full plan year of information up to the plan year ending in 2051.

## 4A-4 SFA Determination - Details for the "basic method" under § 4262.4(a)(1) for all plans

On this sheet, you will provide:
--Basic plan information (plan name, EIN/PN, SFA measurement date, non-SFA interest rate, SFA interest rate),
--MPRA plan status and, if applicable, certain MPRA information,
--Fair Market Value of Assets as of the SFA measurement date,
--SFA Amount as of the SFA measurement date calculated under the "basic method",
--Projected SFA exhaustion year (only if the requested amount of SFA is determined under the "basic method"), and
--Year-by-year deterministic projection.

For each plan year in the period beginning on the SFA measurement date and ending on the last day of the last plan year ending in 2051 (the "SFA coverage period"), provide each of the items requested in Columns (1) through (12). Show payments INTO the plan as positive amounts and payments OUT of the plan as negative amounts.

If the plan has suspended benefit payments under sections 305(e)(9) or 4245(a) of ERISA, Column (5) should show the make-up payments to be paid to restore the previously suspended benefits. These amounts should be determined as if such make-up payments are paid beginning as of the SFA measurement date. If the plan sponsor elects to pay these amounts as a lump sum, then the lump sum amount is assumed paid as of the SFA measurement date. If the plan sponsor elects to pay equal installments over 60 months, the first monthly payment is assumed paid on the first regular payment date on or after the SFA measurement date. See the examples in the SFA Instructions. If the make-up payments are paid over 60 months, each row in the projection should reflect the monthly payments for that period. The prospective reinstatement of suspended benefits is included in Column (4); Column (5) is only for make-up payments for past benefits that were suspended.

Except for the first row in the projection exhibit, each row must include the full plan year of the indicated information up to the plan year ending in 2051. The first row in the projection period is for the period beginning on the SFA measurement date and ending on the last day of the plan year containing the SFA measurement date, so the first row may contain less than a full plan year of information. For all other periods, provide the full plan year of information up to the plan year ending in 2051.

## 4A-5 SFA Determination - Details for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans

This sheet is to only be used by MPRA plans. For such plans, this sheet should be completed in addition to Sheet 4A-4.

On this sheet, you will provide:
--Basic plan information (plan name, EIN/PN, SFA measurement date, non-SFA interest rate, SFA interest rate),
--MPRA plan status, and if applicable, certain MPRA information,
--Fair Market Value of Assets as of the SFA measurement date,
--SFA Amount as of the SFA measurement date calculated under the "increasing assets method",
--Projected SFA exhaustion year (only if the requested amount of SFA is determined under the "increasing assets method"), and
--Year-by-year deterministic projection.

This sheet is identical to Sheet 4A-4, and the information in Columns (1) through (6) should be the same as that used in the "basic method" calculation in Sheet 4A-4. The SFA Amount as of the SFA Measurement Date will differ from that calculated in Sheet 4A-4, as it will be calculated in accordance with § 4262.4(a)(2)(i) as the lowest whole dollar amount (not less than $0) for which, as of the last day of each plan year during the SFA coverage period, projected SFA assets and projected non-SFA assets are both greater than or equal to zero, and, as of the last day of the SFA coverage period, the sum of projected SFA assets and projected non-SFA assets is greater than the amount of such sum as of the last day of the immediately preceding plan year.

**Version Updates (newest version at top)**

| Version | Date updated | |
|---|---|---|
| v20221102p | 11/02/2022 | Added clarifying instructions for 4A-2 and 4A-3 |
| v20220802p | 08/02/2022 | Cosmetic changes to increase the size of some rows |
| v20220701p | 07/01/2022 | |

**TEMPLATE 4A - Sheet 4A-1** v20221102p

**SFA Determination - non-SFA Interest Rate and SFA Interest Rate**

Provide the non-SFA interest rate and SFA interest rate used, including supporting details on how they were determined.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Local 1 JRF |
| EIN: | 13-5622665 |
| PN: | 001 |
| Initial Application Date: | 07/09/2025 |
| SFA Measurement Date: | 04/30/2025 |
| Last day of first plan year ending after the measurement date: | 12/31/2025 |

For a plan other than a plan described in § 4262.4(g) (i.e., for a plan that has not filed an initial application under PBGC's interim final rule), the last day of the third calendar month immediately preceding the plan's initial application date.
For a plan described in § 4262.4(g) (i.e., for a plan that filed an initial application prior to publication of the final rule), the last day of the calendar quarter immediately preceding the plan's initial application date.

| | | |
|---|---|---|
| Non-SFA Interest Rate Used: | 7.50% | Rate used in projection of non-SFA assets. |
| SFA Interest Rate Used: | 5.93% | Rate used in projection of SFA assets. |

**Development of non-SFA interest rate and SFA interest rate:**

| | | |
|---|---|---|
| Plan Interest Rate: | 7.50% | Interest rate used for the funding standard account projections in the plan's most recently completed certification of plan status before 1/1/2021. |

| | Month Year | Corresponding ERISA Section 303(h)(2)(C)(i), (ii), and (iii) rates disregarding modifications made under clause (iv) of such section. (i) | (ii) | (iii) |
|---|---|---|---|---|
| Month in which plan's initial application is filed, and corresponding segment rates (leave (i), (ii), and (iii) blank if the IRS Notice for this month has not yet been issued): | July 2025 | | | |
| 1 month preceding month in which plan's initial application is filed, and corresponding segment rates: | June 2025 | 4.94% | 5.35% | 5.58% |
| 2 months preceding month in which plan's initial application is filed, and corresponding segment rates: | May 2025 | 4.95% | 5.33% | 5.55% |
| 3 months preceding month in which plan's initial application is filed, and corresponding segment rates: | April 2025 | 4.97% | 5.31% | 5.51% |

24-month average segment rates without regard to interest rate stabilization rules. These rates are issued by IRS each month. For example, the applicable segment rates for August 2021 are 1.13%, 2.70%, and 3.38%. Those rates were issued in IRS Notice 21-50 on August 16, 2021 (see page 2 of notice under the heading "24-Month Average Segment Rates Without 25-Year Average Adjustment").

They are also available on IRS' Funding Yield Curve Segment Rate Tables web page (See Funding Table 3 under the heading "24-Month Average Segment Rates Not Adjusted").

| | | |
|---|---|---|
| Non-SFA Interest Rate Limit *(lowest 3rd segment rate plus 200 basis points)* : | 7.51% | This amount is calculated based on the other information entered above. |
| Non-SFA Interest Rate Calculation *(lesser of Plan Interest Rate and Non-SFA Interest Rate Limit)*: | 7.50% | This amount is calculated based on the other information entered above. |
| Non-SFA Interest Rate Match Check: | Match | If the non-SFA Interest Rate Calculation is not equal to the non-SFA Interest Rate Used, provide explanation below. |
| | | |

| | | |
|---|---|---|
| SFA Interest Rate Limit (*lowest average of the 3 segment rates plus 67 basis points* ): | 5.93% | This amount is calculated based on the other information entered. |
| SFA Interest Rate Calculation (*lesser of Plan Interest Rate and SFA Interest Rate Limit* ): | 5.93% | This amount is calculated based on the other information entered above. |
| SFA Interest Rate Match Check: | Match | If the SFA Interest Rate Calculation is not equal to the SFA Interest Rate Used, provide explanation below. |
| | | |

## TEMPLATE 4A - Sheet 4A-2

v20221102p

**SFA Determination - Benefit Payments for the "basic method" for all plans, and for the "increasing assets method" for MRPA plans**

See Template 4A Instructions for Additional Instructions for Sheet 4A-2.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Local 1 JRF |
| EIN: | 13-5622665 |
| PN: | 001 |
| SFA Measurement Date: | 04/30/2025 |

On this Sheet, show all benefit payment amounts as positive amounts.

| | | **PROJECTED BENEFIT PAYMENTS** for: | | | | |
|---|---|---|---|---|---|---|
| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Current Retirees and Beneficiaries in Pay Status | Current Terminated Vested Participants | Current Active Participants | New Entrants | Total |
| 04/30/2025 | 12/31/2025 | $2,269,923 | $3,354,545 | $0 | $0 | $5,624,468 |
| 01/01/2026 | 12/31/2026 | $3,196,128 | $833,156 | $0 | $0 | $4,029,284 |
| 01/01/2027 | 12/31/2027 | $2,991,406 | $873,001 | $0 | $0 | $3,864,407 |
| 01/01/2028 | 12/31/2028 | $2,792,733 | $923,956 | $0 | $0 | $3,716,689 |
| 01/01/2029 | 12/31/2029 | $2,600,206 | $1,013,718 | $0 | $0 | $3,613,924 |
| 01/01/2030 | 12/31/2030 | $2,413,966 | $1,082,053 | $0 | $0 | $3,496,019 |
| 01/01/2031 | 12/31/2031 | $2,234,221 | $1,111,747 | $0 | $0 | $3,345,968 |
| 01/01/2032 | 12/31/2032 | $2,061,225 | $1,109,772 | $0 | $0 | $3,170,997 |
| 01/01/2033 | 12/31/2033 | $1,895,258 | $1,118,124 | $0 | $0 | $3,013,382 |
| 01/01/2034 | 12/31/2034 | $1,736,602 | $1,119,805 | $0 | $0 | $2,856,407 |
| 01/01/2035 | 12/31/2035 | $1,585,495 | $1,116,745 | $0 | $0 | $2,702,240 |
| 01/01/2036 | 12/31/2036 | $1,442,105 | $1,097,449 | $0 | $0 | $2,539,554 |
| 01/01/2037 | 12/31/2037 | $1,306,532 | $1,085,467 | $0 | $0 | $2,391,999 |
| 01/01/2038 | 12/31/2038 | $1,178,792 | $1,061,176 | $0 | $0 | $2,239,968 |
| 01/01/2039 | 12/31/2039 | $1,058,839 | $1,035,426 | $0 | $0 | $2,094,265 |
| 01/01/2040 | 12/31/2040 | $946,613 | $1,008,885 | $0 | $0 | $1,955,498 |
| 01/01/2041 | 12/31/2041 | $842,026 | $969,552 | $0 | $0 | $1,811,578 |
| 01/01/2042 | 12/31/2042 | $744,963 | $930,355 | $0 | $0 | $1,675,318 |
| 01/01/2043 | 12/31/2043 | $655,282 | $894,111 | $0 | $0 | $1,549,393 |
| 01/01/2044 | 12/31/2044 | $572,813 | $854,510 | $0 | $0 | $1,427,323 |
| 01/01/2045 | 12/31/2045 | $497,368 | $812,174 | $0 | $0 | $1,309,542 |
| 01/01/2046 | 12/31/2046 | $428,747 | $764,619 | $0 | $0 | $1,193,366 |
| 01/01/2047 | 12/31/2047 | $366,734 | $716,233 | $0 | $0 | $1,082,967 |
| 01/01/2048 | 12/31/2048 | $311,109 | $668,093 | $0 | $0 | $979,202 |
| 01/01/2049 | 12/31/2049 | $261,636 | $620,419 | $0 | $0 | $882,055 |
| 01/01/2050 | 12/31/2050 | $218,054 | $573,267 | $0 | $0 | $791,321 |
| 01/01/2051 | 12/31/2051 | $180,056 | $526,297 | $0 | $0 | $706,353 |

## TEMPLATE 4A - Sheet 4A-3

v20221102p

**SFA Determination - Participant Count and Administrative Expenses for the "basic method" for all plans, and for the "increasing assets method" for MPRA plans**

See Template 4A Instructions for Additional Instructions for Sheet 4A-3.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Local 1 JRF |
| EIN: | 13-5622665 |
| PN: | 001 |
| SFA Measurement Date: | 04/30/2025 |

On this Sheet, show all administrative expense amounts as positive amounts.

| | | | **PROJECTED ADMINISTRATIVE EXPENSES** for: | | |
|---|---|---|---|---|---|
| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Total Participant Count at Beginning of Plan Year | PBGC Premiums | Other | Total |
| 04/30/2025 | 12/31/2025 | 2,942 | N/A | $356,750 | $356,750 |
| 01/01/2026 | 12/31/2026 | 2,822 | $112,898 | $455,150 | 568,048 |
| 01/01/2027 | 12/31/2027 | 2,705 | $110,907 | $389,529 | 500,435 |
| 01/01/2028 | 12/31/2028 | 2,590 | $108,833 | $399,267 | 508,100 |
| 01/01/2029 | 12/31/2029 | 2,477 | $106,678 | $409,249 | 515,927 |
| 01/01/2030 | 12/31/2030 | 2,365 | $104,423 | $419,480 | 523,903 |
| 01/01/2031 | 12/31/2031 | 2,256 | $117,287 | $384,609 | 501,895 |
| 01/01/2032 | 12/31/2032 | 2,148 | $114,480 | $371,000 | 485,480 |
| 01/01/2033 | 12/31/2033 | 2,042 | $111,578 | $371,000 | 482,578 |
| 01/01/2034 | 12/31/2034 | 1,939 | $108,578 | $371,000 | 479,578 |
| 01/01/2035 | 12/31/2035 | 1,838 | $105,491 | $371,000 | 476,491 |
| 01/01/2036 | 12/31/2036 | 1,739 | $102,318 | $371,000 | 473,318 |
| 01/01/2037 | 12/31/2037 | 1,643 | $99,083 | $371,000 | 470,083 |
| 01/01/2038 | 12/31/2038 | 1,550 | $95,796 | $371,000 | 466,796 |
| 01/01/2039 | 12/31/2039 | 1,459 | $92,458 | $371,000 | 463,458 |
| 01/01/2040 | 12/31/2040 | 1,372 | $89,080 | $371,000 | 460,080 |
| 01/01/2041 | 12/31/2041 | 1,287 | $85,676 | $371,000 | 456,676 |
| 01/01/2042 | 12/31/2042 | 1,205 | $82,237 | $371,000 | 453,237 |
| 01/01/2043 | 12/31/2043 | 1,126 | $78,754 | $371,000 | 449,754 |
| 01/01/2044 | 12/31/2044 | 1,050 | $75,256 | $371,000 | 446,256 |
| 01/01/2045 | 12/31/2045 | 976 | $71,733 | $371,000 | 442,733 |
| 01/01/2046 | 12/31/2046 | 905 | $68,176 | $371,000 | 439,176 |
| 01/01/2047 | 12/31/2047 | 837 | $64,598 | $371,000 | 435,598 |
| 01/01/2048 | 12/31/2048 | 771 | $61,009 | $371,000 | 432,009 |
| 01/01/2049 | 12/31/2049 | 708 | $57,445 | $371,000 | 428,445 |
| 01/01/2050 | 12/31/2050 | 648 | $53,897 | $371,000 | 424,897 |
| 01/01/2051 | 12/31/2051 | 591 | $50,389 | $371,000 | 421,389 |

**TEMPLATE 4A - Sheet 4A-4**

v20221102p

**SFA Determination - Details for the "basic method" under § 4262.4(a)(1) for all plans**

See Template 4A Instructions for Additional Instructions for Sheet 4A-4.

**PLAN INFORMATION**

| | | |
|---|---|---|
| Abbreviated Plan Name: | Local 1 JRF | |
| EIN: | 13-5622665 | |
| PN: | 001 | |
| MPRA Plan? | No | Meets the definition of a MPRA plan described in § 4262.4(a)(3)? |
| If a MPRA Plan, which method yields the greatest amount of SFA? | | MPRA increasing assets method described in § 4262.4(a)(2)(i).<br>MPRA present value method described in § 4262.4(a)(2)(ii). |
| SFA Measurement Date: | 04/30/2025 | |
| Fair Market Value of Assets as of the SFA Measurement Date: | $813,328 | |
| SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet: | $46,905,041 | Per § 4262.4(a)(1), the lowest whole dollar amount (not less than $0) for which, as of the last day of each plan year during the SFA coverage period, projected SFA assets and projected non-SFA assets are both greater than or equal to zero. |
| Projected SFA exhaustion year: | 2047 | Only required on this sheet if the requested amount of SFA is based on the "basic method".<br>Plan Year Start Date of the plan year in which the sum of annual projected benefit payments and administrative expenses for the year exceeds the beginning-of-year projected SFA assets. |
| Non-SFA Interest Rate: | 7.50% | |
| SFA Interest Rate: | 5.93% | |

On this Sheet, show payments INTO the plan as positive amounts, and payments OUT of the plan as negative amounts.

| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | (1) Contributions | (2) Withdrawal Liability Payments | (3) Other Payments to Plan (excluding financial assistance and SFA) | (4) Benefit Payments (should match total from Sheet 4A-2) | (5) Make-up Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date | (6) Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA; should match total from Sheet 4A-3) | (7) Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from SFA Assets | (8) SFA Investment Income Based on SFA Interest Rate | (9) Projected SFA Assets at End of Plan Year (prior year assets + (7) + (8)) | (10) Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from Non-SFA Assets | (11) Non-SFA Investment Income Based on Non-SFA Interest Rate | (12) Projected Non-SFA Assets at End of Plan Year (prior year assets + (1) + (2) + (3) + (10) + (11)) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 04/30/2025 | 12/31/2025 | | $23,868 | | -$5,624,468 | -$1,277,056 | -$356,750 | -$7,258,274 | $1,608,129 | $41,254,896 | $0 | $40,737 | $877,933 |
| 01/01/2026 | 12/31/2026 | | $44,998 | | -$4,029,284 | | -$568,048 | -$4,597,332 | $2,302,852 | $38,960,416 | $0 | $67,610 | $990,542 |
| 01/01/2027 | 12/31/2027 | | $35,998 | | -$3,864,407 | | -$500,435 | -$4,364,842 | $2,173,857 | $36,769,430 | $0 | $75,703 | $1,102,243 |
| 01/01/2028 | 12/31/2028 | | $28,799 | | -$3,716,689 | | -$508,100 | -$4,224,789 | $2,048,429 | $34,593,070 | $0 | $83,798 | $1,214,840 |
| 01/01/2029 | 12/31/2029 | | $23,039 | | -$3,613,924 | | -$515,927 | -$4,129,851 | $1,922,432 | $32,385,651 | $0 | $92,017 | $1,329,895 |
| 01/01/2030 | 12/31/2030 | | $18,431 | | -$3,496,019 | | -$523,903 | -$4,019,922 | $1,795,071 | $30,160,800 | $0 | $100,465 | $1,448,792 |
| 01/01/2031 | 12/31/2031 | | $14,745 | | -$3,345,968 | | -$501,895 | -$3,847,863 | $1,668,507 | $27,981,444 | $0 | $109,238 | $1,572,775 |
| 01/01/2032 | 12/31/2032 | | $11,796 | | -$3,170,997 | | -$485,480 | -$3,656,477 | $1,545,283 | $25,870,249 | $0 | $118,421 | $1,702,991 |
| 01/01/2033 | 12/31/2033 | | $9,437 | | -$3,013,382 | | -$482,578 | -$3,495,960 | $1,425,186 | $23,799,476 | $0 | $128,095 | $1,840,523 |
| 01/01/2034 | 12/31/2034 | | $7,549 | | -$2,856,407 | | -$479,578 | -$3,335,985 | $1,307,467 | $21,770,957 | $0 | $138,335 | $1,986,407 |
| 01/01/2035 | 12/31/2035 | | $6,040 | | -$2,702,240 | | -$476,491 | -$3,178,731 | $1,192,168 | $19,784,394 | $0 | $149,218 | $2,141,664 |
| 01/01/2036 | 12/31/2036 | | $4,832 | | -$2,539,554 | | -$473,318 | -$3,012,872 | $1,079,629 | $17,851,151 | $0 | $160,814 | $2,307,311 |
| 01/01/2037 | 12/31/2037 | | $3,865 | | -$2,391,999 | | -$470,083 | -$2,862,082 | $969,773 | $15,958,842 | $0 | $173,200 | $2,484,376 |
| 01/01/2038 | 12/31/2038 | | $3,092 | | -$2,239,968 | | -$466,796 | -$2,706,764 | $862,488 | $14,114,566 | $0 | $186,449 | $2,673,917 |
| 01/01/2039 | 12/31/2039 | | $2,474 | | -$2,094,265 | | -$463,458 | -$2,557,723 | $757,851 | $12,314,693 | $0 | $200,641 | $2,877,032 |
| 01/01/2040 | 12/31/2040 | | $1,979 | | -$1,955,498 | | -$460,080 | -$2,415,578 | $655,627 | $10,554,743 | $0 | $215,855 | $3,094,866 |
| 01/01/2041 | 12/31/2041 | | $1,583 | | -$1,811,578 | | -$456,676 | -$2,268,254 | $555,936 | $8,842,425 | $0 | $232,177 | $3,328,626 |
| 01/01/2042 | 12/31/2042 | | $1,267 | | -$1,675,318 | | -$453,237 | -$2,128,555 | $458,826 | $7,172,696 | $0 | $249,697 | $3,579,590 |
| 01/01/2043 | 12/31/2043 | | $1,013 | | -$1,549,393 | | -$449,754 | -$1,999,147 | $363,914 | $5,537,463 | $0 | $268,509 | $3,849,112 |
| 01/01/2044 | 12/31/2044 | | $811 | | -$1,427,323 | | -$446,256 | -$1,873,579 | $270,926 | $3,934,810 | $0 | $288,715 | $4,138,638 |
| 01/01/2045 | 12/31/2045 | | $648 | | -$1,309,542 | | -$442,733 | -$1,752,275 | $179,733 | $2,362,267 | $0 | $310,423 | $4,449,710 |
| 01/01/2046 | 12/31/2046 | | $519 | | -$1,193,366 | | -$439,176 | -$1,632,542 | $90,276 | $820,001 | $0 | $333,749 | $4,783,977 |
| 01/01/2047 | 12/31/2047 | | $415 | | -$1,082,967 | | -$435,598 | -$820,001 | $0 | $0 | -$698,564 | $346,160 | $4,431,987 |
| 01/01/2048 | 12/31/2048 | | $332 | | -$979,202 | | -$432,009 | $0 | $0 | $0 | -$1,411,211 | $278,415 | $3,299,524 |
| 01/01/2049 | 12/31/2049 | | $266 | | -$882,055 | | -$428,445 | $0 | $0 | $0 | -$1,310,500 | $197,502 | $2,186,791 |
| 01/01/2050 | 12/31/2050 | | $212 | | -$791,321 | | -$424,897 | $0 | $0 | $0 | -$1,216,218 | $117,810 | $1,088,596 |
| 01/01/2051 | 12/31/2051 | | $170 | | -$706,353 | | -$421,389 | $0 | $0 | $0 | -$1,127,742 | $38,977 | $0 |

**TEMPLATE 4A - Sheet 4A-5**

v20221102p

**SFA Determination - Details for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans**

See Template 4A Instructions for Additional Instructions for Sheet 4A-5.

**PLAN INFORMATION**

| | | |
|---|---|---|
| Abbreviated Plan Name: | | |
| EIN: | | |
| PN: | | |
| MPRA Plan? | | Meets the definition of a MPRA plan described in § 4262.4(a)(3)? |
| If a MPRA Plan, which method yields the greatest amount of SFA? | | MPRA increasing assets method described in § 4262.4(a)(2)(i).<br>MPRA present value method described in § 4262.4(a)(2)(ii). |
| SFA Measurement Date: | | |
| Fair Market Value of Assets as of the SFA Measurement Date: | | |
| SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet: | | Per § 4262.4(a)(2)(i), the lowest whole dollar amount (not less than $0) for which, as of the last day of each plan year during the SFA coverage period, projected SFA assets and projected non-SFA assets are both greater than or equal to zero, and, as of the last day of the SFA coverage period, the sum of projected SFA assets and projected non-SFA assets is greater than the amount of such sum as of the last day of the immediately preceding plan year. |
| Projected SFA exhaustion year: | | Only required on this sheet if the requested amount of SFA is based on the "increasing assets method".<br>Plan Year Start Date of the plan year in which the sum of annual projected benefit payments and administrative expenses for the year exceeds the beginning-of-year projected SFA assets. |
| Non-SFA Interest Rate: | | |
| SFA Interest Rate: | | |

On this Sheet, show payments INTO the plan as positive amounts, and payments OUT of the plan as negative amounts.

| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | (1) Contributions | (2) Withdrawal Liability Payments | (3) Other Payments to Plan (excluding financial assistance and SFA) | (4) Benefit Payments (should match total from Sheet 4A-2) | (5) Make-up Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date | (6) Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA; should match total from Sheet 4A-3) | (7) Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from SFA Assets | (8) SFA Investment Income Based on SFA Interest Rate | (9) Projected SFA Assets at End of Plan Year (prior year assets + (7) + (8)) | (10) Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from Non-SFA Assets | (11) Non-SFA Investment Income Based on Non-SFA Interest Rate | (12) Projected Non-SFA Assets at End of Plan Year (prior year assets + (1) + (2) + (3) + (10) + (11)) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | | |

# TEMPLATE 5A

v20220802p

**Baseline - for non-MPRA plans using the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

File name: *Template 5A Plan Name* , where "Plan Name" is an abbreviated version of the plan name.

Instructions for Section C, Item (5) of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:

*This Template 5A is not required if all assumptions and methods used to determine the requested SFA amount are identical to those used in the most recent actuarial certification of plan status completed before 1/1/2021 ("pre-2021 certification of plan status"), except the non-SFA and SFA interest rates, and except any assumptions that were changed in accordance with Section III, Acceptable Assumption Changes in PBGC's SFA assumptions guidance (other than the acceptable assumption change for "missing" terminated vested participants described in Section III.E. of PBGC's SFA assumptions guidance).*

Provide a separate deterministic projection ("Baseline") using the same calculation methodology used to determine the requested SFA amount, in the same format as Template 4A (Sheets 4A-2, 4A-3, and either 4A-4 or 4A-5) that shows the amount of SFA that would be determined if all underlying assumptions and methods used in the projection were the same as those used in the pre-2021 certification of plan status, except the plan's non-SFA interest rate and SFA interest rate, which should be the same as used in Template 4A (Sheet 4A-1).

For purposes of this Template 5A, any assumption change made in accordance with Section III, Acceptable Assumption Changes, in PBGC's SFA assumptions guidance should be reflected in this Baseline calculation of the SFA amount and supporting projection information, except that an assumption change for “missing” terminated vested participants described in Section III.E of PBGC’s SFA assumptions guidance should not be reflected in the Baseline projections. See examples in the SFA instructions for Section C, Item (5).

Additional instructions for each individual worksheet:

Sheet

**5A-1 Baseline - Benefit Payments for the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

See Template 4A instructions for Sheet 4A-2, except provide the benefit payment projection used to determine the Baseline SFA amount.

**5A-2 Baseline - Participant Count and Administrative Expenses for the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

See Template 4A instructions for Sheet 4A-3, except provide the projected total participant count and administrative expense projection used to determine the Baseline SFA amount.

**5A-3 Baseline - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method**

For non-MPRA plans, see Template 4A instructions for Sheet 4A-4, except provide the projection used to determine the Baseline SFA amount under the "basic method" described in § 4262.4(a)(1). Unlike Sheet 4A-4, it is not necessary to explicitly identify the projected SFA exhaustion year in Sheet 5A-3.

For MPRA plans for which the requested amount of SFA is determined under the "increasing assets method", see Template 4A instructions for Sheet 4A-5, except provide the projection used to determine the Baseline SFA amount under the "increasing assets method" described in § 4262.4(a)(2)(i). Unlike Sheet 4A-5, it is not necessary to identify the projected SFA exhaustion year in Sheet 5A-3.

**Version Updates (newest version at top)**

| Version | Date updated | |
|---|---|---|
| v20220802p | 08/02/2022 | Cosmetic changes to increase the size of some rows |
| v20220701p | 07/01/2022 | |

## TEMPLATE 5A - Sheet 5A-1

v20220802p

**Baseline - Benefit Payments for the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

See Template 4A instructions for Sheet 4A-2, except provide the benefit payment projection used to determine the Baseline SFA amount.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Local 1 JRF |
| EIN: | 13-5622665 |
| PN: | 001 |
| SFA Measurement Date: | 04/30/2025 |

On this Sheet, show all benefit payment amounts as positive amounts.

| | | **PROJECTED BENEFIT PAYMENTS** for: | | | | |
|---|---|---|---|---|---|---|
| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Current Retirees and Beneficiaries in Pay Status | Current Terminated Vested Participants | Current Active Participants | New Entrants | Total |
| 04/30/2025 | 12/31/2025 | $2,269,923 | $489,602 | $0 | $0 | $2,759,525 |
| 01/01/2026 | 12/31/2026 | $3,270,954 | $734,403 | $0 | $0 | $4,005,357 |
| 01/01/2027 | 12/31/2027 | $3,048,823 | $809,229 | $0 | $0 | $3,858,052 |
| 01/01/2028 | 12/31/2028 | $2,821,013 | $866,646 | $0 | $0 | $3,687,659 |
| 01/01/2029 | 12/31/2029 | $2,603,292 | $894,927 | $0 | $0 | $3,498,219 |
| 01/01/2030 | 12/31/2030 | $2,426,240 | $898,013 | $0 | $0 | $3,324,253 |
| 01/01/2031 | 12/31/2031 | $2,242,583 | $910,287 | $0 | $0 | $3,152,870 |
| 01/01/2032 | 12/31/2032 | $2,065,208 | $918,649 | $0 | $0 | $2,983,857 |
| 01/01/2033 | 12/31/2033 | $1,887,371 | $922,631 | $0 | $0 | $2,810,002 |
| 01/01/2034 | 12/31/2034 | $1,734,912 | $914,744 | $0 | $0 | $2,649,656 |
| 01/01/2035 | 12/31/2035 | $1,574,534 | $913,054 | $0 | $0 | $2,487,588 |
| 01/01/2036 | 12/31/2036 | $1,429,416 | $902,094 | $0 | $0 | $2,331,510 |
| 01/01/2037 | 12/31/2037 | $1,293,681 | $889,406 | $0 | $0 | $2,183,087 |
| 01/01/2038 | 12/31/2038 | $1,155,364 | $876,555 | $0 | $0 | $2,031,919 |
| 01/01/2039 | 12/31/2039 | $1,035,629 | $853,128 | $0 | $0 | $1,888,757 |
| 01/01/2040 | 12/31/2040 | $925,768 | $829,918 | $0 | $0 | $1,755,686 |
| 01/01/2041 | 12/31/2041 | $818,068 | $809,073 | $0 | $0 | $1,627,141 |
| 01/01/2042 | 12/31/2042 | $718,115 | $785,115 | $0 | $0 | $1,503,230 |
| 01/01/2043 | 12/31/2043 | $623,512 | $758,268 | $0 | $0 | $1,381,780 |
| 01/01/2044 | 12/31/2044 | $539,703 | $726,498 | $0 | $0 | $1,266,201 |
| 01/01/2045 | 12/31/2045 | $462,914 | $693,388 | $0 | $0 | $1,156,302 |
| 01/01/2046 | 12/31/2046 | $392,808 | $658,934 | $0 | $0 | $1,051,742 |
| 01/01/2047 | 12/31/2047 | $330,136 | $622,995 | $0 | $0 | $953,131 |
| 01/01/2048 | 12/31/2048 | $273,562 | $586,397 | $0 | $0 | $859,959 |
| 01/01/2049 | 12/31/2049 | $223,867 | $548,849 | $0 | $0 | $772,716 |
| 01/01/2050 | 12/31/2050 | $180,101 | $511,081 | $0 | $0 | $691,182 |
| 01/01/2051 | 12/31/2051 | $142,193 | $473,129 | $0 | $0 | $615,322 |

**TEMPLATE 5A - Sheet 5A-2** v20220802p

**Baseline - Participant Count and Administrative Expenses for the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

See Template 4A instructions for Sheet 4A-3, except provide the projected total participant count and administrative expense projection used to determine the Baseline SFA amount.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Local 1 JRF |
| EIN: | 13-5622665 |
| PN: | 001 |
| SFA Measurement Date: | 04/30/2025 |

On this Sheet, show all administrative expense amounts as positive amounts.

| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Total Participant Count at Beginning of Plan Year | **PROJECTED ADMINISTRATIVE EXPENSES** for: PBGC Premiums | Other | Total |
|---|---|---|---|---|---|
| 04/30/2025 | 12/31/2025 | 3,000 | N/A | $88,054 | $1,000,000 |
| 01/01/2026 | 12/31/2026 | 2,874 | $114,942 | $1,385,058 | 1,500,000 |
| 01/01/2027 | 12/31/2027 | 2,750 | $112,737 | $1,387,263 | 1,500,000 |
| 01/01/2028 | 12/31/2028 | 2,628 | $110,457 | $1,389,543 | 1,500,000 |
| 01/01/2029 | 12/31/2029 | 2,510 | $108,103 | $1,391,897 | 1,500,000 |
| 01/01/2030 | 12/31/2030 | 2,393 | $105,660 | $1,394,340 | 1,500,000 |
| 01/01/2031 | 12/31/2031 | 2,279 | $118,503 | $1,381,497 | 1,500,000 |
| 01/01/2032 | 12/31/2032 | 2,167 | $115,508 | $1,384,492 | 1,500,000 |
| 01/01/2033 | 12/31/2033 | 2,058 | $112,434 | $1,387,566 | 1,500,000 |
| 01/01/2034 | 12/31/2034 | 1,952 | $109,282 | $1,390,718 | 1,500,000 |
| 01/01/2035 | 12/31/2035 | 1,848 | $106,061 | $1,393,939 | 1,500,000 |
| 01/01/2036 | 12/31/2036 | 1,747 | $102,771 | $1,397,229 | 1,500,000 |
| 01/01/2037 | 12/31/2037 | 1,649 | $99,437 | $1,400,563 | 1,500,000 |
| 01/01/2038 | 12/31/2038 | 1,554 | $96,068 | $1,403,932 | 1,500,000 |
| 01/01/2039 | 12/31/2039 | 1,463 | $92,663 | $1,407,337 | 1,500,000 |
| 01/01/2040 | 12/31/2040 | 1,374 | $89,231 | $1,410,769 | 1,500,000 |
| 01/01/2041 | 12/31/2041 | 1,289 | $85,784 | $1,414,216 | 1,500,000 |
| 01/01/2042 | 12/31/2042 | 1,206 | $82,314 | $1,417,686 | 1,500,000 |
| 01/01/2043 | 12/31/2043 | 1,127 | $78,807 | $1,421,193 | 1,500,000 |
| 01/01/2044 | 12/31/2044 | 1,050 | $75,290 | $1,424,710 | 1,500,000 |
| 01/01/2045 | 12/31/2045 | 977 | $71,756 | $1,428,244 | 1,500,000 |
| 01/01/2046 | 12/31/2046 | 905 | $68,190 | $1,431,810 | 1,500,000 |
| 01/01/2047 | 12/31/2047 | 837 | $64,607 | $1,435,393 | 1,500,000 |
| 01/01/2048 | 12/31/2048 | 771 | $61,014 | $1,438,986 | 1,500,000 |
| 01/01/2049 | 12/31/2049 | 708 | $57,447 | $1,442,553 | 1,500,000 |
| 01/01/2050 | 12/31/2050 | 648 | $53,899 | $1,446,101 | 1,500,000 |
| 01/01/2051 | 12/31/2051 | 591 | $50,390 | $1,449,610 | 1,500,000 |

**TEMPLATE 5A - Sheet 5A-3** v20220802p

**Baseline - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method**

See Template 4A instructions for Sheet 4A-4 or Sheet 4A-5, except provide the projection used to determine the Baseline SFA amount.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Local 1 JRF |
| EIN: | 13-5622665 |
| PN: | 001 |
| MPRA Plan? | No |
| If a MPRA Plan, which method yields the greatest amount of SFA? | |
| SFA Measurement Date: | 04/30/2025 |
| Fair Market Value of Assets as of the SFA Measurement Date: | $813,328 |
| SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet: | $55,464,431 |
| Non-SFA Interest Rate: | 7.50% |
| SFA Interest Rate: | 5.93% |

On this Sheet, show payments INTO the plan as positive amounts, and payments OUT of the plan as negative amounts.

| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Contributions | Withdrawal Liability Payments | Other Payments to Plan (excluding financial assistance and SFA) | Benefit Payments (should match total from Sheet 5A-1) | Make-up Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date | Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA; should match total from Sheet 5A-2) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from SFA Assets | SFA Investment Income Based on SFA Interest Rate | Projected SFA Assets at End of Plan Year (prior year assets + (7) + (8)) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from Non-SFA Assets | Non-SFA Investment Income Based on Non-SFA Interest Rate | Projected Non-SFA Assets at End of Plan Year (prior year assets + (1) + (2) + (3) + (10) + (11)) |
| 04/30/2025 | 12/31/2025 | | $23,868 | | -$2,759,525 | -$1,277,056 | -$1,000,000 | -$5,036,580 | $2,044,135 | $52,471,986 | $0 | $40,737 | $877,933 |
| 01/01/2026 | 12/31/2026 | | $44,998 | | -$4,005,357 | | -$1,500,000 | -$5,505,357 | $2,943,721 | $49,910,350 | $0 | $67,610 | $990,542 |
| 01/01/2027 | 12/31/2027 | | $44,998 | | -$3,858,052 | | -$1,500,000 | -$5,358,052 | $2,796,506 | $47,348,804 | $0 | $76,056 | $1,111,596 |
| 01/01/2028 | 12/31/2028 | | $44,998 | | -$3,687,659 | | -$1,500,000 | -$5,187,659 | $2,650,031 | $44,811,176 | $0 | $85,135 | $1,241,729 |
| 01/01/2029 | 12/31/2029 | | $44,998 | | -$3,498,219 | | -$1,500,000 | -$4,998,219 | $2,505,581 | $42,318,538 | $0 | $94,895 | $1,381,621 |
| 01/01/2030 | 12/31/2030 | | $44,998 | | -$3,324,253 | | -$1,500,000 | -$4,824,253 | $2,363,307 | $39,857,592 | $0 | $105,387 | $1,532,006 |
| 01/01/2031 | 12/31/2031 | | $44,998 | | -$3,152,870 | | -$1,500,000 | -$4,652,870 | $2,222,829 | $37,427,551 | $0 | $116,666 | $1,693,670 |
| 01/01/2032 | 12/31/2032 | | $44,998 | | -$2,983,857 | | -$1,500,000 | -$4,483,857 | $2,084,109 | $35,027,802 | $0 | $128,791 | $1,867,459 |
| 01/01/2033 | 12/31/2033 | | $44,998 | | -$2,810,002 | | -$1,500,000 | -$4,310,002 | $1,947,339 | $32,665,139 | $0 | $141,825 | $2,054,281 |
| 01/01/2034 | 12/31/2034 | | $44,998 | | -$2,649,656 | | -$1,500,000 | -$4,149,656 | $1,812,338 | $30,327,821 | $0 | $155,836 | $2,255,116 |
| 01/01/2035 | 12/31/2035 | | $44,998 | | -$2,487,588 | | -$1,500,000 | -$3,987,588 | $1,678,895 | $28,019,128 | $0 | $170,899 | $2,471,013 |
| 01/01/2036 | 12/31/2036 | | $44,998 | | -$2,331,510 | | -$1,500,000 | -$3,831,510 | $1,546,959 | $25,734,577 | $0 | $187,091 | $2,703,102 |
| 01/01/2037 | 12/31/2037 | | $44,998 | | -$2,183,087 | | -$1,500,000 | -$3,683,087 | $1,416,210 | $23,467,700 | $0 | $204,498 | $2,952,598 |
| 01/01/2038 | 12/31/2038 | | $44,998 | | -$2,031,919 | | -$1,500,000 | -$3,531,919 | $1,286,597 | $21,222,378 | $0 | $223,210 | $3,220,806 |
| 01/01/2039 | 12/31/2039 | | $44,998 | | -$1,888,757 | | -$1,500,000 | -$3,388,757 | $1,158,008 | $18,991,629 | $0 | $243,326 | $3,509,129 |
| 01/01/2040 | 12/31/2040 | | $44,998 | | -$1,755,686 | | -$1,500,000 | -$3,255,686 | $1,029,961 | $16,765,904 | $0 | $264,950 | $3,819,077 |
| 01/01/2041 | 12/31/2041 | | $44,998 | | -$1,627,141 | | -$1,500,000 | -$3,127,141 | $902,068 | $14,540,831 | $0 | $288,196 | $4,152,272 |
| 01/01/2042 | 12/31/2042 | | $44,998 | | -$1,503,230 | | -$1,500,000 | -$3,003,230 | $774,067 | $12,311,668 | $0 | $313,186 | $4,510,455 |
| 01/01/2043 | 12/31/2043 | | $44,998 | | -$1,381,780 | | -$1,500,000 | -$2,881,780 | $645,744 | $10,075,632 | $0 | $340,049 | $4,895,503 |
| 01/01/2044 | 12/31/2044 | | $42,780 | | -$1,266,201 | | -$1,500,000 | -$2,766,201 | $516,827 | $7,826,257 | $0 | $368,899 | $5,307,182 |
| 01/01/2045 | 12/31/2045 | | $39,522 | | -$1,156,302 | | -$1,500,000 | -$2,656,302 | $386,938 | $5,556,893 | $0 | $399,618 | $5,746,322 |
| 01/01/2046 | 12/31/2046 | | $39,522 | | -$1,051,742 | | -$1,500,000 | -$2,551,742 | $255,694 | $3,260,845 | $0 | $432,554 | $6,218,398 |
| 01/01/2047 | 12/31/2047 | | $39,522 | | -$953,131 | | -$1,500,000 | -$2,453,131 | $122,677 | $930,391 | $0 | $467,959 | $6,725,879 |
| 01/01/2048 | 12/31/2048 | | $39,522 | | -$859,959 | | -$1,500,000 | -$930,391 | $0 | $0 | -$1,429,568 | $475,434 | $5,811,268 |
| 01/01/2049 | 12/31/2049 | | $39,522 | | -$772,716 | | -$1,500,000 | $0 | $0 | $0 | -$2,272,716 | $355,491 | $3,933,564 |
| 01/01/2050 | 12/31/2050 | | $39,522 | | -$691,182 | | -$1,500,000 | $0 | $0 | $0 | -$2,191,182 | $217,939 | $1,999,843 |
| 01/01/2051 | 12/31/2051 | | $39,522 | | -$615,322 | | -$1,500,000 | $0 | $0 | $0 | -$2,115,322 | $75,957 | $0 |

# TEMPLATE 6A

v20220802p

**Reconciliation - for non-MPRA plans using the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

File name: *Template 6A Plan Name* , where "Plan Name" is an abbreviated version of the plan name.

Instructions for Section C, Item (6) of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:

*This Template 6A is not required if all assumptions and methods used to determine the requested SFA amount are identical to those used in the most recent actuarial certification of plan status completed before 1/1/2021 ("pre-2021 certification of plan status"), except the non-SFA and SFA interest rates, and except any assumptions changed in accordance with Section III, Acceptable Assumption Changes, in PBGC's SFA assumptions guidance (other than the acceptable assumption change for "missing" terminated vested participants described in Section III.E of PBGC's SFA assumptions guidance).*

*This Template 6A is also not required if the requested SFA amount from Template 4A is the same as the SFA amount shown in Template 5A (Baseline).*

If the assumptions/methods used to determine the requested SFA amount differ from those in the "Baseline" projection in Template 5A, then provide a reconciliation of the change in the total amount of SFA due to each change in assumption/method from the Baseline to the requested SFA as shown in Template 4A.

For each assumption/method change from the Baseline through the requested SFA amount, provide a deterministic projection using the same calculation methodology used to determine the requested SFA amount, in the same format as Template 4A (either Sheet 4A-4 or Sheet 4A-5).

Additional instructions for each individual worksheet:

Sheet

**6A-1** **Reconciliation - Summary for the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

For Item number 1, show the SFA amount determined in Template 5A using the "Baseline" assumptions and methods. If there is only one change in assumptions/methods between the Baseline (Template 5A) and the requested SFA amount (Template 4A), then show on Item number 2 the requested SFA amount, and briefly identify the change in assumptions from the Baseline.

If there is more than one change in assumptions/methods from the Baseline, show each individual change as a separate Item number. Each Item number should reflect all changes already measured in the prior Item number. For example, the difference between the SFA amount shown for Item number 4 and Item number 5 should be the incremental change due to changing the identified single assumption/method. The Item numbers should show assumption/method changes in the order that they were incrementally measured.

### 6A-2 Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method

For non-MPRA plans, see Template 4A instructions for Sheet 4A-4, except provide the projection used to determine the intermediate Item number 2 SFA amount from Sheet 6A-1 under the "basic method" described in § 4262.4(a)(1). Unlike Sheet 4A-4, it is not necessary to explicitly identify the projected SFA exhaustion year in Sheet 6A-2.

For MPRA plans for which the requested amount of SFA is determined under the "increasing assets method", see Template 4A instructions for Sheet 4A-5, except provide the projection used to determine each intermediate SFA amount from Sheet 6A-1 under the "increasing assets method" described in § 4262.4(a)(2)(i). Unlike Sheet 4A-5, it is not necessary to explicitly identify the projected SFA exhaustion year in Sheet 6A-2.

A Reconciliation Details sheet is not needed for the last Item number shown in the Sheet 6A-1 Reconciliation, since the information should be the same as shown in Template 4A. For example, if there is only one assumption change from the Baseline, then Item number 2 should identify what assumption changed between the Baseline and Item number 2, where Item number 2 is the requested SFA amount. Since details on the determination of the requested SFA amount are shown in Template 4A, a separate Sheet 6A-2 Reconciliation Details is not required here.

### 6A-3 Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method

See instructions for 6A-2 Reconciliation Details, except for the intermediate Item number 3 SFA amount from Sheet 6A-1.

### 6A-4 Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method

See instructions for 6A-2 Reconciliation Details, except for the intermediate Item number 4 SFA amount from Sheet 6A-1.

### 6A-5 Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method

See instructions for 6A-2 Reconciliation Details, except for the intermediate Item number 5 SFA amount from Sheet 6A-1.

**Version Updates (newest version at top)**

| Version | Date updated | |
|---|---|---|
| v20220802p | 08/02/2022 | Cosmetic changes to increase the size of some rows |
| v20220701p | 07/01/2022 | |

## TEMPLATE 6A - Sheet 6A-1

v20220802p

**Reconciliation - Summary for the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

See Template 6A Instructions for Additional Instructions for Sheet 6A-1.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Local 1 JRF |
| EIN: | 13-5622665 |
| PN: | 001 |
| MPRA Plan? | No |
| If a MPRA Plan, which method yields the greatest amount of SFA? | |

| Item number | Basis for Assumptions/Methods. For each Item, briefly describe the incremental change reflected in the SFA amount. | Change in SFA Amount (from prior Item number) | SFA Amount | |
|---|---|---|---|---|
| | | | | NOTE: A sheet with Recon Details is not required for the last Item number provided, since that information should be the same as provided in Template 4A. |
| 1 | Baseline | N/A | $55,464,431 | From Template 5A. |
| 2 | Terminated Vested members over Normal Retirement Age | $5,022,489 | $60,486,920 | Show details supporting the SFA amount on Sheet 6A-2. |
| 3 | Assumed Retirement Age | ($292,358) | $60,194,562 | Show details supporting the SFA amount on Sheet 6A-3. |
| 4 | Administrative Expenses | ($13,748,403) | $46,446,159 | Show details supporting the SFA amount on Sheet 6A-4. |
| 5 | Withdrawal Liabilty Collection | $458,881 | $46,905,041 | Show details supporting the SFA amount on Sheet 6A-5. |

Create additional rows as needed, and create additional detailed sheets by copying Sheet 6A-5 and re-labeling the header and the sheet name to be 6A-6, 6A-7, etc.

**TEMPLATE 6A - Sheet 6A-2**

| Item Description (from 6A-1): | Terminated Vested Members over Normal Retirement Age |
|---|---|

v20220802p

**Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method**

See Template 4A instructions for Sheet 4A-4 or Sheet 4A-5, except provide the projection used to determine the intermediate SFA amount.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Local 1 JRF |
| EIN: | 13-5622665 |
| PN: | 001 |
| MPRA Plan? | No |
| If a MPRA Plan, which method yields the greatest amount of SFA? | |
| SFA Measurement Date: | 04/30/2025 |
| Fair Market Value of Assets as of the SFA Measurement Date: | $813,328 |
| SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet: | $60,486,920 |
| Non-SFA Interest Rate: | 7.50% |
| SFA Interest Rate: | 5.93% |

On this Sheet, show payments INTO the plan as positive amounts, and payments OUT of the plan as negative amounts.

| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Contributions | Withdrawal Liability Payments | Other Payments to Plan (excluding financial assistance and SFA) | Benefit Payments | Make-up Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date | Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from SFA Assets | SFA Investment Income Based on SFA Interest Rate | Projected SFA Assets at End of Plan Year (prior year assets + (7) + (8)) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from Non-SFA Assets | Non-SFA Investment Income Based on Non-SFA Interest Rate | Projected Non-SFA Assets at End of Plan Year (prior year assets + (1) + (2) + (3) + (10) + (11)) |
| 04/30/2025 | 12/31/2025 | | $23,868 | | -$5,749,826 | -$1,277,056 | -$1,000,000 | -$8,026,882 | $2,126,210 | $54,586,248 | $0 | $40,737 | $877,933 |
| 01/01/2026 | 12/31/2026 | | $44,998 | | -$4,224,660 | | -$1,500,000 | -$5,724,660 | $3,062,114 | $51,923,703 | $0 | $67,610 | $990,542 |
| 01/01/2027 | 12/31/2027 | | $44,998 | | -$4,077,425 | | -$1,500,000 | -$5,577,425 | $2,908,913 | $49,255,191 | $0 | $76,056 | $1,111,596 |
| 01/01/2028 | 12/31/2028 | | $44,998 | | -$3,905,871 | | -$1,500,000 | -$5,405,871 | $2,756,132 | $46,605,452 | $0 | $85,135 | $1,241,729 |
| 01/01/2029 | 12/31/2029 | | $44,998 | | -$3,713,926 | | -$1,500,000 | -$5,213,926 | $2,605,114 | $43,996,640 | $0 | $94,895 | $1,381,621 |
| 01/01/2030 | 12/31/2030 | | $44,998 | | -$3,536,167 | | -$1,500,000 | -$5,036,167 | $2,456,071 | $41,416,544 | $0 | $105,387 | $1,532,006 |
| 01/01/2031 | 12/31/2031 | | $44,998 | | -$3,359,634 | | -$1,500,000 | -$4,859,634 | $2,308,692 | $38,865,602 | $0 | $116,666 | $1,693,670 |
| 01/01/2032 | 12/31/2032 | | $44,998 | | -$3,184,061 | | -$1,500,000 | -$4,684,061 | $2,163,011 | $36,344,552 | $0 | $128,791 | $1,867,459 |
| 01/01/2033 | 12/31/2033 | | $44,998 | | -$3,002,431 | | -$1,500,000 | -$4,502,431 | $2,019,295 | $33,861,417 | $0 | $141,825 | $2,054,281 |
| 01/01/2034 | 12/31/2034 | | $44,998 | | -$2,833,125 | | -$1,500,000 | -$4,333,125 | $1,877,436 | $31,405,727 | $0 | $155,836 | $2,255,116 |
| 01/01/2035 | 12/31/2035 | | $44,998 | | -$2,660,955 | | -$1,500,000 | -$4,160,955 | $1,737,295 | $28,982,067 | $0 | $170,899 | $2,471,013 |
| 01/01/2036 | 12/31/2036 | | $44,998 | | -$2,493,858 | | -$1,500,000 | -$3,993,858 | $1,598,892 | $26,587,102 | $0 | $187,091 | $2,703,102 |
| 01/01/2037 | 12/31/2037 | | $44,998 | | -$2,333,812 | | -$1,500,000 | -$3,833,812 | $1,461,966 | $24,215,256 | $0 | $204,498 | $2,952,598 |
| 01/01/2038 | 12/31/2038 | | $44,998 | | -$2,170,551 | | -$1,500,000 | -$3,670,551 | $1,326,514 | $21,871,218 | $0 | $223,210 | $3,220,806 |
| 01/01/2039 | 12/31/2039 | | $44,998 | | -$2,015,012 | | -$1,500,000 | -$3,515,012 | $1,192,464 | $19,548,671 | $0 | $243,326 | $3,509,129 |
| 01/01/2040 | 12/31/2040 | | $44,998 | | -$1,869,503 | | -$1,500,000 | -$3,369,503 | $1,059,370 | $17,238,538 | $0 | $264,950 | $3,819,077 |
| 01/01/2041 | 12/31/2041 | | $44,998 | | -$1,728,683 | | -$1,500,000 | -$3,228,683 | $926,862 | $14,936,717 | $0 | $288,196 | $4,152,272 |
| 01/01/2042 | 12/31/2042 | | $44,998 | | -$1,592,874 | | -$1,500,000 | -$3,092,874 | $794,688 | $12,638,531 | $0 | $313,186 | $4,510,455 |
| 01/01/2043 | 12/31/2043 | | $44,998 | | -$1,460,063 | | -$1,500,000 | -$2,960,063 | $662,635 | $10,341,103 | $0 | $340,049 | $4,895,503 |
| 01/01/2044 | 12/31/2044 | | $42,780 | | -$1,333,786 | | -$1,500,000 | -$2,833,786 | $530,417 | $8,037,734 | $0 | $368,899 | $5,307,182 |
| 01/01/2045 | 12/31/2045 | | $39,522 | | -$1,213,962 | | -$1,500,000 | -$2,713,962 | $397,643 | $5,721,415 | $0 | $399,618 | $5,746,322 |
| 01/01/2046 | 12/31/2046 | | $39,522 | | -$1,100,329 | | -$1,500,000 | -$2,600,329 | $263,903 | $3,384,989 | $0 | $432,554 | $6,218,398 |
| 01/01/2047 | 12/31/2047 | | $39,522 | | -$993,553 | | -$1,500,000 | -$2,493,553 | $128,752 | $1,020,188 | $0 | $467,959 | $6,725,879 |
| 01/01/2048 | 12/31/2048 | | $39,522 | | -$893,140 | | -$1,500,000 | -$1,020,188 | $0 | $0 | -$1,372,952 | $478,234 | $5,870,683 |
| 01/01/2049 | 12/31/2049 | | $39,522 | | -$799,580 | | -$1,500,000 | $0 | $0 | $0 | -$2,299,580 | $358,868 | $3,969,493 |
| 01/01/2050 | 12/31/2050 | | $39,522 | | -$712,624 | | -$1,500,000 | $0 | $0 | $0 | -$2,212,624 | $219,772 | $2,016,162 |
| 01/01/2051 | 12/31/2051 | | $39,522 | | -$632,188 | | -$1,500,000 | $0 | $0 | $0 | -$2,132,188 | $76,504 | $0 |

**TEMPLATE 6A - Sheet 6A-3**

| Item Description (from 6A-1): | Assumed Retirement Age |
|---|---|

v20220802p

**Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method**

See Template 4A instructions for Sheet 4A-4 or Sheet 4A-5, except provide the projection used to determine the intermediate SFA amount.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Local 1 JRF |
| EIN: | 13-5622665 |
| PN: | 001 |
| MPRA Plan? | No |
| If a MPRA Plan, which method yields the greatest amount of SFA? | |
| SFA Measurement Date: | 04/30/2025 |
| Fair Market Value of Assets as of the SFA Measurement Date: | $813,328 |
| SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet: | $60,194,562 |
| Non-SFA Interest Rate: | 7.50% |
| SFA Interest Rate: | 5.93% |

On this Sheet, show payments INTO the plan as positive amounts, and payments OUT of the plan as negative amounts.

| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Contributions | Withdrawal Liability Payments | Other Payments to Plan (excluding financial assistance and SFA) | Benefit Payments | Make-up Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date | Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from SFA Assets | SFA Investment Income Based on SFA Interest Rate | Projected SFA Assets at End of Plan Year (prior year assets + (7) + (8)) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from Non-SFA Assets | Non-SFA Investment Income Based on Non-SFA Interest Rate | Projected Non-SFA Assets at End of Plan Year (prior year assets + (1) + (2) + (3) + (10) + (11)) |
| 04/30/2025 | 12/31/2025 | | $23,868 | | -$5,624,468 | -$1,277,056 | -$1,000,000 | -$7,901,524 | $2,117,508 | $54,410,547 | $0 | $40,737 | $877,933 |
| 01/01/2026 | 12/31/2026 | | $44,998 | | -$4,029,284 | | -$1,500,000 | -$5,529,284 | $3,057,916 | $51,939,179 | $0 | $67,610 | $990,542 |
| 01/01/2027 | 12/31/2027 | | $44,998 | | -$3,864,407 | | -$1,500,000 | -$5,364,407 | $2,916,613 | $49,491,385 | $0 | $76,056 | $1,111,596 |
| 01/01/2028 | 12/31/2028 | | $44,998 | | -$3,716,689 | | -$1,500,000 | -$5,216,689 | $2,776,162 | $47,050,858 | $0 | $85,135 | $1,241,729 |
| 01/01/2029 | 12/31/2029 | | $44,998 | | -$3,613,924 | | -$1,500,000 | -$5,113,924 | $2,634,711 | $44,571,644 | $0 | $94,895 | $1,381,621 |
| 01/01/2030 | 12/31/2030 | | $44,998 | | -$3,496,019 | | -$1,500,000 | -$4,996,019 | $2,491,447 | $42,067,072 | $0 | $105,387 | $1,532,006 |
| 01/01/2031 | 12/31/2031 | | $44,998 | | -$3,345,968 | | -$1,500,000 | -$4,845,968 | $2,347,703 | $39,568,808 | $0 | $116,666 | $1,693,670 |
| 01/01/2032 | 12/31/2032 | | $44,998 | | -$3,170,997 | | -$1,500,000 | -$4,670,997 | $2,205,127 | $37,102,937 | $0 | $128,791 | $1,867,459 |
| 01/01/2033 | 12/31/2033 | | $44,998 | | -$3,013,382 | | -$1,500,000 | -$4,513,382 | $2,063,919 | $34,653,474 | $0 | $141,825 | $2,054,281 |
| 01/01/2034 | 12/31/2034 | | $44,998 | | -$2,856,407 | | -$1,500,000 | -$4,356,407 | $1,923,664 | $32,220,731 | $0 | $155,836 | $2,255,116 |
| 01/01/2035 | 12/31/2035 | | $44,998 | | -$2,702,240 | | -$1,500,000 | -$4,202,240 | $1,784,310 | $29,802,801 | $0 | $170,899 | $2,471,013 |
| 01/01/2036 | 12/31/2036 | | $44,998 | | -$2,539,554 | | -$1,500,000 | -$4,039,554 | $1,646,107 | $27,409,354 | $0 | $187,091 | $2,703,102 |
| 01/01/2037 | 12/31/2037 | | $44,998 | | -$2,391,999 | | -$1,500,000 | -$3,891,999 | $1,508,873 | $25,026,228 | $0 | $204,498 | $2,952,598 |
| 01/01/2038 | 12/31/2038 | | $44,998 | | -$2,239,968 | | -$1,500,000 | -$3,739,968 | $1,372,394 | $22,658,654 | $0 | $223,210 | $3,220,806 |
| 01/01/2039 | 12/31/2039 | | $44,998 | | -$2,094,265 | | -$1,500,000 | -$3,594,265 | $1,236,636 | $20,301,025 | $0 | $243,326 | $3,509,129 |
| 01/01/2040 | 12/31/2040 | | $44,998 | | -$1,955,498 | | -$1,500,000 | -$3,455,498 | $1,101,247 | $17,946,774 | $0 | $264,950 | $3,819,077 |
| 01/01/2041 | 12/31/2041 | | $44,998 | | -$1,811,578 | | -$1,500,000 | -$3,311,578 | $966,222 | $15,601,418 | $0 | $288,196 | $4,152,272 |
| 01/01/2042 | 12/31/2042 | | $44,998 | | -$1,675,318 | | -$1,500,000 | -$3,175,318 | $831,480 | $13,257,580 | $0 | $313,186 | $4,510,455 |
| 01/01/2043 | 12/31/2043 | | $44,998 | | -$1,549,393 | | -$1,500,000 | -$3,049,393 | $696,500 | $10,904,687 | $0 | $340,049 | $4,895,503 |
| 01/01/2044 | 12/31/2044 | | $42,780 | | -$1,427,323 | | -$1,500,000 | -$2,927,323 | $560,860 | $8,538,224 | $0 | $368,899 | $5,307,182 |
| 01/01/2045 | 12/31/2045 | | $39,522 | | -$1,309,542 | | -$1,500,000 | -$2,809,542 | $424,279 | $6,152,961 | $0 | $399,618 | $5,746,322 |
| 01/01/2046 | 12/31/2046 | | $39,522 | | -$1,193,366 | | -$1,500,000 | -$2,693,366 | $286,531 | $3,746,126 | $0 | $432,554 | $6,218,398 |
| 01/01/2047 | 12/31/2047 | | $39,522 | | -$1,082,967 | | -$1,500,000 | -$2,582,967 | $147,321 | $1,310,480 | $0 | $467,959 | $6,725,879 |
| 01/01/2048 | 12/31/2048 | | $39,522 | | -$979,202 | | -$1,500,000 | -$1,310,480 | $0 | $0 | -$1,168,722 | $486,741 | $6,083,420 |
| 01/01/2049 | 12/31/2049 | | $39,522 | | -$882,055 | | -$1,500,000 | $0 | $0 | $0 | -$2,382,055 | $371,509 | $4,112,396 |
| 01/01/2050 | 12/31/2050 | | $39,522 | | -$791,321 | | -$1,500,000 | $0 | $0 | $0 | -$2,291,321 | $227,328 | $2,087,925 |
| 01/01/2051 | 12/31/2051 | | $39,522 | | -$706,353 | | -$1,500,000 | $0 | $0 | $0 | -$2,206,353 | $78,906 | $0 |

**TEMPLATE 6A - Sheet 6A-4**

| Item Description (from 6A-1): | Administrative Expenses |
|---|---|

v20220802p

**Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method**

See Template 4A instructions for Sheet 4A-4 or Sheet 4A-5, except provide the projection used to determine the intermediate SFA amount.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Local 1 JRF |
| EIN: | 13-5622665 |
| PN: | 001 |
| MPRA Plan? | No |
| If a MPRA Plan, which method yields the greatest amount of SFA? | |
| SFA Measurement Date: | 04/30/2025 |
| Fair Market Value of Assets as of the SFA Measurement Date: | $813,328 |
| SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet: | $46,446,159 |
| Non-SFA Interest Rate: | 7.50% |
| SFA Interest Rate: | 5.93% |

On this Sheet, show payments INTO the plan as positive amounts, and payments OUT of the plan as negative amounts.

| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | (1) Contributions | (2) Withdrawal Liability Payments | (3) Other Payments to Plan (excluding financial assistance and SFA) | (4) Benefit Payments | (5) Make-up Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date | (6) Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA) | (7) Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from SFA Assets | (8) SFA Investment Income Based on SFA Interest Rate | (9) Projected SFA Assets at End of Plan Year (prior year assets + (7) + (8)) | (10) Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from Non-SFA Assets | (11) Non-SFA Investment Income Based on Non-SFA Interest Rate | (12) Projected Non-SFA Assets at End of Plan Year (prior year assets + (1) + (2) + (3) + (10) + (11)) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 04/30/2025 | 12/31/2025 | | $23,868 | | -$5,624,468 | -$1,277,056 | -$356,750 | -$7,258,274 | $1,590,162 | $40,778,048 | $0 | $40,737 | $877,933 |
| 01/01/2026 | 12/31/2026 | | $44,998 | | -$4,029,284 | | -$568,048 | -$4,597,332 | $2,274,575 | $38,455,291 | $0 | $67,610 | $990,542 |
| 01/01/2027 | 12/31/2027 | | $44,998 | | -$3,864,407 | | -$500,435 | -$4,364,842 | $2,143,903 | $36,234,351 | $0 | $76,056 | $1,111,596 |
| 01/01/2028 | 12/31/2028 | | $44,998 | | -$3,716,689 | | -$508,100 | -$4,224,789 | $2,016,698 | $34,026,261 | $0 | $85,135 | $1,241,729 |
| 01/01/2029 | 12/31/2029 | | $44,998 | | -$3,613,924 | | -$515,927 | -$4,129,851 | $1,888,820 | $31,785,230 | $0 | $94,895 | $1,381,621 |
| 01/01/2030 | 12/31/2030 | | $44,998 | | -$3,496,019 | | -$523,903 | -$4,019,922 | $1,759,466 | $29,524,774 | $0 | $105,387 | $1,532,006 |
| 01/01/2031 | 12/31/2031 | | $44,998 | | -$3,345,968 | | -$501,895 | -$3,847,863 | $1,630,790 | $27,307,702 | $0 | $116,666 | $1,693,670 |
| 01/01/2032 | 12/31/2032 | | $44,998 | | -$3,170,997 | | -$485,480 | -$3,656,477 | $1,505,330 | $25,156,555 | $0 | $128,791 | $1,867,459 |
| 01/01/2033 | 12/31/2033 | | $44,998 | | -$3,013,382 | | -$482,578 | -$3,495,960 | $1,382,864 | $23,043,459 | $0 | $141,825 | $2,054,281 |
| 01/01/2034 | 12/31/2034 | | $44,998 | | -$2,856,407 | | -$479,578 | -$3,335,985 | $1,262,635 | $20,970,108 | $0 | $155,836 | $2,255,116 |
| 01/01/2035 | 12/31/2035 | | $44,998 | | -$2,702,240 | | -$476,491 | -$3,178,731 | $1,144,677 | $18,936,055 | $0 | $170,899 | $2,471,013 |
| 01/01/2036 | 12/31/2036 | | $44,998 | | -$2,539,554 | | -$473,318 | -$3,012,872 | $1,029,323 | $16,952,505 | $0 | $187,091 | $2,703,102 |
| 01/01/2037 | 12/31/2037 | | $44,998 | | -$2,391,999 | | -$470,083 | -$2,862,082 | $916,483 | $15,006,907 | $0 | $204,498 | $2,952,598 |
| 01/01/2038 | 12/31/2038 | | $44,998 | | -$2,239,968 | | -$466,796 | -$2,706,764 | $806,038 | $13,106,180 | $0 | $223,210 | $3,220,806 |
| 01/01/2039 | 12/31/2039 | | $44,998 | | -$2,094,265 | | -$463,458 | -$2,557,723 | $698,054 | $11,246,511 | $0 | $243,326 | $3,509,129 |
| 01/01/2040 | 12/31/2040 | | $44,998 | | -$1,955,498 | | -$460,080 | -$2,415,578 | $592,284 | $9,423,217 | $0 | $264,950 | $3,819,077 |
| 01/01/2041 | 12/31/2041 | | $44,998 | | -$1,811,578 | | -$456,676 | -$2,268,254 | $488,837 | $7,643,800 | $0 | $288,196 | $4,152,272 |
| 01/01/2042 | 12/31/2042 | | $44,998 | | -$1,675,318 | | -$453,237 | -$2,128,555 | $387,748 | $5,902,993 | $0 | $313,186 | $4,510,455 |
| 01/01/2043 | 12/31/2043 | | $44,998 | | -$1,549,393 | | -$449,754 | -$1,999,147 | $288,621 | $4,192,466 | $0 | $340,049 | $4,895,503 |
| 01/01/2044 | 12/31/2044 | | $42,780 | | -$1,427,323 | | -$446,256 | -$1,873,579 | $191,167 | $2,510,054 | $0 | $368,899 | $5,307,182 |
| 01/01/2045 | 12/31/2045 | | $39,522 | | -$1,309,542 | | -$442,733 | -$1,752,275 | $95,245 | $853,024 | $0 | $399,618 | $5,746,322 |
| 01/01/2046 | 12/31/2046 | | $39,522 | | -$1,193,366 | | -$439,176 | -$853,024 | $0 | $0 | -$779,518 | $417,810 | $5,424,136 |
| 01/01/2047 | 12/31/2047 | | $39,522 | | -$1,082,967 | | -$435,598 | $0 | $0 | $0 | -$1,518,565 | $350,102 | $4,295,195 |
| 01/01/2048 | 12/31/2048 | | $39,522 | | -$979,202 | | -$432,009 | $0 | $0 | $0 | -$1,411,211 | $269,722 | $3,193,228 |
| 01/01/2049 | 12/31/2049 | | $39,522 | | -$882,055 | | -$428,445 | $0 | $0 | $0 | -$1,310,500 | $191,099 | $2,113,349 |
| 01/01/2050 | 12/31/2050 | | $39,522 | | -$791,321 | | -$424,897 | $0 | $0 | $0 | -$1,216,218 | $113,873 | $1,050,526 |
| 01/01/2051 | 12/31/2051 | | $39,522 | | -$706,353 | | -$421,389 | $0 | $0 | $0 | -$1,127,742 | $37,694 | $0 |

**TEMPLATE 6A - Sheet 6A-5**

| Item Description (from 6A-1): | |
|---|---|

v20220802p

**Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method**

See Template 4A instructions for Sheet 4A-4 or Sheet 4A-5, except provide the projection used to determine the intermediate SFA amount.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | |
| EIN: | |
| PN: | |
| MPRA Plan? | |
| If a MPRA Plan, which method yields the greatest amount of SFA? | |
| SFA Measurement Date: | |
| Fair Market Value of Assets as of the SFA Measurement Date: | |
| SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet: | |
| Non-SFA Interest Rate: | |
| SFA Interest Rate: | |

On this Sheet, show payments INTO the plan as positive amounts, and payments OUT of the plan as negative amounts.

| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | (1) Contributions | (2) Withdrawal Liability Payments | (3) Other Payments to Plan (excluding financial assistance and SFA) | (4) Benefit Payments | (5) Make-up Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date | (6) Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA) | (7) Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from SFA Assets | (8) SFA Investment Income Based on SFA Interest Rate | (9) Projected SFA Assets at End of Plan Year (prior year assets + (7) + (8)) | (10) Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from Non-SFA Assets | (11) Non-SFA Investment Income Based on Non-SFA Interest Rate | (12) Projected Non-SFA Assets at End of Plan Year (prior year assets + (1) + (2) + (3) + (10) + (11)) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | | |

**Version Updates**

| Version | Date updated |
| --- | --- |
| v20220701p | 07/01/2022 |

# TEMPLATE 7

v20220701p

## 7a - Assumption/Method Changes for SFA Eligibility

File name: *Template 7 Plan Name* , where "Plan Name" is an abbreviated version of the plan name.

Instructions for Section C, Item (7)a. of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:

*Sheet 7a of Template 7 is not required if the plan is eligible for SFA under § 4262.3(a)(2) (MPRA suspensions) or § 4262.3(a)(4) (certain insolvent plans) of PBGC's special financial assistance regulation.*

*Sheet 7a of Template 7 is not required if the plan is eligible based on a certification of plan status completed before January 1, 2021.*

*Sheet 7a of Template 7 is not required if the plan is eligible based on a certification of plan status completed after December 31, 2020 but reflects the same assumptions as those in the pre-2021 certification of plan status.*

Provide a table identifying which assumptions/methods used in determining the plan's eligibility for SFA differ from those used in the pre-2021 certification of plan status and brief explanations as to why using those assumptions/methods is no longer reasonable and why the changed assumptions/methods are reasonable.

This table should identify all changed assumptions/methods (including those that are reflected in the Baseline provided in Template 5A or Template 5B) and should be an abbreviated version of information provided in Section D, Item (6)a. of the SFA filing instructions.

For example, if the mortality assumption used in the pre-2021 certification of plan status is the RP-2000 mortality table, and the plan proposes to change to the Pri-2012(BC) table, complete one line of the table as follows:

| | (A) | (B) | (C) |
|---|---|---|---|
| Assumption/Method That Has Changed From Assumption/Method Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021 | Brief description of assumption/method used in the most recent certification of plan status completed prior to 1/1/2021 | Brief description of assumption/method used in showing the plan's eligibility for SFA (if different) | Brief explanation on why the assumption/method in (A) is no longer reasonable and why the assumption/method in (B) is reasonable |
| Base Mortality Assumption | RP-2000 mortality table | Pri-2012(BC) mortality table | Prior assumption is outdated. New assumption reflects more recently published experience for blue collar workers. |

Add one line for each assumption/method that has changed from that used in the most recent certification of plan status completed prior to 1/1/2021.

Since this Template 7a is intended as an abbreviated version of more detailed information provided in Section D, Item (6)a. of the SFA filing instructions, it is not necessary to include full tables of rates at every age (e.g., for retirement, turnover, etc.). Instead, a high level description that focuses on what aspect of the assumption/method has changed is preferred.

**Template 7 - Sheet 7a** v20220701p

**Assumption/Method Changes - SFA Eligibility**

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | |
| EIN: | |
| PN: | |

| | |
|---|---|
| Brief description of basis for qualifying for SFA (e.g., critical and declining status in 2020, insolvent plan, critical status and meet other criteria) | |

| | (A) | (B) | (C) |
|---|---|---|---|
| Assumption/Method That Has Changed From Assumption/Method Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021 | Brief description of assumption/method used in the most recent certification of plan status completed prior to 1/1/2021 | Brief description of assumption/method used in showing the plan's eligibility for SFA (if different) | Brief explanation on why the assumption/method in (A) is no longer reasonable and why the assumption/method in (B) is reasonable |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

# TEMPLATE 7

v20220701p

## 7b - Assumption/Method Changes for SFA Amount

File name: *Template 7 Plan Name* , where "Plan Name" is an abbreviated version of the plan name.

Instructions for Section C, Item (7)b. of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:

Provide a table identifying which assumptions/methods used in determining the amount of SFA differ from those used in the pre-2021 certification of plan status (except the non-SFA and SFA interest rates) and brief explanations as to why using those original assumptions/methods is no longer reasonable and why the changed assumptions/methods are reasonable.

Please state if the changed assumption is an extension of the CBU assumption or the administrative expenses assumption as described in Paragraph A "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's guidance on Special Financial Assistance Assumptions.

This table should identify all changed assumptions/methods except for the interest rates (including those that are reflected in the Baseline provided in Template 5A or Template 5B) and should be an abbreviated version of information provided in Section D, Item (6)b. of the SFA filing instructions.

For example, if the mortality assumption used in the pre-2021 certification of plan status is the RP-2000 mortality table, and the plan proposes to change to the Pri-2012(BC) table, complete one line of the table as follows:

| | (A) | (B) | (C) |
|---|---|---|---|
| Assumption/Method That Has Changed From Assumption Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021 | Brief description of assumption/method used in the most recent certification of plan status completed prior to 1/1/2021 | Brief description of assumption/method used to determine the requested SFA amount (if different) | Brief explanation on why the assumption/method in (A) is no longer reasonable and why the assumption/method in (B) is reasonable |
| Base Mortality Assumption | RP-2000 mortality table | Pri-2012(BC) mortality table | Original assumption is outdated. New assumption reflects more recently published experience for blue collar workers. |

For example, assume the plan is projected to be insolvent in 2029 in the pre-2021 certification of plan status. The plan changes its CBU assumption by extending the assumption to the later projection years as described in Paragraph A, "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's guidance on Special Financial Assistance Assumptions. Complete one line of the table as follows:

| | (A) | (B) | (C) |
|---|---|---|---|
| Assumption/Method That Has Changed From Assumption Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021 | Brief description of assumption/method used in the most recent certification of plan status completed prior to 1/1/2021 | Brief description of assumption/method used to determine the requested SFA amount (if different) | Brief explanation on why the assumption/method in (A) is no longer reasonable and why the assumption/method in (B) is reasonable |
| CBU Assumption | Decrease from most recent plan year's actual number of CBUs by 2% per year to 2028 | Same number of CBUs for each projection year to 2028 as shown in (A), then constant CBUs for all years after 2028. | Original assumption does not address years after original projected insolvency in 2029. Proposed assumption uses acceptable extension methodology. |

Add one line for each assumption/method that has changed from that used in the most recent certification of plan status completed prior to 1/1/2021.

Since this Template 7b is intended as an abbreviated version of more detailed information provided in Section D, Item (6)b. of the SFA filing instructions, it is not necessary to include full tables of rates at every age (e.g., for retirement, turnover, etc.). Instead, a high level description that focuses on what aspect of the assumption/method has changed is preferred.

**Template 7 - Sheet 7b** v20220701p

**Assumption/Method Changes - SFA Amount**

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Local 1 JRF |
| EIN: | 13-5622665 |
| PN: | 001 |

| | (A) | (B) | (C) |
|---|---|---|---|
| Assumption/Method That Has Changed From Assumption Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021 | Brief description of assumption/method used in the most recent certification of plan status completed prior to 1/1/2021 | Brief description of assumption/method used to determine the requested SFA amount (if different) | Brief explanation on why the assumption/method in (A) is no longer reasonable and why the assumption/method in (B) is reasonable |
| Base Mortality | PBGC regulation 4044 | Pri-2012 Blue Collar | The new assumption is the most recent mortality table published by the SOA. It better reflects the anticipated fund experience. |
| Mortality Scale | N/A | MP-2021 | The new assumption is the most recent mortality scale. It better reflects the anticipated fund experience. |
| Terminated Vested members over Normal Retirement Age | Terminated vested members over Normal Retirement Age were assumed to take their benefit on the valuation date. No delayed retirement increase was applied. For those past their Required Beginning Date for a Required Minimum Distribution, no lump sum for the missed payments was valued. | Retirement benefits are adjusted for delayed retirement to the valuation date (January 1, 2025) or the Required Beginning Date ("RBD"), if earlier. If the member has passed the RBD, a lump sum is payable on the SFA measurement date equalling the total missed payments from RBD through January 1, 2025, with 5% interest. No benefits were included for terminated vested members age 85 and older. | The old assumptions is unreasonable. The new assumption better reflects the anticipated fund experience. |
| Retirement Age | Earliest retirement age | Normal retirement age | The old assumption is unreasonable. The new assumption better reflects the anticipated fund experience. |
| Administrative Expenses | $1,500,000 per year | For May 1 through December 31, 2025, $356,750. For the 2026 and 2027 plan years, $455,150 and $389,529, excluding PBGC premiums, respectively, increasing by 2.5% per annum after 2027. The PBGC premium rate is $40 per participant for 2026, increasing by 2.5% per year through 2030; $52 per participant for 2031, increasing by 2.5% per year thereafter. Total annual administrative expenses are limited to 15% of expected benefit payments for each projection year, but not less than the baseline of $371,000 plus PBGC premiums. | The old assumption is unreasonable. The new assumption better reflects the anticipated fund experience. |
| Withdrawal Liability Payments | Paid when due for employers not in default | 2027 and later, decline by 20% per year | The old assumption is unreasonable. The new assumption better reflects the anticipated fund experience. |
| | | | |

**Version Updates** v20220802p

| Version | Date updated | |
|---|---|---|
| v20220802p | 08/02/2022 | Cosmetic changes to increase the size of some rows |
| v20220701p | 07/01/2022 | |

**TEMPLATE 8**

File name: *Template 8 Plan Name* , where "Plan Name" is an abbreviated version of the plan name.

v20220802p

**Contribution and Withdrawal Liability Details**

Provide details of the projected contributions and withdrawal liability payments used to calculate the requested SFA amount. This should include total contributions, contribution base units (including identification of the base unit used (i.e., hourly, weekly)), average contribution rate(s), reciprocity contributions (if applicable), additional contributions from the rehabilitation plan (if applicable), and any other identifiable contribution streams. For withdrawal liability, separately show amounts for currently withdrawn employers and for future assumed withdrawals. Also provide the projected number of active participants at the beginning of each plan year.

The first row in the projection period is for the period beginning on the SFA measurement date and ending on the last day of the plan year containing the SFA measurement date. For all other periods, provide the full plan year of information up to the plan year ending in 2051.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Local 1 JRF |
| EIN: | 13-5622665 |
| PN: | 001 |

| | |
|---|---|
| Unit (e.g. hourly, weekly) | monthly |

| | | | | | | | All Other Sources of Non-Investment Income | | |
|---|---|---|---|---|---|---|---|---|---|
| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Total Contributions* | Total Contribution Base Units | Average Contribution Rate | Reciprocity Contributions (if applicable) | Additional Rehab Plan Contributions (if applicable) | Other - Explain if Applicable | Withdrawal Liability Payments for Currently Withdrawn Employers | Withdrawal Liability Payments for Projected Future Withdrawals | Projected Number of Active Participants (Including New Entrants) at the Beginning of the Plan Year |
| 04/30/2025 | 12/31/2025 | $0 | | | | | | $23,868 | $0 | - |
| 01/01/2026 | 12/31/2026 | | | | | | | $44,998 | | |
| 01/01/2027 | 12/31/2027 | | | | | | | $35,998 | | |
| 01/01/2028 | 12/31/2028 | | | | | | | $28,799 | | |
| 01/01/2029 | 12/31/2029 | | | | | | | $23,039 | | |
| 01/01/2030 | 12/31/2030 | | | | | | | $18,431 | | |
| 01/01/2031 | 12/31/2031 | | | | | | | $14,745 | | |
| 01/01/2032 | 12/31/2032 | | | | | | | $11,796 | | |
| 01/01/2033 | 12/31/2033 | | | | | | | $9,437 | | |
| 01/01/2034 | 12/31/2034 | | | | | | | $7,549 | | |
| 01/01/2035 | 12/31/2035 | | | | | | | $6,040 | | |
| 01/01/2036 | 12/31/2036 | | | | | | | $4,832 | | |
| 01/01/2037 | 12/31/2037 | | | | | | | $3,865 | | |
| 01/01/2038 | 12/31/2038 | | | | | | | $3,092 | | |
| 01/01/2039 | 12/31/2039 | | | | | | | $2,474 | | |
| 01/01/2040 | 12/31/2040 | | | | | | | $1,979 | | |
| 01/01/2041 | 12/31/2041 | | | | | | | $1,583 | | |
| 01/01/2042 | 12/31/2042 | | | | | | | $1,267 | | |
| 01/01/2043 | 12/31/2043 | | | | | | | $1,013 | | |
| 01/01/2044 | 12/31/2044 | | | | | | | $811 | | |
| 01/01/2045 | 12/31/2045 | | | | | | | $648 | | |
| 01/01/2046 | 12/31/2046 | | | | | | | $519 | | |
| 01/01/2047 | 12/31/2047 | | | | | | | $415 | | |
| 01/01/2048 | 12/31/2048 | | | | | | | $332 | | |
| 01/01/2049 | 12/31/2049 | | | | | | | $266 | | |
| 01/01/2050 | 12/31/2050 | | | | | | | $212 | | |
| 01/01/2051 | 12/31/2051 | | | | | | | $170 | | |

* Total contributions shown here should be contributions based upon CBUs and should not include items separately shown in any columns under "All Other Sources of Non-Investment Income."

**Version Updates**

| Version | Date updated |
| --- | --- |
| v20230727 | 07/27/2023 |

## TEMPLATE 10

v20230727

**Pre-2021 Zone Certification, Baseline Details, and Final SFA Assumption Summaries**

File name: *Template 10 Plan Name*, where "Plan Name" is an abbreviated version of the plan name.

Provide a table identifying and summarizing which assumptions/methods were used in each of the pre-2021 certification of plan status, the Baseline details (Template 5A or Template 5B), and the final SFA calculation (Template 4A or Template 4B).

This table should identify all assumptions/methods used, including those that are reflected in the Baseline provided in Template 5A or Template 5B and any assumptions not explicitly listed. Please identify the source (file and page number) of the pre-2021 certification of plan status assumption. Additionally, please select the appropriate assumption change category per SFA assumption guidance*. Please complete all rows of Template 10. If an assumption on Template 10 does not apply to the application, please enter "N/A" and explain as necessary in the "comments" column. If the application contains assumptions not listed on Template 10, create additional rows as needed.

See the table below for a brief example of how to fill out the requested information in summary form. In the example the first row demonstrates how one would fill out the information for a change in the mortality assumption used in the pre-2021 certification of plan status, where the RP-2000 mortality table was the original assumption, and the plan proposes to change to the Pri-2012(BC) table.

| | (A) | (B) | (C) | (D) | (E) |
|---|---|---|---|---|---|
| | Source of (B) | Assumption/Method Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021 | Baseline Assumption/Method Used | Final SFA Assumption/Method Used | Category of assumption change from (B) to (D) per SFA Assumption Guidance |
| Base Mortality - Healthy | *2019 Company XYZ AVR.pdf p. 55* | RP-2000 mortality table | Pri-2012(BC) mortality table | Same as baseline | Acceptable Change |
| Contribution Base Units | *2020 Company XYZ ZC.pdf p. 19* | 125,000 hours projected to insolvency in 2024 | 125,000 hours projected through the SFA projection period in 2051 | 100,000 hours projected with 3.0% reductions annually for 10 years and 1.0% reductions annually thereafter | Generally Acceptable Change |
| Assumed Withdrawal Payments -Future Withdrawals | *2020 Company XYZ ZC.pdf p. 20* | None assumed until insolvency in 2024 | None assumed through the SFA projection period in 2051 | Same as baseline | Other Change |
| Retirement - Actives | *2019 Company XYZ AVR.pdf p. 54* | Age / Actives: 55 10%; 56 20%; 57 30%; 58 40%; 59 50%; 60+ 100% | Same as Pre-2021 Zone Cert | Same as baseline | No Change |

Add additional lines if needed.

*https://www.pbgc.gov/sites/default/files/sfa/sfa-assumptions-guidance.pdf

**Template 10** v20230727

**Pre-2021 Zone Certification, Baseline Details, and Final SFA Assumption Summaries**

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Local 1 JRF |
| EIN: | 13-5622665 |
| PN: | 001 |

| | (A) | (B) | (C) | (D) | (E) | |
|---|---|---|---|---|---|---|
| | Source of (B) | Assumption/Method Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021 | Baseline Assumption/Method Used | Final SFA Assumption/Method Used | Category of assumption change from (B) to (D) per SFA Assumption Guidance | Comments |
| SFA Measurement Date | N/A | N/A | 04/30/2025 | 04/30/2025 | N/A | |
| Census Data as of | *1/1/2020 actuarial report* | 01/01/2020 | 01/01/2025 | 01/01/2025 | N/A | |
| **DEMOGRAPHIC ASSUMPTIONS** | | | | | | |
| Base Mortality - Healthy | *1/1/2020 actuarial report* | Mortality prescribed by PBGC Regulation 4044 | Pri-2012 Blue Collar | Pri-2012 Blue Collar | Acceptable Change | |
| Mortality Improvement - Healthy | *1/1/2020 actuarial report* | None | MP-2021 | MP-2021 | Acceptable Change | |
| Base Mortality - Disabled | *1/1/2020 actuarial report* | Mortality prescribed by PBGC Regulation 4044 | Pri-2012 Disabled | Pri-2012 Disabled | Acceptable Change | |
| Mortality Improvement - Disabled | *1/1/2020 actuarial report* | None | MP-2021 | MP-2021 | Acceptable Change | |
| Retirement - Actives | | N/A | N/A | N/A | No Change | |
| Retirement - TVs | *1/1/2020 actuarial report* | Earliest retirement age | Earliest retirement age | Normal retirement age | Other Change | |
| Turnover | | N/A | N/A | N/A | No Change | |
| Disability | | N/A | N/A | N/A | No Change | |
| Optional Form Elections - Actives | | N/A | N/A | N/A | No Change | |
| Optional Form Elections - TVs | *1/1/2020 actuarial report* | Normal form for single members (Life Annuity) | Same as pre-2021 valuation | same as baseline | No Change | |
| Marital Status | *1/1/2020 actuarial report* | 75% married | Same as pre-2021 valuation | same as baseline | No Change | |
| Spouse Age Difference | *1/1/2020 actuarial report* | Husbands are 3 years older than wives | Same as pre-2021 valuation | same as baseline | No Change | |
| Active Participant Count | | N/A | N/A | N/A | No Change | |
| New Entrant Profile | | N/A | N/A | N/A | No Change | |

**Template 10** v20230727

**Pre-2021 Zone Certification, Baseline Details, and Final SFA Assumption Summaries**

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Local 1 JRF |
| EIN: | 13-5622665 |
| PN: | 001 |

| | (A) | (B) | (C) | (D) | (E) | |
|---|---|---|---|---|---|---|
| | Source of (B) | Assumption/Method Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021 | Baseline Assumption/Method Used | Final SFA Assumption/Method Used | Category of assumption change from (B) to (D) per SFA Assumption Guidance | Comments |
| Missing or Incomplete Data | *1/1/2020 actuarial report* | N/A | N/A | N/A | No Change | |
| "Missing" Terminated Vested Participant Assumption | *1/1/2020 actuarial report* | Terminated vested members over normal retirement age were assumed to take their benefit on the valuation date with no delayed retirement increase or retro payment. | Same as pre-2021 valuation | Retirement benefits are adjusted for delayed retirement to the valuation date or RBD, if earlier. If the member has passed the RBD, a lump sum is payable on the SFA measurement date equalling the accumulated missed payments from RBD through 1/1/25 with 5% interest. Benefits for members over age 85 are not included. | No Change | |
| Treatment of Participants Working Past Retirement Date | *1/1/2020 actuarial report* | None | None | None | No Change | |
| Assumptions Related to Reciprocity | *1/1/2020 actuarial report* | None | None | None | No Change | |
| Other Demographic Assumption 1 | | | | | | |
| Other Demographic Assumption 2 | | | | | | |
| Other Demographic Assumption 3 | | | | | | |
| **NON-DEMOGRAPHIC ASSUMPTIONS** | | | | | | |
| Contribution Base Units | | N/A | N/A | N/A | | |
| Contribution Rate | | N/A | N/A | N/A | | |

**Template 10** v20230727

**Pre-2021 Zone Certification, Baseline Details, and Final SFA Assumption Summaries**

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Local 1 JRF |
| EIN: | 13-5622665 |
| PN: | 001 |

| | (A) | (B) | (C) | (D) | (E) | |
|---|---|---|---|---|---|---|
| | Source of (B) | Assumption/Method Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021 | Baseline Assumption/Method Used | Final SFA Assumption/Method Used | Category of assumption change from (B) to (D) per SFA Assumption Guidance | Comments |
| Administrative Expenses | *1/1/2020 actuarial report* | Expenses assumed to be $1,500,000 per year | Same as pre-2021 valuation | $356,750 for the partial 2025 plan year, $455,150 for the 2026 plan year, and $389,529 for the 2027 plan year, exclusive of PBGC premiums, increasing 2.5% per annum thereafter; plus PBGC premiums. Total expenses are limited to 15% of expected benefit payments for each projection year but not less than $371,000 plus PBGC premiums. | Other Change | |
| Assumed Withdrawal Payments - Currently Withdrawn Employers | | Future withdrawal liability payments will be collected in full from employers not currently in default. | Same as pre-2021 valuation | Future withdrawal liability payments will be collected from employers not currently in default. The probability of collecting future payments from each employer decreases by 20% annually after 2026. | | |
| Assumed Withdrawal Payments -Future Withdrawals | | N/A | N/A | N/A | | |
| Other Assumption 1 | | | | | | |
| Other Assumption 2 | | | | | | |
| Other Assumption 3 | | | | | | |

**CASH FLOW TIMING ASSUMPTIONS**

**Template 10** v20230727

**Pre-2021 Zone Certification, Baseline Details, and Final SFA Assumption Summaries**

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Local 1 JRF |
| EIN: | 13-5622665 |
| PN: | 001 |

| | (A) | (B) | (C) | (D) | (E) | |
|---|---|---|---|---|---|---|
| | Source of (B) | Assumption/Method Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021 | Baseline Assumption/Method Used | Final SFA Assumption/Method Used | Category of assumption change from (B) to (D) per SFA Assumption Guidance | Comments |
| Benefit Payment Timing | *1/1/2020 actuarial report* | equal monthly installments at the beginning of each month | Same as pre-2021 valuation | same as baseline | | |
| Contribution Timing | | N/A | N/A | N/A | | |
| Withdrawal Payment Timing | *1/1/2020 actuarial report* | Assumed paid mid-year. | Month when due for each employer, end of the month | same as baseline | Other Change | |
| Administrative Expense Timing | *1/1/2020 actuarial report* | Assumed paid mid-year. | Monthly, end of the month | same as baseline | Other Change | |
| Other Payment Timing | | | | | | |

Create additional rows as needed.

| DOB | Sex | AB_Monthly | NRD | RMD | LRF | Late Ret Benefit | No. of missed payments | Missed payments as of 1-1-25 |
|---|---|---|---|---|---|---|---|---|
| [redacted] | | 59.50 | 07/01/2005 | 04/01/2011 | 1.735 | 103.23 | 165.00 | 24,319.95 |
| | | 39.00 | 07/01/2005 | 04/01/2012 | 1.915 | 74.69 | 153.00 | 15,881.75 |
| | | 81.90 | 07/01/2005 | 04/01/2012 | 1.915 | 156.84 | 153.00 | 33,349.76 |
| | | 283.33 | 08/01/2005 | 04/01/2012 | 1.900 | 538.33 | 153.00 | 114,468.11 |
| | | 43.88 | 08/01/2005 | 04/01/2012 | 1.900 | 83.37 | 153.00 | 17,727.43 |
| | | 39.00 | 10/01/2005 | 04/01/2012 | 1.870 | 72.93 | 153.00 | 15,507.51 |
| | | 66.30 | 10/01/2005 | 04/01/2012 | 1.870 | 123.98 | 153.00 | 26,362.56 |
| | | 62.00 | 11/01/2005 | 04/01/2012 | 1.855 | 115.01 | 153.00 | 24,455.22 |
| | | 39.98 | 02/01/2006 | 04/01/2012 | 1.810 | 72.36 | 153.00 | 15,386.31 |
| | | 49.13 | 04/01/2006 | 04/01/2012 | 1.780 | 87.45 | 153.00 | 18,594.98 |
| | | 146.08 | 05/01/2006 | 04/01/2012 | 1.765 | 257.83 | 153.00 | 54,823.83 |
| | | 52.33 | 07/01/2006 | 04/01/2013 | 1.915 | 100.21 | 141.00 | 19,117.49 |
| | | 45.83 | 09/01/2006 | 04/01/2013 | 1.885 | 86.39 | 141.00 | 16,480.99 |
| | | 105.30 | 10/01/2006 | 04/01/2013 | 1.870 | 196.91 | 141.00 | 37,565.36 |
| | | 94.58 | 11/01/2006 | 04/01/2013 | 1.855 | 175.45 | 141.00 | 33,471.35 |
| | | 25.36 | 12/01/2006 | 04/01/2013 | 1.840 | 46.66 | 141.00 | 8,901.53 |
| | | 56.07 | 02/01/2007 | 04/01/2013 | 1.810 | 101.49 | 141.00 | 19,361.68 |
| | | 283.34 | 02/01/2007 | 04/01/2013 | 1.810 | 512.85 | 141.00 | 97,838.59 |
| | | 61.43 | 02/01/2007 | 04/01/2013 | 1.810 | 111.19 | 141.00 | 21,212.19 |
| | | 52.00 | 03/01/2007 | 04/01/2013 | 1.795 | 93.34 | 141.00 | 17,806.87 |
| | | 47.78 | 03/01/2007 | 04/01/2013 | 1.795 | 85.77 | 141.00 | 16,362.71 |
| | | 57.20 | 05/01/2007 | 04/01/2013 | 1.765 | 100.96 | 141.00 | 19,260.57 |
| | | 48.75 | 05/01/2007 | 04/01/2013 | 1.765 | 86.04 | 141.00 | 16,414.22 |
| | | 25.50 | 06/01/2007 | 04/01/2013 | 1.750 | 44.63 | 141.00 | 8,514.26 |
| | | 187.00 | 08/01/2007 | 04/01/2014 | 1.900 | 355.30 | 129.00 | 60,384.66 |
| | | 46.80 | 09/01/2007 | 04/01/2014 | 1.885 | 88.22 | 129.00 | 14,993.34 |
| | | 42.50 | 10/01/2007 | 04/01/2014 | 1.870 | 79.48 | 129.00 | 13,507.94 |
| | | 55.58 | 10/01/2007 | 04/01/2014 | 1.870 | 103.93 | 129.00 | 17,663.32 |
| | | 40.42 | 03/01/2008 | 04/01/2014 | 1.795 | 72.55 | 129.00 | 12,330.16 |
| | | 51.00 | 04/01/2008 | 04/01/2014 | 1.780 | 90.78 | 129.00 | 15,428.42 |
| | | 25.50 | 04/01/2008 | 04/01/2014 | 1.780 | 45.39 | 129.00 | 7,714.21 |
| | | 60.26 | 05/01/2008 | 04/01/2014 | 1.765 | 106.36 | 129.00 | 18,076.31 |
| | | 60.26 | 06/01/2008 | 04/01/2014 | 1.750 | 105.46 | 129.00 | 17,923.35 |
| | | 139.47 | 07/01/2008 | 04/01/2015 | 1.915 | 267.09 | 117.00 | 40,096.93 |
| | | 62.40 | 08/01/2008 | 04/01/2015 | 1.900 | 118.56 | 117.00 | 17,798.84 |
| | | 74.43 | 08/01/2008 | 04/01/2015 | 1.900 | 141.42 | 117.00 | 21,230.70 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| [redacted] | 41.93 | 09/01/2008 | 04/01/2015 | 1.885 | 79.04 | 117.00 | 11,865.89 |
| | 59.50 | 11/01/2008 | 04/01/2015 | 1.855 | 110.37 | 117.00 | 16,569.32 |
| | 51.00 | 01/01/2009 | 04/01/2015 | 1.825 | 93.08 | 117.00 | 13,973.65 |
| | 93.50 | 02/01/2009 | 04/01/2015 | 1.810 | 169.24 | 117.00 | 25,407.18 |
| | 67.60 | 03/01/2009 | 04/01/2015 | 1.795 | 121.34 | 117.00 | 18,216.19 |
| | 76.71 | 03/01/2009 | 04/01/2015 | 1.795 | 137.69 | 117.00 | 20,670.74 |
| | 70.20 | 03/01/2009 | 04/01/2015 | 1.795 | 126.01 | 117.00 | 18,917.27 |
| | 42.90 | 03/01/2009 | 04/01/2015 | 1.795 | 77.01 | 117.00 | 11,561.14 |
| | 48.75 | 04/01/2009 | 04/01/2015 | 1.780 | 86.78 | 117.00 | 13,027.86 |
| | 46.80 | 05/01/2009 | 04/01/2015 | 1.765 | 82.60 | 117.00 | 12,400.34 |
| | 105.42 | 06/01/2009 | 04/01/2015 | 1.750 | 184.49 | 117.00 | 27,696.59 |
| | 39.00 | 06/01/2009 | 04/01/2015 | 1.750 | 68.25 | 117.00 | 10,246.04 |
| | 43.55 | 08/01/2009 | 04/01/2016 | 1.900 | 82.75 | 105.00 | 10,860.16 |
| | 40.95 | 08/01/2009 | 04/01/2016 | 1.900 | 77.81 | 105.00 | 10,211.83 |
| | 102.00 | 09/01/2009 | 04/01/2016 | 1.885 | 192.27 | 105.00 | 25,233.62 |
| | 42.50 | 11/01/2009 | 04/01/2016 | 1.855 | 78.84 | 105.00 | 10,347.01 |
| | 91.50 | 11/01/2009 | 04/01/2016 | 1.855 | 169.73 | 105.00 | 22,275.46 |
| | 57.20 | 12/01/2009 | 04/01/2016 | 1.840 | 105.25 | 105.00 | 13,813.07 |
| | 99.72 | 12/01/2009 | 04/01/2016 | 1.840 | 183.48 | 105.00 | 24,080.02 |
| | 51.00 | 01/01/2010 | 04/01/2016 | 1.825 | 93.08 | 105.00 | 12,215.87 |
| | 122.73 | 01/01/2010 | 04/01/2016 | 1.825 | 223.98 | 105.00 | 29,395.26 |
| | 54.60 | 01/01/2010 | 04/01/2016 | 1.825 | 99.65 | 105.00 | 13,078.12 |
| | 12.68 | 02/01/2010 | 04/01/2016 | 1.810 | 22.95 | 105.00 | 3,011.97 |
| | 57.53 | 03/01/2010 | 04/01/2016 | 1.795 | 103.27 | 105.00 | 13,553.21 |
| | 52.00 | 04/01/2010 | 04/01/2016 | 1.780 | 92.56 | 105.00 | 12,147.63 |
| | 51.00 | 06/01/2010 | 04/01/2016 | 1.750 | 89.25 | 105.00 | 11,713.22 |
| | 47.78 | 06/01/2010 | 04/01/2016 | 1.750 | 83.62 | 105.00 | 10,974.34 |
| | 66.30 | 08/01/2010 | 04/01/2017 | 1.900 | 125.97 | 93.00 | 14,266.76 |
| | 51.00 | 09/01/2010 | 04/01/2017 | 1.885 | 96.14 | 93.00 | 10,888.36 |
| | 64.34 | 09/01/2010 | 04/01/2017 | 1.885 | 121.28 | 93.00 | 13,735.59 |
| | 39.98 | 09/01/2010 | 04/01/2017 | 1.885 | 75.36 | 93.00 | 8,534.91 |
| | 76.50 | 10/01/2010 | 04/01/2017 | 1.870 | 143.06 | 93.00 | 16,202.29 |
| | 178.50 | 11/01/2010 | 04/01/2017 | 1.855 | 331.12 | 93.00 | 37,501.07 |
| | 59.50 | 12/01/2010 | 04/01/2017 | 1.840 | 109.48 | 93.00 | 12,399.18 |
| | 39.00 | 12/01/2010 | 04/01/2017 | 1.840 | 71.76 | 93.00 | 8,127.20 |
| | 45.83 | 01/01/2011 | 04/01/2017 | 1.825 | 83.64 | 93.00 | 9,472.67 |
| | 50.70 | 01/01/2011 | 04/01/2017 | 1.825 | 92.53 | 93.00 | 10,479.51 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| [redacted] | 45.83 | 01/01/2011 | 04/01/2017 | 1.825 | 83.64 | 93.00 | 9,472.67 |
| | 100.10 | 02/01/2011 | 04/01/2017 | 1.810 | 181.18 | 93.00 | 20,519.58 |
| | 30.13 | 04/01/2011 | 04/01/2017 | 1.780 | 53.63 | 93.00 | 6,073.88 |
| | 59.50 | 05/01/2011 | 04/01/2017 | 1.765 | 105.02 | 93.00 | 11,894.06 |
| | 99.72 | 05/01/2011 | 04/01/2017 | 1.765 | 176.01 | 93.00 | 19,934.05 |
| | 80.60 | 07/01/2011 | 04/01/2017 | 1.735 | 139.84 | 93.00 | 15,837.61 |
| | 33.78 | 07/01/2011 | 04/01/2017 | 1.735 | 58.61 | 93.00 | 6,637.89 |
| | 253.58 | 09/01/2011 | 04/01/2018 | 1.885 | 478.00 | 81.00 | 45,948.39 |
| | 68.20 | 09/01/2011 | 04/01/2018 | 1.885 | 128.56 | 81.00 | 12,358.00 |
| | 500.72 | 10/01/2011 | 04/01/2018 | 1.870 | 936.35 | 81.00 | 90,007.89 |
| | 39.00 | 10/01/2011 | 04/01/2018 | 1.870 | 72.93 | 81.00 | 7,010.49 |
| | 84.53 | 11/01/2011 | 04/01/2018 | 1.855 | 156.80 | 81.00 | 15,072.61 |
| | 202.86 | 01/01/2012 | 04/01/2018 | 1.825 | 370.22 | 81.00 | 35,587.89 |
| | 50.21 | 01/01/2012 | 04/01/2018 | 1.825 | 91.63 | 81.00 | 8,808.06 |
| | 102.00 | 03/01/2012 | 04/01/2018 | 1.795 | 183.09 | 81.00 | 17,599.77 |
| | 204.00 | 03/01/2012 | 04/01/2018 | 1.795 | 366.18 | 81.00 | 35,199.54 |
| | 42.90 | 03/01/2012 | 04/01/2018 | 1.795 | 77.01 | 81.00 | 7,402.69 |
| | 51.00 | 05/01/2012 | 04/01/2018 | 1.765 | 90.02 | 81.00 | 8,653.29 |
| | 51.00 | 05/01/2012 | 04/01/2018 | 1.765 | 90.02 | 81.00 | 8,653.29 |
| | 56.55 | 05/01/2012 | 04/01/2018 | 1.765 | 99.81 | 81.00 | 9,594.37 |
| | 104.00 | 08/01/2012 | 04/01/2019 | 1.900 | 197.60 | 69.00 | 15,771.07 |
| | 59.50 | 08/01/2012 | 04/01/2019 | 1.900 | 113.05 | 69.00 | 9,022.87 |
| | 87.30 | 08/01/2012 | 04/01/2019 | 1.900 | 165.87 | 69.00 | 13,238.60 |
| | 57.53 | 08/01/2012 | 04/01/2019 | 1.900 | 109.31 | 69.00 | 8,724.37 |
| | 61.43 | 09/01/2012 | 04/01/2019 | 1.885 | 115.80 | 69.00 | 9,242.36 |
| | 59.50 | 10/01/2012 | 04/01/2019 | 1.870 | 111.27 | 69.00 | 8,880.80 |
| | 85.00 | 10/01/2012 | 04/01/2019 | 1.870 | 158.95 | 69.00 | 12,686.29 |
| | 51.00 | 11/01/2012 | 04/01/2019 | 1.855 | 94.61 | 69.00 | 7,551.12 |
| | 72.75 | 11/01/2012 | 04/01/2019 | 1.855 | 134.95 | 69.00 | 10,770.78 |
| | 178.50 | 12/01/2012 | 04/01/2019 | 1.840 | 328.44 | 69.00 | 26,213.82 |
| | 51.00 | 12/01/2012 | 04/01/2019 | 1.840 | 93.84 | 69.00 | 7,489.66 |
| | 34.00 | 12/01/2012 | 04/01/2019 | 1.840 | 62.56 | 69.00 | 4,993.11 |
| | 55.58 | 12/01/2012 | 04/01/2019 | 1.840 | 102.27 | 69.00 | 8,162.49 |
| | 51.68 | 01/01/2013 | 04/01/2019 | 1.825 | 94.32 | 69.00 | 7,527.97 |
| | 48.75 | 02/01/2013 | 04/01/2019 | 1.810 | 88.24 | 69.00 | 7,042.71 |
| | 116.40 | 03/01/2013 | 04/01/2019 | 1.795 | 208.94 | 69.00 | 16,676.15 |
| | 39.00 | 03/01/2013 | 04/01/2019 | 1.795 | 70.01 | 69.00 | 5,587.72 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| [redacted] | 239.45 | 04/01/2013 | 04/01/2019 | 1.780 | 426.22 | 69.00 | 34,017.94 |
| | 126.45 | 04/01/2013 | 04/01/2019 | 1.780 | 225.08 | 69.00 | 17,964.33 |
| | 46.80 | 04/01/2013 | 04/01/2019 | 1.780 | 83.30 | 69.00 | 6,648.43 |
| | 68.00 | 05/01/2013 | 04/01/2019 | 1.765 | 120.02 | 69.00 | 9,579.17 |
| | 119.00 | 05/01/2013 | 04/01/2019 | 1.765 | 210.04 | 69.00 | 16,763.94 |
| | 39.00 | 05/01/2013 | 04/01/2019 | 1.765 | 68.84 | 69.00 | 5,494.33 |
| | 56.55 | 05/01/2013 | 04/01/2019 | 1.765 | 99.81 | 69.00 | 7,966.15 |
| | 87.30 | 06/01/2013 | 04/01/2019 | 1.750 | 152.78 | 69.00 | 12,193.85 |
| | 87.30 | 06/01/2013 | 04/01/2019 | 1.750 | 152.78 | 69.00 | 12,193.85 |
| | 172.10 | 07/01/2013 | 04/01/2019 | 1.735 | 298.59 | 69.00 | 23,831.39 |
| | 17.00 | 07/01/2013 | 04/01/2019 | 1.735 | 29.50 | 69.00 | 2,354.49 |
| | 39.00 | 07/01/2013 | 04/01/2020 | 1.915 | 74.69 | 57.00 | 4,800.83 |
| | 68.25 | 07/01/2013 | 04/01/2020 | 1.915 | 130.70 | 57.00 | 8,400.96 |
| | 42.90 | 08/01/2013 | 04/01/2020 | 1.900 | 81.51 | 57.00 | 5,239.19 |
| | 92.52 | 09/01/2013 | 04/01/2020 | 1.885 | 174.40 | 57.00 | 11,209.85 |
| | 43.55 | 09/01/2013 | 04/01/2020 | 1.885 | 82.09 | 57.00 | 5,276.47 |
| | 42.50 | 10/01/2013 | 04/01/2020 | 1.870 | 79.48 | 57.00 | 5,108.71 |
| | 67.60 | 10/01/2013 | 04/01/2020 | 1.870 | 126.41 | 57.00 | 8,125.22 |
| | 41.93 | 10/01/2013 | 04/01/2020 | 1.870 | 78.41 | 57.00 | 5,039.94 |
| | 60.26 | 11/01/2013 | 04/01/2020 | 1.855 | 111.78 | 57.00 | 7,184.85 |
| | 62.40 | 12/01/2013 | 04/01/2020 | 1.840 | 114.82 | 57.00 | 7,380.25 |
| | 76.50 | 12/01/2013 | 04/01/2020 | 1.840 | 140.76 | 57.00 | 9,047.59 |
| | 40.95 | 12/01/2013 | 04/01/2020 | 1.840 | 75.35 | 57.00 | 4,843.25 |
| | 45.83 | 02/01/2014 | 04/01/2020 | 1.810 | 82.95 | 57.00 | 5,331.75 |
| | 43.88 | 02/01/2014 | 04/01/2020 | 1.810 | 79.42 | 57.00 | 5,104.85 |
| | 52.00 | 03/01/2014 | 04/01/2020 | 1.795 | 93.34 | 57.00 | 5,999.59 |
| | 85.00 | 05/01/2014 | 04/01/2020 | 1.765 | 150.03 | 57.00 | 9,643.43 |
| | 68.00 | 05/01/2014 | 04/01/2020 | 1.765 | 120.02 | 57.00 | 7,714.49 |
| | 42.50 | 05/01/2014 | 04/01/2020 | 1.765 | 75.01 | 57.00 | 4,821.39 |
| | 59.50 | 06/01/2014 | 04/01/2020 | 1.750 | 104.13 | 57.00 | 6,693.13 |
| | 39.98 | 06/01/2014 | 04/01/2020 | 1.750 | 69.97 | 57.00 | 4,497.44 |
| | 41.93 | 06/01/2014 | 04/01/2020 | 1.750 | 73.38 | 57.00 | 4,716.62 |
| | 49.73 | 06/01/2014 | 04/01/2020 | 1.750 | 87.03 | 57.00 | 5,594.00 |
| | 66.30 | 06/01/2014 | 04/01/2020 | 1.750 | 116.03 | 57.00 | 7,458.02 |
| | 119.00 | 07/01/2014 | 04/01/2020 | 1.735 | 206.47 | 57.00 | 13,271.21 |
| | 107.77 | 07/01/2014 | 04/01/2020 | 1.735 | 186.98 | 57.00 | 12,018.46 |
| | 59.50 | 08/01/2014 | 04/01/2021 | 1.900 | 113.05 | 45.00 | 5,593.73 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| [redacted] | 93.50 | 09/01/2014 | 04/01/2021 | 1.885 | 176.25 | 45.00 | 8,720.87 |
| | 59.50 | 09/01/2014 | 04/01/2021 | 1.885 | 112.16 | 45.00 | 5,549.69 |
| | 39.00 | 09/01/2014 | 04/01/2021 | 1.885 | 73.52 | 45.00 | 3,637.78 |
| | 771.98 | 10/01/2014 | 04/01/2021 | 1.870 | 1,443.60 | 45.00 | 71,429.48 |
| | 99.96 | 10/01/2014 | 04/01/2021 | 1.870 | 186.93 | 45.00 | 9,249.32 |
| | 93.60 | 10/01/2014 | 04/01/2021 | 1.870 | 175.03 | 45.00 | 8,660.50 |
| | 311.66 | 11/01/2014 | 04/01/2021 | 1.855 | 578.13 | 45.00 | 28,605.93 |
| | 76.50 | 11/01/2014 | 04/01/2021 | 1.855 | 141.91 | 45.00 | 7,021.72 |
| | 76.50 | 11/01/2014 | 04/01/2021 | 1.855 | 141.91 | 45.00 | 7,021.72 |
| | 54.60 | 12/01/2014 | 04/01/2021 | 1.840 | 100.46 | 45.00 | 4,970.77 |
| | 40.95 | 12/01/2014 | 04/01/2021 | 1.840 | 75.35 | 45.00 | 3,728.33 |
| | 92.05 | 01/01/2015 | 04/01/2021 | 1.825 | 167.99 | 45.00 | 8,312.16 |
| | 57.20 | 02/01/2015 | 04/01/2021 | 1.810 | 103.53 | 45.00 | 5,122.68 |
| | 44.85 | 03/01/2015 | 04/01/2021 | 1.795 | 80.51 | 45.00 | 3,983.64 |
| | 57.53 | 03/01/2015 | 04/01/2021 | 1.795 | 103.27 | 45.00 | 5,109.81 |
| | 51.00 | 04/01/2015 | 04/01/2021 | 1.780 | 90.78 | 45.00 | 4,491.80 |
| | 76.50 | 04/01/2015 | 04/01/2021 | 1.780 | 136.17 | 45.00 | 6,737.71 |
| | 336.34 | 04/01/2015 | 04/01/2021 | 1.780 | 598.69 | 45.00 | 29,623.25 |
| | 229.50 | 05/01/2015 | 04/01/2021 | 1.765 | 405.07 | 45.00 | 20,042.91 |
| | 76.50 | 06/01/2015 | 04/01/2021 | 1.750 | 133.88 | 45.00 | 6,624.40 |
| | 59.50 | 06/01/2015 | 04/01/2021 | 1.750 | 104.13 | 45.00 | 5,152.36 |
| | 62.40 | 06/01/2015 | 04/01/2021 | 1.750 | 109.20 | 45.00 | 5,403.23 |
| | 202.05 | 07/01/2015 | 04/01/2021 | 1.735 | 350.56 | 45.00 | 17,345.75 |
| | 45.83 | 07/01/2015 | 04/01/2022 | 1.915 | 87.76 | 33.00 | 3,105.66 |
| | 55.25 | 07/01/2015 | 04/01/2022 | 1.915 | 105.80 | 33.00 | 3,744.06 |
| | 42.50 | 08/01/2015 | 04/01/2022 | 1.900 | 80.75 | 33.00 | 2,857.59 |
| | 42.90 | 09/01/2015 | 04/01/2022 | 1.885 | 80.87 | 33.00 | 2,861.84 |
| | 124.00 | 10/01/2015 | 04/01/2022 | 1.870 | 231.88 | 33.00 | 8,205.80 |
| | 68.00 | 11/01/2015 | 04/01/2022 | 1.855 | 126.14 | 33.00 | 4,463.86 |
| | 61.43 | 12/01/2015 | 04/01/2022 | 1.840 | 113.03 | 33.00 | 3,999.92 |
| | 57.20 | 02/01/2016 | 04/01/2022 | 1.810 | 103.53 | 33.00 | 3,663.73 |
| | 348.51 | 02/01/2016 | 04/01/2022 | 1.810 | 630.80 | 33.00 | 22,322.83 |
| | 60.26 | 03/01/2016 | 04/01/2022 | 1.795 | 108.17 | 33.00 | 3,827.93 |
| | 51.00 | 03/01/2016 | 04/01/2022 | 1.795 | 91.55 | 33.00 | 3,239.78 |
| | 42.90 | 03/01/2016 | 04/01/2022 | 1.795 | 77.01 | 33.00 | 2,725.24 |
| | 205.28 | 04/01/2016 | 04/01/2022 | 1.780 | 365.40 | 33.00 | 12,930.82 |
| | 136.00 | 05/01/2016 | 04/01/2022 | 1.765 | 240.04 | 33.00 | 8,494.57 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| [redacted] | 42.90 | 05/01/2016 | 04/01/2022 | 1.765 | 75.72 | 33.00 | 2,679.59 |
| | 146.41 | 05/01/2016 | 04/01/2022 | 1.765 | 258.41 | 33.00 | 9,144.64 |
| | 58.50 | 06/01/2016 | 04/01/2022 | 1.750 | 102.38 | 33.00 | 3,623.04 |
| | 68.00 | 07/01/2016 | 04/01/2022 | 1.735 | 117.98 | 33.00 | 4,175.09 |
| | 60.45 | 10/01/2016 | 04/01/2025 | 2.185 | 132.08 | - | - |
| | 34.00 | 10/01/2016 | 04/01/2025 | 2.185 | 74.29 | - | - |
| | 59.50 | 10/01/2016 | 04/01/2025 | 2.185 | 130.01 | - | - |
| | 46.80 | 11/01/2016 | 04/01/2025 | 2.170 | 101.56 | - | - |
| | 59.48 | 11/01/2016 | 04/01/2025 | 2.170 | 129.07 | - | - |
| | 89.70 | 11/01/2016 | 04/01/2025 | 2.170 | 194.65 | - | - |
| | 51.68 | 12/01/2016 | 04/01/2025 | 2.155 | 111.37 | - | - |
| | 85.00 | 01/01/2017 | 04/01/2025 | 2.140 | 181.90 | - | - |
| | 277.72 | 01/01/2017 | 04/01/2025 | 2.140 | 594.32 | - | - |
| | 41.60 | 01/01/2017 | 04/01/2026 | 2.140 | 89.02 | - | - |
| | 39.00 | 01/01/2017 | 04/01/2026 | 2.140 | 83.46 | - | - |
| | 67.60 | 02/01/2017 | 04/01/2026 | 2.125 | 143.65 | - | - |
| | 44.85 | 02/01/2017 | 04/01/2026 | 2.125 | 95.31 | - | - |
| | 40.95 | 02/01/2017 | 04/01/2026 | 2.125 | 87.02 | - | - |
| | 47.78 | 02/01/2017 | 04/01/2026 | 2.125 | 101.53 | - | - |
| | 85.00 | 03/01/2017 | 04/01/2026 | 2.110 | 179.35 | - | - |
| | 172.06 | 03/01/2017 | 04/01/2026 | 2.110 | 363.05 | - | - |
| | 50.72 | 04/01/2017 | 04/01/2026 | 2.095 | 106.26 | - | - |
| | 216.63 | 05/01/2017 | 04/01/2026 | 2.080 | 450.59 | - | - |
| | 43.88 | 05/01/2017 | 04/01/2026 | 2.080 | 91.27 | - | - |
| | 48.75 | 06/01/2017 | 04/01/2026 | 2.065 | 100.67 | - | - |
| | 68.00 | 06/01/2017 | 04/01/2026 | 2.065 | 140.42 | - | - |
| | 55.25 | 06/01/2017 | 04/01/2026 | 2.065 | 114.09 | - | - |
| | 23.38 | 06/01/2017 | 04/01/2026 | 2.065 | 48.28 | - | - |
| | 59.50 | 08/01/2017 | 04/01/2026 | 2.035 | 121.08 | - | - |
| | 46.15 | 08/01/2017 | 04/01/2026 | 2.035 | 93.92 | - | - |
| | 53.63 | 08/01/2017 | 04/01/2026 | 2.035 | 109.14 | - | - |
| | 65.88 | 09/01/2017 | 04/01/2026 | 2.020 | 133.08 | - | - |
| | 59.50 | 09/01/2017 | 04/01/2026 | 2.020 | 120.19 | - | - |
| | 92.05 | 11/01/2017 | 04/01/2026 | 1.990 | 183.18 | - | - |
| | 49.73 | 11/01/2017 | 04/01/2026 | 1.990 | 98.96 | - | - |
| | 44.85 | 12/01/2017 | 04/01/2026 | 1.975 | 88.58 | - | - |
| | 261.90 | 01/01/2018 | 04/01/2026 | 1.960 | 513.32 | - | - |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| [redacted] | 62.00 | 01/01/2018 | 04/01/2026 | 1.960 | 121.52 | - | - |
| | 219.62 | 01/01/2018 | 04/01/2026 | 1.960 | 430.46 | - | - |
| | 42.50 | 01/01/2018 | 04/01/2026 | 1.960 | 83.30 | - | - |
| | 39.00 | 01/01/2018 | 04/01/2027 | 1.960 | 76.44 | - | - |
| | 50.70 | 01/01/2018 | 04/01/2027 | 1.960 | 99.37 | - | - |
| | 46.80 | 03/01/2018 | 04/01/2027 | 1.930 | 90.32 | - | - |
| | 47.78 | 04/01/2018 | 04/01/2027 | 1.915 | 91.50 | - | - |
| | 170.00 | 05/01/2018 | 04/01/2027 | 1.900 | 323.00 | - | - |
| | 127.50 | 05/01/2018 | 04/01/2027 | 1.900 | 242.25 | - | - |
| | 52.00 | 05/01/2018 | 04/01/2027 | 1.900 | 98.80 | - | - |
| | 39.98 | 06/01/2018 | 04/01/2027 | 1.885 | 75.36 | - | - |
| | 72.00 | 07/01/2018 | 04/01/2027 | 1.870 | 134.64 | - | - |
| | 68.00 | 07/01/2018 | 04/01/2027 | 1.870 | 127.16 | - | - |
| | 42.90 | 09/01/2018 | 04/01/2027 | 1.840 | 78.94 | | |
| | 266.29 | 09/01/2018 | 04/01/2027 | 1.840 | 489.97 | | |
| | 25.50 | 09/01/2018 | 04/01/2027 | 1.840 | 46.92 | | |
| | 174.97 | 10/01/2018 | 04/01/2027 | 1.825 | 319.32 | | |
| | 51.00 | 11/01/2018 | 04/01/2027 | 1.810 | 92.31 | | |
| | 144.23 | 11/01/2018 | 04/01/2027 | 1.810 | 261.06 | | |
| | 59.50 | 12/01/2018 | 04/01/2027 | 1.795 | 106.80 | | |
| | 62.40 | 12/01/2018 | 04/01/2027 | 1.795 | 112.01 | | |
| | 39.00 | 01/01/2019 | 04/01/2028 | 1.780 | 69.42 | | |
| | 107.77 | 02/01/2019 | 04/01/2028 | 1.765 | 190.21 | | |
| | 47.78 | 02/01/2019 | 04/01/2028 | 1.765 | 84.33 | | |
| | 85.00 | 03/01/2019 | 04/01/2028 | 1.750 | 148.75 | | |
| | 47.45 | 03/01/2019 | 04/01/2028 | 1.750 | 83.04 | | |
| | 96.60 | 03/01/2019 | 04/01/2028 | 1.750 | 169.05 | | |
| | 74.40 | 04/01/2019 | 04/01/2028 | 1.735 | 129.08 | | |
| | 25.50 | 04/01/2019 | 04/01/2028 | 1.735 | 44.24 | | |
| | 40.95 | 04/01/2019 | 04/01/2028 | 1.735 | 71.05 | | |
| | 237.19 | 05/01/2019 | 04/01/2028 | 1.720 | 407.97 | | |
| | 15.60 | 05/01/2019 | 04/01/2028 | 1.720 | 26.83 | | |
| | 153.00 | 05/01/2019 | 04/01/2028 | 1.720 | 263.16 | | |
| | 186.33 | 05/01/2019 | 04/01/2028 | 1.720 | 320.49 | | |
| | 212.50 | 05/01/2019 | 04/01/2028 | 1.720 | 365.50 | | |
| | 93.60 | 05/01/2019 | 04/01/2028 | 1.720 | 160.99 | | |
| | 51.68 | 05/01/2019 | 04/01/2028 | 1.720 | 88.89 | | |

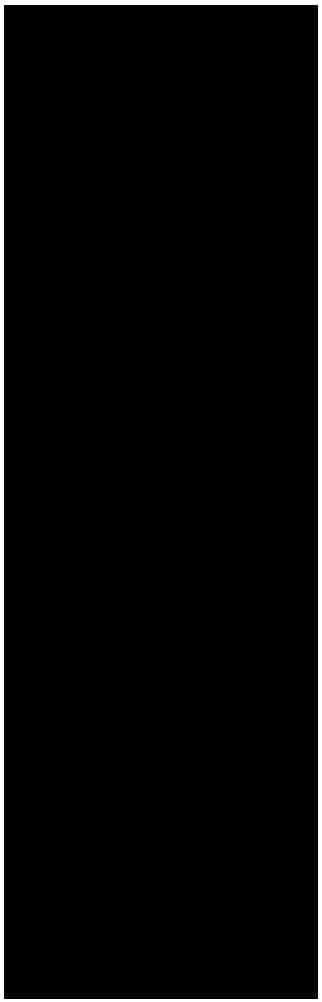
[redacted]

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|---|---|---|---|---|
| 85.00 | 06/01/2019 | 04/01/2028 | 1.705 | 144.93 |
| 68.00 | 06/01/2019 | 04/01/2028 | 1.705 | 115.94 |
| 383.33 | 07/01/2019 | 04/01/2028 | 1.690 | 647.83 |
| 56.55 | 07/01/2019 | 04/01/2028 | 1.690 | 95.57 |
| 39.98 | 08/01/2019 | 04/01/2028 | 1.675 | 66.97 |
| 42.50 | 08/01/2019 | 04/01/2028 | 1.675 | 71.19 |
| 160.05 | 09/01/2019 | 04/01/2028 | 1.660 | 265.68 |
| 87.30 | 09/01/2019 | 04/01/2028 | 1.660 | 144.92 |
| 43.88 | 10/01/2019 | 04/01/2028 | 1.645 | 72.18 |
| 45.83 | 10/01/2019 | 04/01/2028 | 1.645 | 75.39 |
| 34.00 | 11/01/2019 | 04/01/2028 | 1.630 | 55.42 |
| 126.79 | 11/01/2019 | 04/01/2028 | 1.630 | 206.67 |
| 40.95 | 02/01/2020 | 04/01/2029 | 1.590 | 65.11 |
| 59.50 | 02/01/2020 | 04/01/2029 | 1.590 | 94.61 |
| 59.50 | 02/01/2020 | 04/01/2029 | 1.590 | 94.61 |
| 136.00 | 04/01/2020 | 04/01/2029 | 1.570 | 213.52 |
| 23.50 | 06/01/2020 | 04/01/2029 | 1.550 | 36.43 |
| 265.02 | 06/01/2020 | 04/01/2029 | 1.550 | 410.78 |
| 187.00 | 06/01/2020 | 04/01/2029 | 1.550 | 289.85 |
| 8.50 | 07/01/2020 | 04/01/2029 | 1.540 | 13.09 |
| 46.80 | 07/01/2020 | 04/01/2029 | 1.540 | 72.07 |
| 42.50 | 08/01/2020 | 04/01/2029 | 1.530 | 65.03 |
| 101.40 | 08/01/2020 | 04/01/2029 | 1.530 | 155.14 |
| 42.50 | 09/01/2020 | 04/01/2029 | 1.520 | 64.60 |
| 101.85 | 09/01/2020 | 04/01/2029 | 1.520 | 154.81 |
| 202.05 | 10/01/2020 | 04/01/2029 | 1.510 | 305.10 |
| 199.89 | 10/01/2020 | 04/01/2029 | 1.510 | 301.83 |
| 166.64 | 11/01/2020 | 04/01/2029 | 1.500 | 249.96 |
| 43.88 | 11/01/2020 | 04/01/2029 | 1.500 | 65.82 |
| 17.00 | 12/01/2020 | 04/01/2029 | 1.490 | 25.33 |
| 84.53 | 12/01/2020 | 04/01/2029 | 1.490 | 125.95 |
| 62.40 | 01/01/2021 | 04/01/2029 | 1.480 | 92.35 |
| 266.20 | 01/01/2021 | 04/01/2029 | 1.480 | 393.98 |
| 76.50 | 03/01/2021 | 04/01/2030 | 1.460 | 111.69 |
| 206.66 | 04/01/2021 | 04/01/2030 | 1.450 | 299.66 |
| 145.50 | 04/01/2021 | 04/01/2030 | 1.450 | 210.98 |
| 42.50 | 05/01/2021 | 04/01/2030 | 1.440 | 61.20 |

[redacted]

| | | | | |
|---|---|---|---|---|
| 51.00 | 07/01/2021 | 04/01/2030 | 1.420 | 72.42 |
| 101.85 | 08/01/2021 | 04/01/2030 | 1.410 | 143.61 |
| 59.50 | 08/01/2021 | 04/01/2030 | 1.410 | 83.90 |
| 126.79 | 08/01/2021 | 04/01/2030 | 1.410 | 178.77 |
| 17.00 | 08/01/2021 | 04/01/2030 | 1.410 | 23.97 |
| 53.63 | 08/01/2021 | 04/01/2030 | 1.410 | 75.62 |
| 136.00 | 09/01/2021 | 04/01/2030 | 1.400 | 190.40 |
| 76.50 | 09/01/2021 | 04/01/2030 | 1.400 | 107.10 |
| 49.73 | 09/01/2021 | 04/01/2030 | 1.400 | 69.62 |
| 44.00 | 10/01/2021 | 04/01/2030 | 1.390 | 61.16 |
| 346.06 | 10/01/2021 | 04/01/2030 | 1.390 | 481.02 |
| 52.00 | 12/01/2021 | 04/01/2030 | 1.370 | 71.24 |
| 51.00 | 12/01/2021 | 04/01/2030 | 1.370 | 69.87 |
| 102.00 | 01/01/2022 | 04/01/2030 | 1.360 | 138.72 |
| 59.50 | 01/01/2022 | 04/01/2030 | 1.360 | 80.92 |
| 68.00 | 01/01/2022 | 04/01/2030 | 1.360 | 92.48 |
| 102.00 | 01/01/2022 | 04/01/2030 | 1.360 | 138.72 |
| 131.10 | 02/01/2022 | 04/01/2031 | 1.350 | 176.99 |
| 42.50 | 02/01/2022 | 04/01/2031 | 1.350 | 57.38 |
| 68.00 | 03/01/2022 | 04/01/2031 | 1.340 | 91.12 |
| 110.50 | 03/01/2022 | 04/01/2031 | 1.340 | 148.07 |
| 72.75 | 04/01/2022 | 04/01/2031 | 1.330 | 96.76 |
| 319.44 | 04/01/2022 | 04/01/2031 | 1.330 | 424.86 |
| 41.00 | 04/01/2022 | 04/01/2031 | 1.330 | 54.53 |
| 46.80 | 05/01/2022 | 04/01/2031 | 1.320 | 61.78 |
| 59.50 | 06/01/2022 | 04/01/2031 | 1.310 | 77.95 |
| 51.68 | 06/01/2022 | 04/01/2031 | 1.310 | 67.70 |
| 59.50 | 06/01/2022 | 04/01/2031 | 1.310 | 77.95 |
| 102.00 | 07/01/2022 | 04/01/2031 | 1.300 | 132.60 |
| 85.00 | 07/01/2022 | 04/01/2031 | 1.300 | 110.50 |
| 153.00 | 08/01/2022 | 04/01/2031 | 1.290 | 197.37 |
| 125.01 | 08/01/2022 | 04/01/2031 | 1.290 | 161.26 |
| 84.53 | 09/01/2022 | 04/01/2031 | 1.280 | 108.20 |
| 83.00 | 10/01/2022 | 04/01/2031 | 1.270 | 105.41 |
| 156.59 | 10/01/2022 | 04/01/2031 | 1.270 | 198.87 |
| 159.72 | 11/01/2022 | 04/01/2031 | 1.260 | 201.25 |
| 101.85 | 11/01/2022 | 04/01/2031 | 1.260 | 128.33 |

| | | | | |
|---|---|---|---|---|
| 227.72 | 11/01/2022 | 04/01/2031 | 1.260 | 286.93 |
| 85.00 | 11/01/2022 | 04/01/2031 | 1.260 | 107.10 |
| 41.93 | 12/01/2022 | 04/01/2031 | 1.250 | 52.41 |
| 102.00 | 01/01/2023 | 04/01/2031 | 1.240 | 126.48 |
| 153.00 | 02/01/2023 | 04/01/2032 | 1.230 | 188.19 |
| 101.85 | 02/01/2023 | 04/01/2032 | 1.230 | 125.28 |
| 17.00 | 02/01/2023 | 04/01/2032 | 1.230 | 20.91 |
| 170.00 | 03/01/2023 | 04/01/2032 | 1.220 | 207.40 |
| 25.50 | 03/01/2023 | 04/01/2032 | 1.220 | 31.11 |
| 152.15 | 03/01/2023 | 04/01/2032 | 1.220 | 185.62 |
| 127.50 | 03/01/2023 | 04/01/2032 | 1.220 | 155.55 |
| 139.02 | 03/01/2023 | 04/01/2032 | 1.220 | 169.60 |
| 87.30 | 05/01/2023 | 04/01/2032 | 1.200 | 104.76 |
| 59.50 | 05/01/2023 | 04/01/2032 | 1.200 | 71.40 |
| 68.00 | 06/01/2023 | 04/01/2032 | 1.190 | 80.92 |
| 225.18 | 06/01/2023 | 04/01/2032 | 1.190 | 267.96 |
| 157.47 | 06/01/2023 | 04/01/2032 | 1.190 | 187.39 |
| 66.30 | 06/01/2023 | 04/01/2032 | 1.190 | 78.90 |
| 159.50 | 07/01/2023 | 04/01/2032 | 1.180 | 188.21 |
| 59.50 | 07/01/2023 | 04/01/2032 | 1.180 | 70.21 |
| 34.00 | 08/01/2023 | 04/01/2032 | 1.170 | 39.78 |
| 59.50 | 08/01/2023 | 04/01/2032 | 1.170 | 69.62 |
| 59.50 | 09/01/2023 | 04/01/2032 | 1.160 | 69.02 |
| 345.39 | 09/01/2023 | 04/01/2032 | 1.160 | 400.65 |
| 197.35 | 10/01/2023 | 04/01/2032 | 1.150 | 226.95 |
| 203.70 | 10/01/2023 | 04/01/2032 | 1.150 | 234.26 |
| 260.52 | 10/01/2023 | 04/01/2032 | 1.150 | 299.60 |
| 39.00 | 11/01/2023 | 04/01/2032 | 1.140 | 44.46 |
| 67.60 | 01/01/2024 | 04/01/2032 | 1.120 | 75.71 |
| 87.30 | 01/01/2024 | 04/01/2032 | 1.120 | 97.78 |
| 291.00 | 01/01/2024 | 04/01/2032 | 1.120 | 325.92 |
| 72.75 | 01/01/2024 | 04/01/2032 | 1.120 | 81.48 |
| 452.54 | 02/01/2024 | 04/01/2033 | 1.110 | 502.32 |
| 119.00 | 03/01/2024 | 04/01/2033 | 1.100 | 130.90 |
| 161.50 | 03/01/2024 | 04/01/2033 | 1.100 | 177.65 |
| 43.30 | 03/01/2024 | 04/01/2033 | 1.100 | 47.63 |
| 102.00 | 03/01/2024 | 04/01/2033 | 1.100 | 112.20 |



| | | | | |
|---|---|---|---|---|
| 292.82 | 03/01/2024 | 04/01/2033 | 1.100 | 322.10 |
| 169.14 | 04/01/2024 | 04/01/2033 | 1.090 | 184.36 |
| 319.44 | 05/01/2024 | 04/01/2033 | 1.080 | 345.00 |
| 400.50 | 05/01/2024 | 04/01/2033 | 1.080 | 432.54 |
| 68.00 | 06/01/2024 | 04/01/2033 | 1.070 | 72.76 |
| 191.70 | 06/01/2024 | 04/01/2033 | 1.070 | 205.12 |
| 68.00 | 06/01/2024 | 04/01/2033 | 1.070 | 72.76 |
| 103.33 | 07/01/2024 | 04/01/2033 | 1.060 | 109.53 |
| 76.50 | 08/01/2024 | 04/01/2033 | 1.050 | 80.33 |
| 8.50 | 08/01/2024 | 04/01/2033 | 1.050 | 8.93 |
| 130.95 | 09/01/2024 | 04/01/2033 | 1.040 | 136.19 |
| 84.53 | 09/01/2024 | 04/01/2033 | 1.040 | 87.91 |
| 42.50 | 09/01/2024 | 04/01/2033 | 1.040 | 44.20 |
| 51.00 | 09/01/2024 | 04/01/2033 | 1.040 | 53.04 |
| 211.90 | 09/01/2024 | 04/01/2033 | 1.040 | 220.38 |
| 80.60 | 09/01/2024 | 04/01/2033 | 1.040 | 83.82 |
| 102.00 | 09/01/2024 | 04/01/2033 | 1.040 | 106.08 |
| 62.40 | 10/01/2024 | 04/01/2033 | 1.030 | 64.27 |
| 195.50 | 10/01/2024 | 04/01/2033 | 1.030 | 201.37 |
| 51.00 | 10/01/2024 | 04/01/2033 | 1.030 | 52.53 |
| 68.00 | 10/01/2024 | 04/01/2033 | 1.030 | 70.04 |
| 59.50 | 11/01/2024 | 04/01/2033 | 1.020 | 60.69 |
| 126.79 | 11/01/2024 | 04/01/2033 | 1.020 | 129.33 |
| 267.56 | 11/01/2024 | 04/01/2033 | 1.020 | 272.91 |
| 199.65 | 11/01/2024 | 04/01/2033 | 1.020 | 203.64 |
| 694.07 | 12/01/2024 | 04/01/2033 | 1.010 | 701.01 |
| 59.50 | 12/01/2024 | 04/01/2033 | 1.010 | 60.10 |
| 68.00 | 12/01/2024 | 04/01/2033 | 1.010 | 68.68 |

**CERTIFICATION THAT THE PLAN AMENDMENT**
**TO REINSTATE SUSPENDED BENEFITS WILL BE TIMELY ADOPTED**

As required by 29 C.F.R. § 4262.7(e)(2) for the application ("Application") for special financial assistance for the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1 Joint Retirement Fund (the "Plan"), the undersigned, constituting the Board of Trustees of the Plan, hereby certifies that the proposed amendment to the Leather Goods, Plastics, Handbags and Novelty Workers' Union Local 1 Joint Retirement Fund Amended and Restated Effective as of January 1, 2015 to reinstate benefits under the Plan that have been suspended under section 4245(a) of ERISA due to plan insolvency, which proposed amendment is submitted herewith as part of the Application, will be timely adopted upon approval by the Pension Benefit Guaranty Corporation of the Application.

Larry Magarik
Trustee

Date: 8/11/26

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: OCT 19 2015

Employer Identification Number:
13-5622665
DLN:
17007034053005
Person to Contact:
MARCIA J BERNSTEIN ID# [redacted]
Contact Telephone Number:
(516) 576-7392
Plan Name:
LOCAL 1 LEATHER GOODS PLASTICS
HANDBAGS JOINT RETIREMENT FUND
Plan Number: 001

BOARD OF TRUSTEES OF THE JOINT
RETIREMENT FUND
166 EAST JERICHO TURNPIKE
MINEOLA, NY 11501-2098

Dear Applicant:

Based on the information you provided, we are issuing this favorable determination letter for your plan listed above. However, our favorable determination only applies to the status of your plan under the Internal Revenue Code and is not a determination on the effect of other federal or local statutes. To use this letter as proof of the plan's status, you must keep this letter, the application forms, and all correspondence with us about your application.

Your determination letter does not apply to any qualification changes that become effective, any guidance issued, or any statutes enacted after the dates specified in the Cumulative List of Changes in Plan Requirements (the Cumulative List) for the cycle you submitted your application under, unless the new item was identified in the Cumulative List.

Your plan's continued qualification in its present form will depend on its effect in operation (Section 1.401-1(b)(3) of the Income Tax Regulations). We may review the status of the plan in operation periodically.

You can find more information on favorable determination letters in Publication 794, Favorable Determination Letter, including:

The significance and scope of reliance on this letter,
The effect of any elective determination request in your application materials,
The reporting requirements for qualified plans, and
Examples of the effect of a plan's operation on its qualified status.

You can get a copy of Publication 794 by visiting our website at www.irs.gov/formspubs or by calling 1-800-TAX-FORM (1-800-829-3676) to request a copy.

This determination letter applies to the amendments dated on Nov 2010.

This determination letter also applies to the amendments dated on

BOARD OF TRUSTEES OF THE JOINT

7/20/11, 8/6/14.

This determination letter also applies to the amendments dated on 12/29/14, 1/17/15.

We made this determination on the condition that you adopt the proposed amendments you submitted in your letter dated 10/5/15, on or before the date the Income Tax Regulations provide under Section 401(b) of the Internal Revenue Code.

You can't rely on this letter after the end of the plan's first five-year remedial amendment cycle that ends more than 12 months after we received the application. This letter expires on January 31, 2020. This letter considered the 2013 Cumulative List of Changes in Plan Qualification Requirements.

The information on the enclosed addendum is an integral part of this determination. Please be sure to read it and keep it with this letter.

If you submitted a Form 2848, Power of Attorney and Declaration of Representative, or Form 8821, Tax Information Authorization, with your application and asked us to send your authorized representative or appointee copies of written communications, we will send a copy of this letter to him or her.

If you have any questions, you can contact the person listed at the top of this letter.

Sincerely,

Karen D. Truss

Karen D. Truss
Director, EP Rulings & Agreements

Addendum

BOARD OF TRUSTEES OF THE JOINT

This determination letter does not apply to any portions of the document that incorporate the terms of an auxiliary agreement (collective bargaining, reciprocity, or participation agreement), unless you append to the plan document the exact language of the sections that you incorporated by reference.

PNC

*Beth E. Fretz*
Senior Vice President

Treasury Management
The Tower at PNC, 8th Floor
300 Fifth Avenue
Pittsburgh, PA 15222

August 25, 2026

To Whom It May Concern:

The intent of this letter is to certify that Leather Goods Plastics Handbags & Novelty Workers Union Local 1 currently has a business checking account with PNC Bank N.A.

Please let this letter serve as confirmation the account can receive electronic payments in the form of both ACH and wire.

The account information is as follows:

| | |
|---|---|
| **Account Type:** | Checking |
| **Account Title:** | Leather Goods Plastics Handbags & Novelty Workers Union Local 1 |
| **Account Number:** | [redacted] |
| **Wire Routing (ABA):** | 031000053 (Domestic) |
| **Bank SWIFT Code:** | PNCCUS33 (International) |
| **ACH Routing (ABA):** | 031000053 |
| **Bank Name/Address:** | PNC Bank N.A.<br>500 First Avenue<br>Pittsburgh PA 15219 |

Any questions related to this letter should be directed to Sue Gallegor, susan.gallegor@pnc.com 412-807-5714.

Sincerely,

Beth E. Fretz
Senior Vice President
PNC Treasury Management

State of Pennsylvania
County of Allegheny
On this 25th day of August, 2026, before me, the undersigned Notary Public, personally appeared, Beth E. Fretz, known to me or satisfactorily proven to be the person whose name is subscribed to this instrument, and acknowledged that she executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My Commission Expires: 2-22-30

Commonwealth of Pennsylvania - Notary Seal
Sherry Y. Mitchell, Notary Public
Allegheny County
My commission expires February 22, 2030
Commission number 1113874
Member, Pennsylvania Association of Notaries

# ACH VENDOR/MISCELLANEOUS PAYMENT ENROLLMENT FORM

OMB No. 1530-0069

This form is used for Automated Clearing House (ACH) payments with an addendum record that contains payment-related information processed through the Vendor Express Program. Recipients of these payments should bring this information to the attention of their financial institution when presenting this form for completion. See reverse for additional instructions.

## PRIVACY ACT STATEMENT

The following information is provided to comply with the Privacy Act of 1974 (P.L. 93-579). All information collected on this form is required under the provisions of 31 U.S.C. 3322 and 31 CFR 210. This information will be used by the Treasury Department to transmit payment data, by electronic means to vendor's financial institution. Failure to provide the requested information may delay or prevent the receipt of payments through the Automated Clearing House Payment System.

## AGENCY INFORMATION

| | | |
|---|---|---|
| FEDERAL PROGRAM AGENCY | | |
| AGENCY IDENTIFIER: | AGENCY LOCATION CODE (ALC): | ACH FORMAT: ☐ CCD+ ☐ CTX |
| ADDRESS: | | |
| | | |
| CONTACT PERSON NAME: | | TELEPHONE NUMBER: ( ) |
| ADDITIONAL INFORMATION: | | |

## PAYEE/COMPANY INFORMATION

| | |
|---|---|
| NAME<br>LPHN Workers Union Local 1 Joint Retirement Fund | SSN NO. OR TAXPAYER ID NO.<br>13-5622665 |
| ADDRESS<br>c/o CBIZ 1845 Walnut Street, 10th Floor | |
| Philadelphia, PA 19103 | |
| CONTACT PERSON NAME:<br>Laurette Pillori | TELEPHONE NUMBER:<br>( 267 ) 800-1612 |

## FINANCIAL INSTITUTION INFORMATION

| | |
|---|---|
| NAME:<br>PNC Bank N.A. | |
| ADDRESS:<br>500 First Avenue | |
| Pittsburgh, PA 15219 | |
| ACH COORDINATOR NAME:<br>Susan Gallegor | TELEPHONE NUMBER:<br>( 412 ) 807-5714 |
| NINE-DIGIT ROUTING TRANSIT NUMBER: 0 3 1 0 0 0 0 5 3 | |
| DEPOSITOR ACCOUNT TITLE:<br>Leather Goods, Plastics, Handbags & Novelty Workers Union Local 1 Joint Retirement Fund | |
| DEPOSITOR ACCOUNT NUMBER:<br>[redacted] | LOCKBOX NUMBER:<br>n/a |
| TYPE OF ACCOUNT: ☒ CHECKING ☐ SAVINGS ☐ LOCKBOX | |
| SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL: (Could be the same as ACH Coordinator)<br>Laurette Pillori Benefit Manager | TELEPHONE NUMBER:<br>( 267 ) 800-1612 |

AUTHORIZED FOR LOCAL REPRODUCTION

SF 3881 (Rev. 2/2003)
Prescribed by Department of Treasury
31 U S C 3322; 31 CFR 210

## Instructions for Completing SF 3881 Form

Make three copies of form after completing. Copy 1 is the Agency Copy; copy 2 is the Payee/Company Copy; and copy 3 is the Financial Institution Copy.

1. Agency Information Section - Federal agency prints or types the name and address of the Federal program agency originating the vendor/miscellaneous payment, agency identifier, agency location code, contact person name and telephone number of the agency. Also, the appropriate box for ACH format is checked.

2. Payee/Company Information Section - Payee prints or types the name of the payee/company and address that will receive ACH vendor/miscellaneous payments, social security or taxpayer ID number, and contact person name and telephone number of the payee/company. Payee also verifies depositor account number, account title, and type of account entered by your financial institution in the Financial Institution Information Section.

3. Financial Institution Information Section - Financial institution prints or types the name and address of the payee/company's financial institution who will receive the ACH payment, ACH coordinator name and telephone number, nine-digit routing transit number, depositor (payee/company) account title and account number. Also, the box for type of account is checked, and the signature, title, and telephone number of the appropriate financial institution official are included.

## Burden Estimate Statement

The estimated average burden associated with this collection of information is 15 minutes per respondent or recordkeeper, depending on individual circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Bureau of the Fiscal Service, Forms Management Officer, Parkersburg, WV 26106-1328. THIS ADDRESS SHOULD ONLY BE USED FOR COMMENTS AND/OR SUGGESTIONS CONCERNING THE AMOUNT OF TIME SPENT COLLECTING THE DATA. DO NOT SEND THE COMPLETED PAPERWORK TO THE ADDRESS ABOVE FOR PROCESSING.

# Corporate Business

PNC Bank

PNC PRIVATE BANK
PO Box 609
Pittsburgh, PA 15230-9738

**For the Period 04/01/2025 to 04/30/2025**

Primary Account Number: XX-XXXX-[redacted]
Page 1 of 2
Number of enclosures: 0

LEATHER GOODS PLASTICS HANDBAGS &
NOVELTY WORKERS UNION LOCAL 1
TH; C O CBIZ RETIREMENT & INVESTMENT; SO
FL 10
1845 WALNUT ST
PHILADELPHIA PA 19103-4709

For 24-hour banking sign on to
PNC Bank Online Banking on pnc.com
FREE Online Bill Pay

For customer service call 1-800-669-1518

Para servicio en espanol, 1-877-BUS-BNKG

**Moving?** Please contact your local branch

Visit us at PNC.com/treasury

## Corporate Business Summary

Account number: XX-XXXX-[redacted]

LEATHER GOODS PLASTICS HANDBAGS &
NOVELTY WORKERS UNION LOCAL 1

Overdraft Protection has not been established for this account.
Please contact us if you would like to set up this service.

## Balance Summary

| Beginning balance | Deposits and other additions | Checks and other deductions | Ending balance |
|---|---|---|---|
| 1,056,295.20 | 14,523.47 | 265,417.21 | 805,401.46 |

### Deposits and Other Additions

| Description | Items | Amount |
|---|---|---|
| Deposits | 4 | 9,626.58 |
| Other Additions | 1 | 4,896.89 |
| Total | 5 | 14,523.47 |

### Checks and Other Deductions

| Description | Items | Amount |
|---|---|---|
| Checks | 2 | 1,600.00 |
| Other Deductions | 2 | 263,817.21 |
| Total | 4 | 265,417.21 |

### Daily Balance

| Date | Ledger balance | Date | Ledger balance | Date | Ledger balance |
|---|---|---|---|---|---|
| 04/01 | 1,056,352.10 | 04/23 | 1,063,707.08 | 04/28 | 1,069,218.67 |
| 04/14 | 1,064,507.08 | 04/24 | 1,063,954.28 | 04/30 | 805,401.46 |

## Activity Detail

### Deposits and Other Additions

#### Deposits

| Date posted | Amount | Transaction description | Reference number |
|---|---|---|---|
| 04/01 | 56.90 | Whls Lbx Dep[redacted] | [redacted] |
| 04/14 | 8,154.98 | Whls Lbx Dep[redacted] | |
| 04/24 | 1,047.20 | Whls Lbx Dep[redacted] | |
| 04/28 | 367.50 | Whls Lbx Dep[redacted] | |

#### Other Additions

| Date posted | Amount | Transaction description | Reference number |
|---|---|---|---|
| 04/28 | 4,896.89 | Domestic Incoming Wire[redacted] | [redacted] |

# Corporate Business

For 24-hour account information, sign-on to
pnc.com/mybusiness/

**For the Period 04/01/2025 to 04/30/2025**
LEATHER GOODS PLASTICS HANDBAGS &
Primary Account Number: XX-XXXX-[redacted]

Corporate Business Account Number: XX-XXXX-[redacted] - continued



## Checks and Other Deductions

### Checks and Substitute Checks

* Gap in check sequence

| Date posted | Check number | Amount | Reference number | Date posted | Check number | Amount | Reference number |
|---|---|---|---|---|---|---|---|
| 04/24 | 1075 * | 800.00 | [redacted] | 04/23 | 1076 | 800.00 | [redacted] |

### Other Deductions

| Date posted | Amount | Transaction description | | Reference number |
|---|---|---|---|---|
| 04/30 | 262,945.73 | Domestic Assist Wire | Savitz UFCW Plan | [redacted] |
| 04/30 | 871.48 | Corporate Account Analysis Charge | | 00000000000000[redacted] |

COHEN WEISS AND SIMON LLP

**Michael S. Adler, Partner**
Tel: (212) 563-4100
Fax: (212) 695-5436
madler@cwsny.com
www.cwsny.com

909 Third Avenue • New York, NY 10022

July 15, 2026

Via Email

Erika B. Bode, CEBS
Manager, Special Financial Assistance Division
Plan Compliance Department
Pension Benefit Guaranty Corporation
445 12th Street, SW
Washington, DC 20024

Bode.Erika@pbgc.gov

Re: Jurisdiction and Venue for Plans to Which Larry Magarik is the Sole Trustee are Located Within the Second Circuit

Dear Ms. Bode:

This firm is counsel to the UFCW Local 50, 174 Pension, 174 Retail, 174 Commercial, 342 Meat Cutters, JRF Leather, PSSDC and Local 171 Plans.[1]

This statement is submitted in support of the applications by twenty (20) Plans for which Larry Magarik ("Trustee Magarik") serves as sole Trustee for Special Financial Assistance ("SFA") under the American Rescue Plan Act ("ARPA") and to demonstrate the these Plans are all located within the Second Circuit and subject to the decision of the United Stated Court of Appeals for the Second Circuit in *Board of Trustees of Bakery Drivers Local 550 and Industry Fund v. PBGC*, 136 F.4th 26 (2d Cir. 2025), reh. den. 2026 WL 1377108, ___F. 4th___, cert. den. ___U.S. ___ (May 18, 2026) which held that multiemployer, defined benefit pension plans which are terminated may be eligible for SFA. The Pension Benefit Guaranty Corporation (the "PBGC") is accepting applications from such Plans.

[1] We have consulted with Plan Counsel for all the other Plans for which Mr. Magarik is the sole Trustee and who are submitting SFA applications, and they concur and support this letter and this statement, and are copied below, but note that two of the Plans (Carville and Luggage) do not have retained Counsel. Most importantly, Trustee Magarik has authorized this firm to submit this letter and statement on behalf of all these Plans.

**Summary**

Trustee Magarik, whose office, state citizenship, domicile and residence are within the Second Circuit, is the plan sponsor, named fiduciary, and plan administrator for each of the Plans, and effectively manages and makes all decisions for and in the administration of each of these Plans. Trustee Magarik was appointed by or through the PBGC, and the documents appointing Trustee Magarik make it clear that he occupies these positions, specifically appointing him to these roles. He is the sole Trustee for these Plans. Trustee Magarik effectively runs each Plan, directs all of its administration, manages all its operations, hires, fires, directs and supervises all of its professionals and service providers (including plan counsel, actuary, third-party administrator, and accountant), conducts and chairs all of its Trustee and other meetings, conducts all of its operations and business affairs, and decides any and all appeals or requests for review under its claims review procedures.

These Plans are therefore clearly located within the Second Circuit.

**Facts**

Trustee Magarik has his office, resides, and is domiciled at [redacted], within the Second Circuit, which includes New York, Connecticut and Vermont. 28 U.S.C. §41.[2] Trustee Magarik is also a longtime citizen of New York State.

Each of these Plans is an employee benefit "trust" and Trustee Magarik is the single neutral "trustee" of each Plan by the terms of its Trust Agreement and Section 302(c)(5) of the Labor Management Relations Act ("LMRA"), 29 USC §186(c)(5).

Trustee Magarik is the "Plan Sponsor" of each of these Plans under Sections 3(16)(B)(iii) and 4001((a)(10) of the Employee Retirement Income Security Act ("ERISA"), 29 USC §§1002(16)(B)(iii) and 1301(a)(10), as he is the sole Trustee and constitutes the entire "Board of Trustees" of each of these Plans.

Trustee Magarik is the "Plan Administrator" of each of these Plans under ERISA Sections 3(16)(A) and 4001(a)(1), 29 USC §§1002(16)(A) and 1301(a)(1) as he is designated as such in all of the documents under which each Plan operates, was explicitly designated as such under the Appointment Agreement with or through the PBGC or, in one case, the Court Order, by which

[2] Note that, for the older appointments, Trustee Magarik's office was at 113 University Place, New York, New York 10003 until 2017, and 80 Eighth Avenue, New York, New York 10011 until 2024. These locations are also within the Second Circuit.

Trustee Magarik was appointed as the plan's sole trustee, and is also the "Plan Sponsor" of each plan, as noted.

Trustee Magarik is the "named fiduciary" of each of these Plans under ERISA Section 402(a), 29 USC §1102(a).

Trustee Magarik is a "fiduciary" with respect to each of these Plans under ERISA Section 21(A), 29 USC §1002(21)(A) because he has and exercises discretionary authority and control respecting management of each plan, disposition of its assets, and administration of the plan.

Trustee Magarik, who is an independent fiduciary and professional trustee, is the sole "trustee" under ERISA Section 405(b) and (c), 29 USC §1105(b) and (c) and no other person is designated as a trustee of any of these Plans.

Each of these Plans is administered by Trustee Magarik in the Second Circuit under ERISA Section 502(e)(2), 29 USC §1132(e)(2).

The twenty (20) Plans to which Trustee Magarik serves as sole Trustee and which are applying to the PBGC for SFA are as follows:

1) Carville National Leather Corp. Pension Plan
2) District 65 Pension Plan
3) Production Service and Sales District Council Pension Fund
4) Schiffli Embroidery Workers Pension Plan
5) Southern Council of Industrial Workers Pension Fund
6) UFCW Local 50 Pension Plan
7) UFCW Local 174 Pension Fund
8) UFCW Local 174 Retail Pension Fund
9) UFCW Local 919 and Contributing Employers' Non-Food Pension Plan
10) Local 174 Commercial Fund
11) Amalgamated Meat Cutters Local 342 Pension Fund
12) Joint Retirement Fund Leather Goods Local 1
13) Retirement Fund of the Fur Manufacturing Industry
14) Bakery & Sales Drivers Local 33 Partitioned Pension Fund
15) Licensed Tugmen's & Pilots Pension Plan
16) United Brewery Workers Local 87 Pension Fund
17) IAMAW 2848 Defined Benefit Pension Plan
18) IATSE Local 640 Pension Plan
19) Luggage Workers Local 61 Retirement Plan
20) Local No. 171 Pension Fund

Trustee Magarik was appointed as trustee for almost all these Plans pursuant to an Agreement sponsored and negotiated by the PBGC and signed either by the PBGC or by the former trustees of the Plan. In one case (Luggage Plan), Trustee Magarik was court-appointed in an action by the PBGC. In another case (Local 171 Plan), Trustee Magarik was appointed pursuant to an agreement modeled directly on the PBGC agreements with Trustee Magarik.

A single Omnibus Fiduciary Insurance Policy with Trustee Magarik, approved by the PBGC, covers all these Plans, except that the Local 171 Plan retains a separate fiduciary insurance policy but also lists Trustee Magarik and his address. Each of these Plans is covered by an identical cyber insurance policy signed by Trustee Magarik. Each of these Plans is covered by an ERISA fidelity bond, which is prepared and approved by Trustee Magarik.

Where the PBGC did not already have a security agreement and promissory note in place and required one, these were signed by Trustee Magarik for each of the Plans.

Each of the Plans is a terminated, multiemployer, defined benefit pension plan. Each of the Plans is an insolvent plan receiving PBGC financial assistance, except that one of the Plans (Local 171 Plan) is now applying for PBGC financial assistance in anticipation of its imminent insolvency. Note that one plan, the Luggage Plan, has also applied to the PBGC for authorization to annuitize its benefits, and that application is pending.

Trustee Magarik signs Form 5500s and any other reporting and disclosure documents requiring signatures by authorized representatives for each of these Plans.

Trustee Magarik signed the SFA Lock-In Application for each of the Plans.

Trustee Magarik authorized the actuary for each of the Plans to place the Plan on the SFA application waiting list.

Trustee Magarik has, in most cases except the Luggage Plan, retained third party administrators to handle claims on a contract basis with PBGC approval, Trustee Magarik hires, fires, directs and supervises these service providers. Trustee Magarik similarly has contracted with accountants, actuaries, counsel or other professionals as required in these Plans, and Trustee Magarik hires, fires, directs and supervises these service providers. In none of these Plans does the third party administrator serve as a trustee or named fiduciary or been asked to do so.

Mail including any mail from the PBGC, such as the security agreements and promissory notes for insolvency assistance under ERISA Section 4261, is sent to Trustee Magarik at his office

address in New York, although today most materials are by email, and Trustee Magarik receives email at his office address, within the Second Circuit.[3]

Additionally, these Plans have had numerous occasions to file suit (such as the collection of withdrawal liability), and numerous suits have been filed on behalf the Plans[4] and Trustee Magarik (as courts generally require the suit to be brought in the name of the Plan Trustee) within the Second Circuit. Not one lawsuit within the Second Circuit has been rejected based on the Second Circuit venue.

Moreover, in one case the court ruled directly that Trustee Magarik's Second Circuit address established the Second Circuit as the proper location and venue for suit and rejected an attempt to transfer the suit elsewhere. *See Local 171 Pension Fund v. Stone*, 2025 WL 936538 (S.D.N.Y. March 27, 2025), copy attached.

**Legal Discussion**

ERISA Section 502(e)(1) grants federal courts subject matter jurisdiction over most civil actions brought by an employee pension plan's fiduciary. ERISA Section 502(a)(1)(B) provides that state and federal courts have concurrent jurisdiction, applying to claims by plan beneficiaries seeking to recover benefits, enforce rights, or clarify future benefits. *Ambulatory Infusion Therapy Specialist, Inc. v. N. Am. Adm'rs, Inc.,* 262 S.W.3d 107 (Tex. App. 2008).

In determining diversity jurisdiction, courts consider a trustee's citizenship to be determinative since the trustee is the "real party to the controversy[,]" which is determined by a showing of "customary powers to hold, manage, and dispose of assets for the benefit of others." *Navarro Savings Ass'n v. Lee*, 446 U.S. 458, 464 (1980). Since Trustee Magarik is the trustee of each of these Plans under each Plan's Trust Agreement, the LMRA, the Agreement or Court Order appointing Trustee Magarik, and ERISA, and Trustee Magarik's citizenship is within the Second Circuit, it is clear as a matter of black letter law that each Plan within the Second Circuit.

Courts find personal jurisdiction where "the plan is administered, where the breach took place, or where a defendant resides or may be found." 29 U.S.C. § 1132(e)(2); *see e.g., Local 8A-*

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[3] Although less important in terms of the fact that these Plans are within the Second Circuit, it should be noted a number of these Plans were historically located and operated before their termination or insolvency within the Second Circuit – District 65, PSSDC, UFCW 50, 174 Pension, 174 Commercial, 174 Retail, JRF Leather, 342 Meat Cutters, 919, IATSE 640 – where their contributing employers, participating unions and union members had previously worked.

[4] Our firm filed twenty-five (25) plus such lawsuits within the past few years.

*28A Welfare & 401(K) Ret. Funds v. Golden Eagles Architectural Metal Cleaning & Refinishing*, 277 F. Supp. 2d 291, 294 (S.D.N.Y. 2003) (citations omitted); *Sprinzen v. Supreme Court of New Jersey*, 478 F. Supp. 722, 723-24 (S.D.N.Y. 1979). Further, a plan can be administered in more than one district. *See, e.g., Bostic v. Ohio River Co. (Ohio Div.) Basic Pension Plan*, 517 F. Supp. 627, 632 (S.D.W.Va. 1981); *Wallace v. Am. Petrofina, Inc.*, 659 F. Supp. 829, 831 (E.D. Tex. 1987).

In *Navarro*, the Supreme Court concluded that plaintiff trustees qualified as "active trustees whose control over the assets held in their names [was] real and substantial"—and thus were the real parties in interest to the controversy—because the "declaration of trust . . . authorized the trustees to take legal title to trust assts, to invest those assets for the benefit of the shareholders, and to sue and be sued in their capacity as trustees," the trustees "filed th[e] lawsuit in that capacity." *See also Americold Realty Tr. v. Conagra Foods, Inc.*, 577 U.S. 378, 383, 136 S. Ct. 1012, 194 L. Ed. 2d 71 (2016), *citing Navarro*, 446 U.S. at 462-66 ("[W]hen a trustee files a lawsuit or is sued in her own name, her citizenship is all that matters for diversity purposes."); *Wells Fargo Bank, N.A. v. Konover Dev. Corp.*, 630 F. App'x 46, 49 (2d Cir. 2015), *quoting Navarro*, 446 U.S. at 464) ("When a trustee possesses certain customary powers to hold, manage, and dispose of assets for the benefit of others, the trustee qualifies as a 'real party to the controversy' and may sue based on its own citizenship.").

In *Stone*, a case where Mr. Magarik was also the sole trustee, then with an office in Manhattan, the S.D.N.Y. declined to transfer the case to Illinois (where the defendants resided), citing "the location of the [Fund] and a number of [Fund] witnesses here, the willingness of [Fund's] counsel to take depositions via remote means for the convenience of counsel and witness, and the ease of accessing this District in the event of in-person attendance at court proceedings." *Id*. at *2.

## Conclusion

Consequently, because Mr. Magarik is the Plans' sole trustee, plan sponsor, named fiduciary, manager, and decision-maker, and works out of a New York Office, we conclude that the Plans are within the Second Circuit's jurisdiction. Therefore, these Plans are subject to the Second Circuit opinion in *Bd. of Trs. of Bakery Drivers Local 550 & Indus. Pension Fund v. PBGC*.

Please feel free to contact us with any questions.

Sincerely,

*Michael S. Adler*

Michael S. Adler

Attachment

cc: Larry Magarik (Trustee)
Rossi Marcelin (PBGC)
Olga Hernandez-Cruz (PBGC)
Myriangie Porter (PBGC)
Beth Saindon, Esq. (Bakery 33)
Alex Rosenthal, Esq. (Tugmen and IAMAW)
Jason Brodsky, Esq. (65)
Andrew Dietrich, Esq. (SCIW)
Joe Semo, Esq. (919)
David Fusco, Esq. (87)

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DOC #:
DATE FILED: 3/27/2025

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

LOCAL 171 PENSION FUND,

Plaintiff,

-against-

JEFFREY B. STONE and ERIC D. STONE,

Defendants.

24-cv-01769 (MMG)

**ORDER**

MARGARET M. GARNETT, United States District Judge:

Plaintiff Local 171 Pension Fund ("Plaintiff" or "Fund") filed this action for breach of fiduciary duty and other related claims against Defendants Jeffrey B. Stone and Eric D. Stone on March 7 2024. Dkt. No. 1. An Amended Complaint was filed on March 20, 2024. Dkt. No. 16. All of the claims relate to the withdrawal, in 2019 and 2020, from an ERISA plan by a company (Biehl Cleaners) owned or controlled by the Stones and/or entities that the Stones controlled, and the 2020 sale of real property by the Defendants that had been used by Biehl Cleaners without turning over any of the proceeds to the Fund for the withdrawal liability of Biehl Cleaners. Count One asserts a claim for breach of fiduciary duty against Jeffrey Stone, who was a trustee of the plan. Count Two asserts an aiding and abetting claim for Jeffrey Stone's breach of fiduciary duty against Eric Stone. Count Three seeks a finding of personal liability under ERISA for both Defendants for Biehl Cleaners' withdrawal liability, under a "pierce the veil" theory.

Before the Court is Defendants' motion to dismiss this matter as duplicative of a declaratory judgment action filed by the Defendants against the Plaintiff in the Central District of Illinois; in the alternative, to dismiss under Rule 12(b)(6) of the Federal Rules of Civil Procedure for failure to state a claim; and, if the matter is not dismissed, to transfer the case to the Central District of Illinois under the Court's discretionary transfer authority under 28 U.S.C. § 1404(a).

Dkt. No. 18. Plaintiff has opposed the motions. Dkt. No. 27. For the reasons that follow, the Defendants' motions are DENIED.

## I. The Motion to Dismiss as Duplicative is Moot

On December 19, 2024, the district court in the purportedly duplicative case in the Central District of Illinois dismissed that action in favor of this pending case, finding that the Illinois action was arguably abuse of the Declaratory Judgment Act and that in any event maintaining two actions on essentially the same claims would be a waste of judicial resources and risk inconsistent judgments. *See* Dkt. No. 37 (attaching opinion in Illinois action). Because this case is no longer duplicative of any pending case, the Court declines to dismiss on that basis.

## II. The Amended Complaint States a Claim

In order to survive a motion to dismiss under Rule 12(b)(6) of the Federal Rules of Civil Procedure, a complaint must plead "enough facts to state a claim to relief that is plausible on its face." *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007). A claim has "facial plausibility when the plaintiff pleads factual content that allows the court to draw the reasonable inference that the defendant is liable for the misconduct alleged." *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009). A complaint is properly dismissed where, as a matter of law, "the allegations in a complaint, however true, could not raise a claim of entitlement to relief." *Twombly*, 550 U.S. at 558. The standard for surviving a motion to dismiss is not difficult to meet. *See Walker v. Schult*, 717 F.3d 119, 124 (2d Cir. 2013) (the issue on a motion to dismiss is whether a plaintiff is entitled to offer evidence to support its claims, not whether the plaintiff will ultimately prevail). When ruling on a Rule 12(b)(6) motion, the Court must accept all factual allegations contained in the complaint as true and draw all reasonable inferences in favor of the plaintiff. *See Koch v. Christie's Int'l, PLC*, 699 F.3d 141, 145 (2d Cir. 2012).

The Defendants' arguments on their motion to dismiss for failure to state a claim cannot overcome the mandate to take all well-pleaded allegations in the Amended Complaint as true and to draw all reasonable inferences in favor of the Plaintiff. Defendants' arguments as to Count One essentially amount to arguments about what inference should be drawn from Jeffrey Stone's actions around the 2020 property sale, and an argument that, if the Defendants' inferences are drawn, no breach of fiduciary duty occurred. But the Court cannot, at this stage, draw Defendants' suggested inferences when the inferences posited by Plaintiff are reasonable based on the allegations of the Amended Complaint. Nor can the Court resolve disputed factual issues around what relevant participants knew at the relevant times. Similarly, as to Counts Two and Three, Plaintiff alleges facts egregious enough, and reasonable inferences drawn from those alleged facts, to plausibly allege a claim for relief. The Court acknowledges that Defendants raise certain legal arguments against the viability of Counts Two and Three as well; however, those arguments depend, at least in part, on factual assertions that are at odds with the allegations of the Amended Complaint. That is fatal to the motion to dismiss. Plaintiff may well not prevail, and the Court expresses no opinion as to the likelihood of any particular outcome on the merits. But they have sufficiently pled their claims so as to survive a motion to dismiss.

## III. The Court Declines to Transfer

Finally, Defendants request that, if the Amended Complaint survives, the case be transferred to the Central District of Illinois under 28 U.S.C. § 1404(a). The Court declines to transfer the case.

"A district court may exercise its discretion to transfer venue 'for the convenience of parties and witnesses, in the interest of justice.'" *New York Marine & Gen. Ins. Co. v. Lafarge N. Am., Inc.*, 599 F.3d 102, 112 (quoting 28 U.S.C. § 1404(a)). "District courts have broad

discretion in making determinations of convenience under Section 1404(a) and notions of convenience and fairness are considered on a case-by-case basis." *D.H. Blair & Co. v. Gottdiener*, 462 F.3d 95, 106 (2d Cir. 2006). When considering whether to transfer an action, some of the factors a district court may consider include: "(1) the plaintiff's choice of forum, (2) the convenience of witnesses, (3) the location of relevant documents and relative ease of access to sources of proof, (4) the convenience of parties, (5) the locus of operative facts, (6) the availability of process to compel the attendance of unwilling witnesses, and (7) the relative means of the parties." *Id.* at 106-07 (internal references omitted).

Here, the majority of the factors are either neutral or favor the Plaintiff, including the Plaintiff's choice of this District, the location of the Plaintiff and a number of Plaintiff witnesses here, the willingness of Plaintiff's counsel to take depositions via remote means for the convenience of counsel and witness, and the ease of accessing this District in the event of in-person attendance at court proceedings. The arguments of Defendants as to their own location, the location of the real property that was sold, and the location of some of the relevant events do not outweigh the other factors sufficiently to counsel in favor of transferring this case to another district.

## CONCLUSION

For the reasons stated herein, Defendants' motions to dismiss or transfer are DENIED. Counsel are directed to confer and to submit a joint letter to the Court by **April 17, 2025**, setting forth the parties' views as to (i) the import of the recent settlement agreement in the Stone Brothers LLC bankruptcy proceeding between the Defendants and the bankruptcy trustee regarding the proceeds from the sale of the real property referenced in the Amended Complaint (*see* Dkt. No. 39); and (ii) proposed next steps in this action, including whether referral to the

Magistrate Judge for a settlement conference would be fruitful or whether the parties prefer to begin discovery.

Dated: March 27, 2025
New York, New York

SO ORDERED.

MARGARET M. GARNETT
United States District Judge