

***Cement Masons Local Union #681
Pension Plan***


Application for Special Financial Assistance

Required Trustee Signature

Pursuant to Pension Benefit Guaranty Corporation's (PBGC) Interim Final Rule, 29 CFR Parts issues under Section 4000 and 4262 of the Employee Retirement Income Security Act, as amended 1974 (ERISA) and published in the Federal Register on July 12, 2021 (Regulations) the Board of the Cement Masons Local Union #681 Pension Plan ("Plan") submits this application along with accompanying Exhibits, to the PBGC for approval of Special Financial Assistance.

Name: Mauricio Robles

Signature: _____

A handwritten signature in black ink, appearing to read "MAURICIO ROBLES", is written over a horizontal line. The signature is highly stylized and somewhat illegible due to the cursive and overlapping strokes.

Date: 12/30/2021

Title: Authorized Trustee

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A. Plan Identifying Information

Name of Plan: Cement Masons Local Union #681 Pension Plan

Employer Identification Number: 74-6091787

Three-digit Plan Number: 001

Notice of filer name: Mark Stewart, ASA
1040 Crown Pointe Parkway, Suite 560
Atlanta, GA 30338
678-317-4104

Role of filer: Plan's Actuary

Total Amount Requested: \$10,995,762.05

B. Plan Documents

1) Plan documentation.

- a. Plan document and amendments
 - Most recent plan document, file labeled: ***CM681 executed Plan Document Effective 10.01.14.pdf***
 - All amendments since last restatement, file labeled: none
- b. Trust agreement and amendments
 - Trust agreement language is included in the most recent plan document above.
- c. Amendment required by 4262.6(e)(1) of PBGC's SFA regulation
 - see attached document labeled: ***Cement Masons 681 – Amd 1 to Pension Plan 122821.pdf***
- d. Proposed plan amendment required by 4262.6 (e)(2) of PBGC's SFA regulation
 - The proposed plan amendment was included with the amendment required by 4262.6(e)(1) of PBGC's SFA regulation
- e. Statement Plan was partitioned
 - The Plan was not partitioned, therefore no statement is required
- f. Most recent IRS determination letter
 - see attached document labeled: ***Favorable Determination 02.13.15.pdf***

2) Actuarial Valuation Reports

See attached documents labeled:

- ***2018AVR CM681.pdf***
- ***2019AVR CM681.pdf***
- ***2020AVR CM681.pdf***

3) Rehabilitation Plan

See attached documents labeled:

- ***2008 Rehab Plan_signed.pdf***
- ***Letter to Actuary from Bargaining Parties Executed 12 11 13.pdf***
- ***Letter to Actuary fully executed 09.30.15.pdf***

4) Form 5500

See attached document labeled:

- ***2020Form5500 CM681.pdf***

5) Zone Certifications

See attached documents labeled:

- ***2018Zone20181220 CM681.pdf***
- ***2019Zone20191220 CM681.pdf***
- ***2020Zone20201222 CM681.pdf***
- ***2021Zone20211228 CM681.pdf***

6) Account Statement

See attached document labeled:

- ***CM 681 Nov Bank Statement.pdf***

7) Plan's Financial Statements

See attached documents labeled:

- ***Cement Masons 681 Pension Plan 2020-2021 Financial Statements.pdf***

8) Withdrawal Liability Documentation

There are no specific written polices or procedures relating to withdrawal liability beyond what is described in Section 7.03 of the plan document (document labeled ***CM681 executed Plan Document Effective 10.01.14.pdf***).

9) Bank Information for Payment

See attached ACH Vendor Payment Enrollment Form, labeled:

- ***CM681 ACH form.pdf***

C. Plan Data

1) Form 5500 projection

The Plan has less than 500 participants, therefore this is not required.

2) Contributing Employers

The Plan has less than 10,000 participants, therefore this is not required.

3) Historical Plan Information

See attached documents labeled: *Template 3 Cement 681.xlsx*

4) SFA Determination

See attached documents labeled: *Template 4 Cement 681.xlsx*

5) Baseline Details

See attached documents labeled: *Template 5 Cement 681.xlsx*

6) Reconciliation Details

See attached documents labeled: *Template 6 Cement 681.xlsx*

7) Assumption Details

a. Assumptions for SFA Eligibility

The Plan's eligibility is based on the Zone Certification as of October 1, 2020 and no assumptions were changed to determine eligibility, therefore as per PBGC instruction this is not required

b. Assumptions for SFA Amount

See attached documents labeled: *Template 7 Cement 681.xlsx*

8) Contribution and Withdrawal Liability Details

See attached documents labeled: *Template 8 Cement 681.xlsx*

9) Participant Data

The Plan has less than 350,000 participants, therefore this is not required

D. Plan Statements

1) SFA request cover letter

Not Included

2) Plan Sponsor Information

Name	Board of Trustees of Cement Masons Local Union #681 Pension Plan
Address	8441 Gulf Freeway Suite 304 Houston, TX 77017
Plan Administrator	Mark Crandell mcrandell@benefitresourcesinc.com Benefit Resources Inc. 8441 Gulf Freeway Suite 304 Houston, TX 77017 713-643-9300

Plan Actuary Mark Stewart
mark.stewart@horizonactuarial.com
Horizon Actuarial Services, LLC
1040 Crown Pointe Parkway, Suite 560
Atlanta, GA 30338
678-317-4104

Plan Attorney Doug Selwyn
dselwyn@cwlaw.com
Conner & Winters, LLP
808 Travis Street, 23rd Floor
Houston, TX 77002
713-650-3850

3) Eligibility

The Cement Masons Local Union #681 Pension Plan meets the eligibility requirements under ERISA §4262.3(a)(4) as the Plan became insolvent after December 16, 2014 and remained insolvent without terminating as of March 11, 2021. The Cement Masons Local Union #681 Pension Plan became insolvent on August 1, 2016 and has not terminated since that date.

4) Priority Group Identification

Under PBGC Regulation §4262.10(d)(2) the Cement Masons Local Union #681 Pension Plan is in Priority Group 1 since the Plan is insolvent.

5) Development of the assumed future contributions and future withdrawal liability payments

Future Contributions

Assumed future contributions were based on an average hourly contribution rate of \$5.10 per hour, the same hourly contribution rate that was in effect as of March 11, 2021. The assumed hours were based on the total hours worked during the plan year beginning October 1, 2018 and ending September 30, 2019. These hours were further reduced by 3% per year for the first 10 years, then 1% thereafter. The assumed future hours were developed in accordance with Generally acceptable assumption changes under PBGC's Special Financial Assistance Assumption Guidelines published on July 9, 2021. The starting hours for October 1, 2018 through September 30, 2019 excluded the "COVID period" and the reduction in future hours reflects the average reduction in hours for the past 10 plan years, limited to 3% per year for the first 10 years and 1% thereafter.

Employer Withdrawal Liability Payments

There are no future withdrawal liability payments assumed. There are currently

no employers that have been assessed withdrawal liability and are making payments.

6) Assumptions

a. Eligibility Assumptions

Not applicable. The plan is eligible for SFA under §4262.3(a)(4) of PBGC's SFA regulation.

b. SFA Assumptions

All assumptions used to determine the SFA amount are consistent with the October 1, 2019 actuarial valuation, with the exception of future administrative expenses, future CBU assumptions, and the new entrant profile used to determine the projected liabilities.

Future Administrative Expenses Assumption

Future administrative expenses were not projected beyond those used in the October 1, 2019 actuarial valuation due to the plan's insolvency. The assumption used in the October 1, 2019 actuarial valuation was the average of the prior 3 years of actual administrative assumptions.

The future administrative expenses used to determine the SFA amount beginning as of October 1, 2021 were determined to be the actual 3-year average of expenses for the 3 plan years ending on September 30, 2021, increased by 2% for inflation, and further increased by PBGC premiums that would be payable for the plan year beginning October 1, 2021 if the plan were not insolvent.

For each plan year in the future, this amount was increased by 2.23% per year for inflation. The inflation amount of 2.23% reflects the 20-year geometric average inflation assumption from the Horizon Actuarial 2021 Survey of Capital Market Assumptions. The 2021 Edition of the Survey of Capital Market Assumptions reflects the responses of 24 survey participants that provided long term investment assumptions for the 20-year results. The formal report can be found at www.horizonactuarial.com.

Administrative expenses were further increased by \$10 per participant for the plan year beginning October 1, 2031 to reflect the expected increase in PBGC premiums.

To reflect the decreasing size of the plan, the administrative expenses were assumed to decrease by the amount of the annual audit in the plan year beginning October 1, 2036, when the projected total participants falls below

100. This amount was the cost of the most recent audit for the plan year beginning October 1, 2019, increased to 2036 by 2.23% per year for inflation. Additionally, administrative expenses were limited to the expected benefit payments for the plan.

The administrative expenses assumption used in the October 1, 2019 actuarial valuation were not reasonable, given that no future expenses past September 30, 2020 were assumed. The future assumed expenses used in the SFA application are reasonable given the cost of maintaining an ongoing plan which include the use of plan professionals, and the past 3 years reflect a reasonable expectation of future expenses. Furthermore, long term projections require an inflation assumption and the assumption used is based on the average assumption of investment professionals. The expenses are also reasonably reduced to account for the diminishing size of the plan, while still recognizing that even a small plan needs plan professionals to meet regulatory requirements.

Future CBU Assumption

The future hours assumption used in the October 1, 2019 actuarial valuation was the actual hours worked in the prior plan year by active participants only.

The assumed hours used in the calculation of the SFA amount were based on the total hours worked during the plan year beginning October 1, 2018 and ending September 30, 2019. These hours were further reduced by 3% per year for the first 10 years, then 1% thereafter. The assumed future hours were developed in accordance with Generally acceptable assumption changes under PBGC's Special Financial Assistance Assumption Guidelines published on July 9, 2021. The starting hours for October 1, 2018 through September 30, 2019 excluded the "COVID period" and the reduction in future hours reflects the average reduction in hours for the past 10 plan years, limited to 3% per year for the first 10 years and 1% thereafter.

Actual hours worked by all participants is a more reasonable indicator of expected future hours worked for contribution purposes. Furthermore, reflecting some decrease in future expected hours worked is a reasonable assumption given the past decreases and anticipated future experience.

New Entrant Profile

There were no expected new entrants into the plan reflected in the October 1, 2019 actuarial valuation.

The projections of future expected benefit payments rely on an open group projection. The new entrants assumed to enter the plan are based on the actual new entrants for the five prior plan years ending on September 30, 2020. Each new active participant in the last five plan years were reflected in the new entrant profile, regardless of whether they stayed in the plan as of September 30, 2020.

New entrants are needed in the projection of expected benefit payments. New entrants were added reflecting the past five plan years of new entrants in accordance with the Acceptable assumption changes under PBGC's Special Financial Assistance Assumption Guidelines published on July 9, 2021.

7) How Plan Will Reinstate Benefits

Plan benefits were suspended under section 4245(a) of ERISA. Benefits will be restored to the full plan benefits within 30 days of receipt of SFA to the plan. Previously suspended benefits will be repaid to affected plan participants in a one-time lump sum within 90 days of the receipt of SFA to the plan. This amount is expected to be \$450,864 as of September 30, 2021, the SFA measurement date.

8) Reconciliation of Fair Market of Plan Assets as of SFA Measurement Date

Not applicable as the SFA measurement date is the end of the plan year.

E. Plan Statements

1) SFA Application Checklist

See attached file labeled: *Template Checklist Cement 681.xlsx*

2) Certification if Plan is eligible under section 4262(b)(1)(C) of ERISA

The Plan is not eligible under section 4262(b)(1)(C) of ERISA, therefore this is not required.

3) Certification of Priority Status

Under PBGC Regulation §4262.10(d)(2) the Cement Masons Local Union #681 Pension Plan is in Priority Group 1 since the Plan is insolvent.

Therefore, to the best of our knowledge and belief, the Plan is included in Priority Group 1, per PBGC Regulation §4262.7(c).

Certified by:



Mark Stewart, ASA, EA, MAAA
Enrolled Actuary No.: 20-06075
1040 Crown Pointe Parkway, Suite 560
Atlanta, GA 30338
Phone (678) 317-4104

December 30, 2021



Heather Ray, ASA, EA, MAAA
Enrolled Actuary No.: 20-08821
1040 Crown Pointe Parkway, Suite 560
Atlanta, GA 30338
Phone (678) 317-4118

December 30, 2021

4) Certification by Plan's Enrolled Actuary Certifying SFA Amount

All calculations in this application were prepared on behalf of the Cement Masons Local Union #681 Pension Plan based on employee data, asset statements and plan documents provided by the Plan sponsor or its representatives. We relied upon the data as submitted, without formal audit. However, the data was tested for reasonableness, and we have no reason to believe that any other information which would have had a material effect on the results of this valuation was overlooked.

Therefore, to the best of our knowledge and belief, the requested amount of Special Financial Assistance (SFA) is the amount to which the Plan is entitled under section 4262(j)(1) of ERISA and section 4262.4 of PBGC's SFA regulation and the information presented in this application is complete and accurate, and each assumption used represents our best estimate of anticipated experienced under the Plan. The assumptions and methods used to calculate the SFA are the same as used for the October 1, 2019 actuarial valuation dated October 28, 2020, with the exception of the assumptions described in Part D Section 6 of this application. The participant data was the same as the data used in the October 1, 2020 actuarial valuation dated December 16, 2021.

Certified by:



Mark Stewart, ASA, EA, MAAA
Enrolled Actuary No.: 20-06075
1040 Crown Pointe Parkway, Suite 560
Atlanta, GA 30338
Phone (678) 317-4104

December 30, 2021



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Enrolled Actuary No.: 20-08821
1040 Crown Pointe Parkway, Suite 560
Atlanta, GA 30338
Phone (678) 317-4118

December 30, 2021

5) Certification by Plan Sponsor to the Accuracy of the Fair Market of Plan Assets

The asset amount as of September 30, 2021 (the Special Financial Assistance (SFA) measurement date), was developed by taking the asset value as of September 30, 2021 as seen on the most recent unaudited Plan financial statement (document labeled: *Cement Masons 681 Pension Plan 2020-2021 Financial Statements.pdf*).

Therefore, I certify the accuracy of the fair market value of assets as of September 30, 2021 (the Special Financial Assistance (SFA) measurement date), in the amount of \$126,579.

Name: Mauricio Robles

Signature: 

Date: 12/30/2021

Title: Authorized Trustee

6) Certification by Plan Sponsor that the proposed plan amendment provided under Section B. Item 1d will be timely adopted

The plan amendment providing for restoration of benefits previously suspended under section 4245(a) of ERISA has already been adopted in conjunction with the plan amendment required under §4262.6(e)(1) of PBGC's SFA regulation.

7) Penalty of Perjury Statement Pursuant to PBGC Regulation §4262.6(b)

Under penalties of perjury under the laws of the United States of America, I declare 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 and such facts are true, correct, and complete.

Name: Mauricio Robles

Signature:

A handwritten signature in black ink, appearing to read "Mauricio Robles", is written over a horizontal line. The signature is stylized and somewhat cursive.

Date: 12/30/2021

Title: Authorized Trustee

Application Checklist


v20210708p

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

The Application for Approval of Special Financial Assistance Checklist ("Application Checklist" or "Checklist") identifies all information required to be filed with the application.

The information in this Application Checklist, and the Application Checklist itself, are uploaded in PBGC's e-Filing Portal by logging into the e-Filing Portal, going to the Multiemployer Events section and clicking on "Create New ME Filing," and then under "Select a Filing Type," selecting "Application for Financial Assistance – Special.” Note, if you go to the e-Filing Portal and do not see the option "Application for Financial Assistance – Special," this means that the portal is currently closed and PBGC is not accepting applications at this time, unless the plan is eligible to make an emergency filing under § 4262.10(f). PBGC’s website at 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**.

If a revised application is filed after a denial was received but the application was not withdrawn, the revised application must differ from the denied application only to the extent necessary to address the reasons provided by PBGC for the denial. For the revised application, the filer may, but is not required to, submit an entire application. A revised application for SFA must use the same SFA measurement date, participant census data, and interest rate assumption as were used in the plan's initial 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**.

If a revised application is filed after an application was withdrawn, the revised application must use the same SFA measurement date, participant census data, and interest rate assumption from the initial application. Upload only the information that changed from the initial application. For all Application Checklist Items that were previously filed that are not being changed, include a statement in the Plan Comments section of the Application Checklist to indicate that the 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.

Application Checklist

v20210708p

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

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 any Checklist Item where only a portion of the submitted document is responsive, identify the page numbers in the identified document that are responsive.

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.

Supplemental 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.

Requested File Naming (if applicable): For certain Checklist Items, a specified format for naming the file is requested.

SFA Regulation Reference: Identifies the applicable section of PBGC's regulation.

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 #47 on the Application Checklist.** If there has been a plan merger as described in § 4262.4(f)(1)(ii), you also must provide responses for Checklist Items #48 through #60 on the Application Checklist. If you are required to provide responses for Checklist Items #48 through #60, your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #48 through #60 on the Application Checklist. All other plans should not provide responses for Items #48 through #60 of the Application Checklist.

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 required for the three initial questions concerning whether or not this application is a submission of a revised application, or whether the plan has been terminated.

Application Checklist

v20210708p

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

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.

Application to PBGC for Special Financial Assistance (SFA)

v20210708p

APPLICATION CHECKLIST

Plan name:	Cement Masons Local Union #681 Pension Plan
EIN:	74-6091787
PN:	001
SFA Amount Requested:	\$10,995,762.05
Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #47.	

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

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

Checklist Item #	Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	Upload as Document Type	Requested File Naming (if applicable)	SFA Regulation Reference	SFA Filing Instructions Reference
Plan Information, Checklist, and Certifications									
	Is this application a revised application submitted after the denial of a previously filed application for SFA?	Yes No	No						
	Is this application a revised application submitted after a plan has withdrawn its application for SFA?	Yes No	No						
	Has this plan been terminated?	Yes No	No						
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 No	Yes	template-checklist Cement 681.xlsx			Special Financial Assistance Checklist	Checklist Pension Plan Name, where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.6(a) Section E, Item 1
2.	Does the application include an SFA request cover letter (optional)? Enter N/A if no letter is provided.	Yes N/A	N/A		No cover letter provided		Financial Assistance Request Letter		Section D, Item 1
3.	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?	Yes No	Yes	CM 681 ARPA Application.pdf	2 of pdf		Financial Assistance Application	§ 4262.6(b)(1)	Section D
4.	Does the application include the required penalties of perjury statement signed by an authorized trustee who is a current member of the board of trustees?	Yes No	Yes	CM 681 ARPA Application.pdf	14 of pdf (page #11 at bottom)		Financial Assistance Application	§ 4262.6(b)(2)	Section E, Item 6
5.	Does the application include the name, address, email, and telephone number of the plan sponsor? Does it also include the same contact information for the plan sponsor's duly authorized representatives, including legal counsel and enrolled actuary?	Yes No	Yes	CM 681 ARPA Application.pdf	6 of pdf (page #3 at bottom)	Use Plan administrator email and phone number for Plan Sponsor	Financial Assistance Application	§ 4262.7(a)	Section D, Item 2
6.	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 instructions?	Yes No	Yes	CM 681 ARPA Application.pdf	7 of pdf (page #4 at bottom)	insolvent plan	Financial Assistance Application	§ 4262.3 § 4262.7(b)	Section D, Item 3
7a.	If the plan claims SFA eligibility under section 4262(b)(1)(C) of ERISA, does the application include a certification from the plan's enrolled actuary that the plan is eligible for SFA which specifically notes the specified year for each component of eligibility (certification of plan status, modified funding percentage, and participant ratio), the detailed derivation of the modified funding percentage, and the derivation of the participant ratio?	Yes No N/A	N/A			The Plan meets eligibility under ERISA Section 4262.3(a)(4).	Financial Assistance Application	§ 4262.6(c) § 4262.7(b)	Section E, Item 2
7b.	Does the certification in Checklist Item #7a also identify all assumptions and methods (including supporting rationale and, where applicable, reliance on the plan sponsor) used to develop the current value of withdrawal liability that is utilized in the calculation of the modified funded percentage?	Yes No N/A	N/A			The Plan meets eligibility under ERISA Section 4262.3(a)(4).	Financial Assistance Application	§ 4262.6(c) § 4262.7(b)	Section E, Item 2
8a.	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))?	Yes No N/A	Yes	CM 681 ARPA Application.pdf	7 of pdf (page #4 at bottom)	Priority Group 1 as a currently insolvent plan that has not terminated.	Financial Assistance Application	§ 4262.7(c) § 4262.10(d)(2)	Section D, Item 4

Application to PBGC for Special Financial Assistance (SFA)

v20210708p

APPLICATION CHECKLIST

Plan name:	Cement Masons Local Union #681 Pension Plan
EIN:	74-6091787
PN:	001
SFA Amount Requested:	\$10,995,762.05
Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #47.	

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

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

Checklist Item #		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	Upload as Document Type	Requested File Naming (if applicable)	SFA Regulation Reference	SFA Filing Instructions Reference
8b.	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?	Yes No N/A	No				Financial Assistance Application		§ 4262.10(f)	Section D, Item 4
9.	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? This item is not required 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).	Yes No N/A	Yes	CM 681 ARPA Application.pdf	11 of pdf (page #8 at bottom)		Financial Assistance Application		§ 4262.6(c) § 4262.7(c) § 4262.10(d)(2)	Section E, Item 3
10.	Does the application include the information used to determine the amount of requested SFA for the plan based on a deterministic projection and using the actuarial assumptions as described in § 4262.4? Does the application include the following? a. Interest rate used, including supporting details (such as, if applicable, the month selected by plan sponsor to determine the third segment rate used to calculate the interest rate limit) on how it was determined? b. Fair market value of assets on the SFA measurement date? c. For each plan year in the SFA coverage period: i. Separately identify the projected amount of contributions, projected withdrawal liability payments, and other payments expected to be made to the plan (excluding the amount of financial assistance under section 4261 of ERISA and the SFA to be received by the plan)? ii. Separately identify benefit payments described in § 4262.4(b)(1) (excluding the payments in (iii) below), for current retirees and beneficiaries, terminated vested participants not currently receiving benefits, currently active participants, and new entrants? iii. Separately identify benefit 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? iv. Separately identify administrative expenses expected to be paid using plan assets, excluding the amount owed PBGC under section 4261 of ERISA? d. For each plan year in the SFA coverage period, the projected investment income based on the interest rate in (a) above, and the projected fair market value of assets at the end of each plan year? e. The present value (using the interest rate identified in (a) above) as of the SFA measurement date of each of the separate items provided in (c)(i)-(iv) above? f. SFA amount determined as a lump sum as of the SFA measurement date?	Yes No	Yes	Template 4 Cement 681.xlsx			Projections for special financial assistance (estimated income, benefit payments and expenses)	Template 4 Pension Plan Name where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.4 § 4262.8(a)(4)	Section C, Item 4
11.	Does the application include the plan's enrolled actuary's certification 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, including identification of all assumptions and methods used, sources of participant data and census data, and other relevant information? This certification should be calculated reflecting any events and any mergers identified in § 4262.4(f).	Yes No	Yes	CM 681 ARPA Application.pdf	12 of pdf (page #9 at bottom)		Financial Assistance Application		§ 4262.4 § 4262.6(c) § 4262.8(a)(4)	Section E, Item 4
12.	Does the application include a detailed narrative description of the development of the assumed future contributions and assumed future withdrawal liability payments used to calculate the requested SFA amount?	Yes No	Yes	CM 681 ARPA Application.pdf	7-8 of pdf (pages 4-5 at bottom)		Financial Assistance Application		§ 4262.8(a)(6)	Section D, Item 5

Application to PBGC for Special Financial Assistance (SFA)

v20210708p

APPLICATION CHECKLIST

Plan name:	Cement Masons Local Union #681 Pension Plan
EIN:	74-6091787
PN:	001
SFA Amount Requested:	\$10,995,762.05
Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #47.	

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

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

Checklist Item #		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	Upload as Document Type	Requested File Naming (if applicable)	SFA Regulation Reference	SFA Filing Instructions Reference
13.	For plans eligible for SFA under § 4262.3(a)(1) or § 4262.3(a)(3), does the application identify which assumptions (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 changes, does the application include detailed explanations and supporting rationale and information as to why using the identified assumptions is no longer reasonable and why the changed assumptions are reasonable? 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 No N/A	N/A			No assumption changes were made in determining SFA eligibility.	Financial Assistance Application		§ 4262.5 § 4262.8(b)(1)	Section D, Item 6.a.
14a.	Does the application identify which assumptions (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 (except for the interest rate, which is determined as required by § 4262.4(3)(1))? If there are any assumption changes, does the application include detailed explanations and supporting rationale and information as to why using the identified original assumptions is no longer reasonable and why the changed assumptions 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 guidance on Special Financial Assistance Assumptions?	Yes No	Yes	CM 681 ARPA Application.pdf	8-10 of pdf (pages 5-7 at bottom)		Financial Assistance Application		§ 4262.5 § 4262.8(b)(1)	Section D, Item 6.b.
14b.	If a plan-specific mortality table is used for Checklist Item #14a, 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?	Yes No N/A	N/A			Plan specific mortality not used. PBGC termination mortality used.	Financial Assistance Application		§ 4262.5 § 4262.8(b)(1)	Section D, Item 6.b.
15a.	Does the application include a certification from the plan sponsor with respect to the accuracy of the amount of the fair market value of assets as of the SFA measurement date? Does the certification reference and include information that substantiates the asset value and any projection of the assets to the SFA measurement date?	Yes No	Yes	CM 681 ARPA Application.pdf	13 of pdf (page #10 at bottom)		Financial Assistance Application		§ 4262.8(a)(4)(ii)	Section E, Item 5
15b.	Does the certification in Checklist Item #15a reference and include information that substantiates the asset value and any projection of the assets to the SFA measurement date?	Yes No	Yes	CM 681 ARPA Application.pdf	13 of pdf (page #10 at bottom)		Financial Assistance Application		§ 4262.8(a)(4)(ii)	Section E, Item 5
16a.	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? Enter N/A for a plan that has not implemented a suspension of benefits.	Yes No N/A	Yes	CM 681 ARPA Application.pdf	10 of pdf (page #7 at bottom)		Financial Assistance Application		§ 4262.7(d) § 4262.15	Section D, Item 7 Section C, Item 4(c)(iii)
16b.	If Yes was entered for Checklist Item #16a, 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? Enter N/A for a plan that entered N/A for Checklist Item #16a.	Yes No N/A	Yes	CM 681 ARPA Application.pdf	10 of pdf (page #7 at bottom)	Benefits will be paid as a lump sum, so all benefits are payable as of the day after the measurement date.	Financial Assistance Application		§ 4262.7(d) § 4262.15	Section D, Item 7 Section C, Item 4(c)(iii)
16c.	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? 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 #16a and #16b.	Yes No N/A	N/A			The Plan did not restore benefits prior to the SFA measurement date.	Financial Assistance Application		§ 4262.7(d) § 4262.15	Section D, Item 7 Section C, Item 4(c)(iii)

Application to PBGC for Special Financial Assistance (SFA)

v20210708p

APPLICATION CHECKLIST

Plan name:	Cement Masons Local Union #681 Pension Plan
EIN:	74-6091787
PN:	001
SFA Amount Requested:	\$10,995,762.05
Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #47.	

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

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

Checklist Item #		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	Upload as Document Type	Requested File Naming (if applicable)	SFA Regulation Reference	SFA Filing Instructions Reference
17.	If the SFA measurement date is later than the end of the plan year for the most recent plan financial statements, does the application include a reconciliation of the fair market value of assets from the date of the most recent plan financial statements to the SFA measurement date, showing beginning and ending fair market value of assets, contributions, withdrawal liability payments, benefits paid, administrative expenses, and investment income? Enter N/A if the SFA measurement date is not later than the end of the plan year for the most recent plan financial statements.	Yes No N/A	N/A			The SFA measurement date is the last day of the plan year, so this is not applicable.	Financial Assistance Application		§ 4262.8(a)(4)(ii)	Section D, Item 8
18.	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 No	Yes	CM681 executed Plan Document Effective 10.01.14.pdf			Pension plan documents, all versions available, and all amendments signed and dated		§ 4262.7(e)(1)	Section B, Item 1(a)
19.	Does the application include a copy of the executed plan amendment required by section 4262.6(e)(1) of PBGC's special financial assistance regulation?	Yes No	Yes	Cement Masons 681 - AMD 1 to Pension Plan 122821.pdf			Pension plan documents, all versions available, and all amendments signed and dated		§ 4262.7(e)(1) § 4262.6(e)(1)	Section B, Item 1(c)
20.	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 No	Yes	CM681 executed Plan Document Effective 10.01.14.pdf		Trust agreement language is included in the most recent plan document.	Pension plan documents, all versions available, and all amendments signed and dated		§ 4262.7(e)(3)	Section B, Item 1(b)
21.	In the case of a plan that suspended benefits under section 305(e)(9) or section 4245 of ERISA, does the application include a copy of the proposed plan amendment required by § 4262.6(e)(2) and a certification from the plan sponsor that it will be timely executed? Enter N/A if there was no suspension of benefits.	Yes No N/A	Yes	Cement Masons 681 - AMD 1 to Pension Plan 122821.pdf		The proposed plan amendment was included with the executed amendment required by 4262.6(e)(1) of the PBGC's SFA regulation	Pension plan documents, all versions available, and all amendments signed and dated		§ 4262.7(e)(2) § 4262.6(e)(2)	Section B, Item 1(d)
22.	In the case of a plan that was partitioned under section 4233 of ERISA, does the application include a statement that the plan was partitioned under section 4233 of ERISA and a copy of the amendment required by § 4262.9(c)(2)? Enter N/A if the plan was not partitioned.	Yes No N/A	N/A			The plan was not partitioned	Pension plan documents, all versions available, and all amendments signed and dated		§ 4262.7(e)(1) § 4262.9(b)(2)	Section B, Item 1(e)
23.	Does the application include the most recent IRS determination letter? Enter N/A if the plan does not have a determination letter.	Yes No N/A	Yes	Favorable Determination 02.13. 15.pdf			Pension plan documents, all versions available, and all amendments signed and dated		§ 4262.7(e)(3)	Section B, Item 1(f)
24.	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 No	Yes	<input type="checkbox"/> 2018AVR CM681.pdf <input type="checkbox"/> 2019AVR CM681.pdf <input type="checkbox"/> 2020AVR CM681.pdf	3		Most recent actuarial valuation for the plan	YYYYAVR Pension Plan Name , where "YYYY" is plan year and "Pension Plan Name" is abbreviated version of the plan name	§ 4262.7(e)(5)	Section B, Item 2
25a.	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 No N/A	Yes	<input type="checkbox"/> 2008 Rehab Plan signed.pdf <input type="checkbox"/> Letter to Actuary from Bargaining Parties Executed 12 11 13.pdf <input type="checkbox"/> Letter to Actuary fully executed 09.30.15.pdf			Rehabilitation plan (or funding improvement plan, if applicable)		§ 4262.7(e)(6)	Section B, Item 3
25b.	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 a supplemental document with these details?	Yes No N/A	N/A			No changes to the rehabilitation plan have occurred in calendar year 2020 or later.	Rehabilitation plan (or funding improvement plan, if applicable)		§ 4262.7(e)(6)	Section B, Item 3
26.	Does the application include the plan's most recent Form 5500 (Annual Return/Report of Employee Benefit Plan) and all schedules and attachments (including the audited financial statement)?	Yes No	Yes	<input type="checkbox"/> 2020Form5500 CM681.pdf			Latest annual return/report of employee benefit plan (Form 5500)	YYYYForm5500 Pension Plan Name , where "YYYY" is the plan year and "Pension Plan Name" is abbreviated version of the plan name.	§ 4262.7(e)(7)	Section B, Item 4

Application to PBGC for Special Financial Assistance (SFA)

v20210708p

APPLICATION CHECKLIST

Plan name:	Cement Masons Local Union #681 Pension Plan
EIN:	74-6091787
PN:	001
SFA Amount Requested:	\$10,995,762.05
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Checklist Item #		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	Upload as Document Type	Requested File Naming (if applicable)	SFA Regulation Reference	SFA Filing Instructions Reference
27a.	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 application filing date? Enter N/A if the plan does not have to provide certifications for any requested plan year.	Yes No N/A	Yes	2018Zone20181220 CM681.pdf 2019Zone20191220 CM681.pdf 2020Zone20201222 CM681.pdf 2021Zone20211228 CM681.pdf	4		Zone certification	YYYYZoneYYYYMMDD Pension Plan Name, where the first "YYYY" is the applicable plan year, and "YYYYMMDD" is the date the certification was prepared. "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.7(e)(8)	Section B, Item 5
27b.	Does the application include documentation for all certifications that clearly identifies all assumptions used including the interest rate used for funding standard account purposes? Enter N/A if the plan entered N/A for Checklist Item #27a.	Yes No N/A	Yes			Certifications indicate that assumptions were based on the prior year's actuarial valuation.	Zone certification		§ 4262.7(e)(8)	Section B, Item 5
27c.	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? Enter N/A if the plan entered N/A for Checklist Item #27a or if the application does not include a certification of critical and declining status.	Yes No N/A	No			The Plan was insolvent as of the first day of the certification year, so no year-by-year projection was included.	Zone certification		§ 4262.7(e)(8)	Section B, Item 5
28.	Does the application include the most recent account statements for all of the plan's cash and investment accounts? 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 No N/A	Yes	CM 681 Nov Bank Statement.pdf			Bank/Asset statements for all cash and investment accounts		§ 4262.7(e)(9)	Section B, Item 6
29.	Does the application include the most recent plan financial statement (audited, or unaudited if audited is not available)? 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 No N/A	Yes	Cement Masons 681 Pension Plan 2020-2021 Financial Statements.pdf			Plan's most recent financial statement (audited, or unaudited if audited not available)		§ 4262.7(e)(10)	Section B, Item 7
30.	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?	Yes No N/A	Yes	CM681 executed Plan Document Effective 10.01.14.pdf		There are no specific written polies or procedures relating to withdrawal liability beyond what is described in Section 7.03 of the plan document (document labeled CM681 executed Plan Document Effective 10.01.14.pdf)	Pension plan documents, all versions available, and all amendments signed and dated		§ 4262.7(e)(12)	Section B, Item 8
31.	Does the application include information required to enable the plan to receive electronic transfer of funds, if the SFA application is approved? See SFA Instructions, Section B, Item 9.	Yes No N/A	Yes	CM681 ACH form.pdf			Other		§ 4262.7(e)(11)	Section B, Item 9
32.	Does the application include the plan's projection of expected benefit payments as reported 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 before the application submission date? 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.	Yes No N/A	N/A			The Plan has less than 500 participants, therefore this is not required.	Financial assistance spreadsheet (template)	Template 1 Pension Plan Name , where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(a)(1)	Section C, Item 1
33.	If the plan was required to enter 10,000 or more participants on line 6f of the most recently filed Form 5500, 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 (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. Enter N/A if the plan is not required to provide this information. See Template 2.	Yes No N/A	N/A			The Plan has less than 10,000 participants, therefore this is not required.	Contributing employers	Template 2 Pension Plan Name , where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(a)(2)	Section C, Item 2

Application to PBGC for Special Financial Assistance (SFA)

v20210708p

APPLICATION CHECKLIST

Plan name:	Cement Masons Local Union #681 Pension Plan
EIN:	74-6091787
PN:	001
SFA Amount Requested:	\$10,995,762.05
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34.	Does the application include for each of the most recent 10 plan years immediately preceding the application filing date, the history of 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? Does the history separately show for each of the most recent 10 plan years immediately preceding the application filing date 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.	Yes No	Yes	Template 3 Cement 681.xlsx			Historical Plan Financial Information (CBUs, contribution rates, contribution amounts, withdrawal liability payments)	Template 3 Pension Plan Name , where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(a)(3)	Section C, Item 3
35.	Does the application include a separate deterministic projection ("Baseline") in the same format as Checklist Item #10 that shows the amount of SFA that would be determined if the assumptions 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 interest rate which should be the same as used for determining the SFA amount and excluding the CBU assumption and administrative expenses assumption which should reflect the changed assumptions consistent with 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)? Enter N/A if this item is not required because all assumptions used (except the interest rate, CBU assumption and administrative expenses assumption) to determine the requested SFA amount are identical to those used in the pre-2021 certification of plan status and if the changed assumptions for CBUs and administrative expenses are consistent with 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. https://www.pbgc.gov/sites/default/files/sfa/SFA-Assumptions-Guidance.pdf See Template 5.	Yes No N/A	Yes	Template 5 Cement 681.xlsx			Financial assistance spreadsheet (template)	Template 5 Pension Plan Name , where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(b)(2)	Section C, Item 5
36.	Does the application include a reconciliation of the change in the total amount of requested SFA due to each change in assumption from the Baseline to the requested SFA amount? Does the application include a deterministic projection and other information for each assumption change, in the same format as for Checklist Item #10? Enter N/A if this item is not required because all assumptions used (except the interest rate, CBU assumption and administrative expenses assumption) to determine the requested SFA amount are identical to those used in the pre-2021 certification of plan status and if the changed assumptions for CBUs and administrative expenses are consistent with 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, or if the requested SFA amount in Checklist Item #10 is the same as the amount shown in the Baseline details of Checklist Item #32. See Template 6.	Yes No N/A	Yes	Template 6 Cement 681.xlsx			Financial assistance spreadsheet (template)	Template 6 Pension Plan Name , where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(b)(3)	Section C, Item 6
37a.	For plans eligible for SFA under § 4262.3(a)(1) or § 4262.3(a)(3), does the application include a table identifying which assumptions used in determining the plan's eligibility for SFA differ from those used in the pre-2021 certification of plan status? 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.	Yes No N/A	N/A			The Plan s eligible under Section 4262.3(a)(4)	Financial assistance spreadsheet (template)	Template 7 Pension Plan Name, where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(b)(1)	Section C, Item 7(a)

Application to PBGC for Special Financial Assistance (SFA)

v20210708p

APPLICATION CHECKLIST

Plan name:	Cement Masons Local Union #681 Pension Plan
EIN:	74-6091787
PN:	001
SFA Amount Requested:	\$10,995,762.05
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Checklist Item #		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	Upload as Document Type	Requested File Naming (if applicable)	SFA Regulation Reference	SFA Filing Instructions Reference
37b.	Does Checklist Item #37a include brief explanations as to why using those assumptions is no longer reasonable and why the changed assumptions are reasonable? This should be an abbreviated version of information provided in Checklist Item #13. Enter N/A if the plan entered N/A for Checklist Item #37a. See Template 7.	Yes No N/A	N/A			The Plan s eligible under Section 4262.3(a)(4)	Financial assistance spreadsheet (template)	Template 7 Pension Plan Name, where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(b)(1)	Section C, Item 7(a)
38.	Does the application include a table identifying which assumptions differ from those used in the pre-2021 certification of plan status (except the interest rate used to determine SFA)? Does this item include brief explanations as to why using those original assumptions is no longer reasonable and why the changed assumptions 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 guidance on Special Financial Assistance Assumptions? This should be an abbreviated version of information provided in Checklist Items #14a-b. See Template 7.	Yes No N/A	Yes	Template 7 Cement 681.xlsx			Financial assistance spreadsheet (template)	Template 7 Pension Plan Name, where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(b)(1)	Section C, Item 7(b)
39a.	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 No	Yes	Template 8 Cement 681.xlsx			Financial assistance spreadsheet (template)	Template 8 Pension Plan Name, where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(a)(5)	Section C, Item 8
39b.	Does the application separately show the amounts of projected withdrawal liability payments for employers that are currently withdrawn at the application filing date, 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 No	Yes	Template 8 Cement 681.xlsx		There are zero assumed future withdrawal liability payments.	Financial assistance spreadsheet (template)	Template 8 Pension Plan Name, where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(a)(5)	Section C, Item 8
39c.	Does the application also provide the projected number of active participants at the beginning of each plan year? See Template 8.	Yes No	Yes	Template 8 Cement 681.xlsx			Financial assistance spreadsheet (template)	Template 8 Pension Plan Name, where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(a)(5)	Section C, Item 8
Supplemental 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)										
40a.	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? Enter N/A if the plan has not experienced an event or merger.	Yes No N/A	N/A			There are no events or mergers.	Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section D
40b.	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? Enter N/A if the plan has not experienced a transfer or merger event.	Yes No N/A	N/A			There are no events or mergers.	Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section D
41a.	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 provided in Checklist Item #1 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? Enter N/A if the plan has not experienced any event.	Yes No N/A	N/A			There are no events or mergers.	Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section D
41b.	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)? Enter N/A if the plan entered N/A for Checklist Item #41a. Enter N/A if the event described in Checklist Item #41a was not a merger.	Yes No N/A	N/A			There are no events or mergers.	Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section D

Application to PBGC for Special Financial Assistance (SFA)

v20210708p

APPLICATION CHECKLIST

Plan name:	Cement Masons Local Union #681 Pension Plan
EIN:	74-6091787
PN:	001
SFA Amount Requested:	\$10,995,762.05
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Checklist Item #		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	Upload as Document Type	Requested File Naming (if applicable)	SFA Regulation Reference	SFA Filing Instructions Reference
42a.	Does the application include a supplemental version of Checklist Item #6 that shows the determination of SFA eligibility as if any events had not occurred? Enter N/A if the plan has not experienced any event.	Yes No N/A	N/A			There are no events or mergers.	Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section D
42b.	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)? Enter N/A if the plan entered N/A for Checklist Item #42a. Enter N/A if the event described in Checklist Item #42a was not a merger.	Yes No N/A	N/A			There are no events or mergers.	Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section D
43a.	Does the application include a supplemental certification from the plan's enrolled actuary with respect to the plan's SFA eligibility (see Checklist Item #7), but with eligibility determined as if any events had not occurred? Enter N/A if the plan has not experienced any event.	Yes No N/A	N/A			There are no events or mergers.	Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section E
43b.	For any merger, does the application include supplemental 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)? Enter N/A if the plan entered N/A for Checklist Item #43a. Also enter N/A if the event described in Checklist Item #43a was not a merger.	Yes No N/A	N/A			There are no events or mergers.	Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section E
44a.	Does the application include a supplemental version of Checklist Item #10 that shows the determination of the SFA amount as if any events had not occurred? See Template 4. Enter N/A if the plan has not experienced any events.	Yes No N/A	N/A			There are no events or mergers.	Projections for special financial assistance (estimated income, benefit payments and expenses)	For supplemental submission due to any event: <i>Template 4 Pension Plan Name Supp</i> where "Pension Plan Name" is an abbreviated version of the plan name. For a supplemental submission due to a merger, <i>Template 4 Pension Plan Name Merged</i> , where "Pension Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section C
44b.	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 4. Enter N/A if the plan entered N/A for Checklist Item #44a. Also enter N/A if the event described in Checklist Item #44a was not a merger.	Yes No N/A	N/A			There are no events or mergers.	Projections for special financial assistance (estimated income, benefit payments and expenses)	For a supplemental submission due to a merger, <i>Template 4 Pension Plan Name Merged</i> , where "Pension Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section C
45a.	Does the application include a supplemental certification from the plan's enrolled actuary with respect to the plan's SFA amount (see Checklist Item #11), but with the SFA amount determined as if any events had not occurred? Enter N/A if the plan has not experienced any events.	Yes No N/A	N/A			There are no events or mergers.	Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section E

Application to PBGC for Special Financial Assistance (SFA)

v20210708p

APPLICATION CHECKLIST

Plan name:	Cement Masons Local Union #681 Pension Plan
EIN:	74-6091787
PN:	001
SFA Amount Requested:	\$10,995,762.05
Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #47.	

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

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

Checklist Item #		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	Upload as Document Type	Requested File Naming (if applicable)	SFA Regulation Reference	SFA Filing Instructions Reference
45b.	Does this certification clearly identify all assumptions and methods used, sources of participant data and census data, and other relevant information? Enter N/A if the plan entered N/A for Checklist Item #45a.	Yes No N/A	N/A			There are no events or mergers.	Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section E
45c.	For any merger, does the application include supplemental 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)? Enter N/A if the plan entered N/A for Checklist Item #45a. Also enter N/A if the event described in Checklist Item #45a was not a merger.	Yes No N/A	N/A			There are no events or mergers.	Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section E
45d.	For any merger, do the certifications clearly identify all assumptions and methods used, sources of participant data and census data, and other relevant information? Enter N/A if the plan entered N/A for Checklist Item #45a. Enter N/A if the event described in Checklist Item #45a was not a merger.	Yes No N/A	N/A			There are no events or mergers.	Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section E
46a.	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? 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 No N/A	N/A			There are no events or mergers.	Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section D
46b.	Does this demonstration also identify all assumptions used, supporting rationale for the assumptions and other relevant information? Enter N/A if the plan entered N/A for Checklist Item #46a.	Yes No N/A	N/A			There are no events or mergers.	Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section D
47a.	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? 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 No N/A	N/A			There are no events or mergers.	Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section E
47b.	Does this demonstration also identify all assumptions used, supporting rationale for the assumptions and other relevant information? 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 No N/A	N/A			There are no events or mergers.	Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section E

Supplemental 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 #48 through #60. If you are required to complete Checklist Items #48 through #60, your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #48 through #60. All other plans should not provide any responses for Checklist Items #48 through #60.

48.	In addition to the information provided with Checklist Item #18, 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 No N/A					Pension plan documents, all versions available, and all amendments signed and dated	Use same naming convention as for Checklist Item #18 but with abbreviated plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B
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Application to PBGC for Special Financial Assistance (SFA)

v20210708p

APPLICATION CHECKLIST

Plan name:	Cement Masons Local Union #681 Pension Plan
EIN:	74-6091787
PN:	001
SFA Amount Requested:	\$10,995,762.05
Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #47.	

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

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

Checklist Item #		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	Upload as Document Type	Requested File Naming (if applicable)	SFA Regulation Reference	SFA Filing Instructions Reference
49.	In addition to the information provided with Checklist Item #20, 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 No N/A					Pension plan documents, all versions available, and all amendments signed and dated	Use same naming convention as for Checklist Item #20 but with abbreviated plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B
50.	In addition to the information provided with Checklist Item #23, 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)? Enter N/A if the plan does not have a determination letter.	Yes No N/A					Pension plan documents, all versions available, and all amendments signed and dated	Use same naming convention as for Checklist Item #23 but with abbreviated plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B
51.	In addition to the information provided with Checklist Item #24, 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 No N/A				Identify here how many reports are provided.	Most recent actuarial valuation for the plan	YYYYAVR Pension Plan Name Merged, where "YYYY" is plan year and "Pension Plan Name Merged" is abbreviated version of the plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B
52.	In addition to the information provided with Checklist Item #25, 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 No N/A					Rehabilitation plan (or funding improvement plan, if applicable)	Use same naming convention as for Checklist Item #25 but with abbreviated plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B
53.	In addition to the information provided with Checklist Item #26, 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 No N/A					Latest annual return/report of employee benefit plan (Form 5500)	YYYYForm5500 Pension Plan Name Merged, where "YYYY" is the plan year and "Pension Plan Name Merged" is abbreviated version of the plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B
54.	In addition to the information provided with Checklist Item #27, 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 No N/A				Identify how many zone certifications are provided.	Zone certification	YYYYZoneYYYYMMDD Pension Plan Name Merged, where the first "YYYY" is the applicable plan year, and "YYYYMMDD" is the date the certification was prepared. "Pension Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B
55.	In addition to the information provided with Checklist Item #28, 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 No N/A					Bank/Asset statements for all cash and investment accounts	Use same naming convention as for Checklist Item #28 but with abbreviated plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B
56.	In addition to the information provided with Checklist Item #29, 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 No N/A					Plan's most recent financial statement (audited, or unaudited if audited not available)	Use same naming convention as for Checklist Item #29 but with abbreviated plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B
57.	In addition to the information provided with Checklist Item #30, 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)?	Yes No N/A					Pension plan documents, all versions available, and all amendments signed and dated	Use same naming convention as for Checklist Item #30 but with abbreviated plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B

Application to PBGC for Special Financial Assistance (SFA)

v20210708p

APPLICATION CHECKLIST

Plan name:	Cement Masons Local Union #681 Pension Plan
EIN:	74-6091787
PN:	001
SFA Amount Requested:	\$10,995,762.05
Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #47.	

-----Filers provide responses here for each Checklist Item:-----
 Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

Checklist Item #		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	Upload as Document Type	Requested File Naming (if applicable)	SFA Regulation Reference	SFA Filing Instructions Reference
58.	In addition to the information provided with Checklist Item #32, 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)? 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 No N/A					Financial assistance spreadsheet (template)	Template 1 Pension Plan Name Merged, where "Pension Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section C
59.	In addition to the information provided with Checklist Item #33, 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)? 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 No N/A					Contributing employers	Template 2 Pension Plan Name Merged, where "Pension Plan Name Merged" is an abbreviated version of the plan name fore the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section C
60.	In addition to the information provided with Checklist Item #34, 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 No					Historical Plan Financial Information (CBUs, contribution rates, contribution amounts, withdrawal liability payments)	Template 3 Pension Plan Name Merged, where "Pension Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section C

Cement Masons Local Union #681 Pension Plan

Summary of the Rehabilitation Plan To be Adopted

On December 26, 2008 the Plan Actuary certified that the Pension Plan was in critical status for the plan year beginning October 1, 2008. As a result of this certification, the Trustees must adopt a Rehabilitation Plan no later than August 26, 2009 aimed at ceasing to be in critical status by the end of the rehabilitation period. This serves as a summary of the Rehabilitation Plan.

The Rehabilitation Plan contains two schedules: a Default Schedule and an Alternative Schedule. The bargaining parties must negotiate which schedule to ratify. If the bargaining parties cannot agree on which schedule to implement, the Default Schedule will be implemented. Both schedules are to be effective October 1, 2009, but will apply to all retirements after January 24, 2009, the date Plan participants were informed of the Plan's Critical Status.

Both schedules include benefit reductions. The benefit reductions apply to Adjustable Benefits, which are defined as benefits, rights and features other than the accrued benefit payable at normal retirement age. In particular, early retirement, disability, death benefits and the normal form of payment have been modified.

Early retirement subsidies have been eliminated. Therefore there is no unreduced retirement prior to age 65, and the reduced early retirement factors have been changed to be actuarially equivalent to the normal retirement benefit.

The benefit upon disability has been changed to be actuarially equivalent to the normal retirement benefit. The modified disability benefit will still be payable before age 65, but will be reduced to reflect the earlier payment.

The pre-retirement lump sum death benefit has been eliminated. The Qualified Pre-Retirement Survivor Annuity will be payable at the participant's earliest retirement age and will be reduced for early payment, rather than being payable unreduced upon the participant's death.

The normal form of payment for married participants has been changed from an unreduced 50% Joint and Survivor benefit to an actuarially reduced 50% Joint and Survivor benefit.

The Default Schedule includes the above benefit reductions and increases in contributions. The increase in hourly contributions is \$66, making a total contribution rate of \$70.88 per hour, not including the \$0.22 per hour surcharge currently paid by the employers. The contribution rate increase would also be effective October 1, 2009.

The Alternative Schedule includes the above benefit reductions, but does not include any increases in contributions. The total contribution rate would remain at \$4.88 per hour, not including the \$0.22 per hour surcharge currently paid by the employers. The Alternative Schedule is not sufficient to forecast that the Plan will exit Critical Status by the end of the Rehabilitation Period. The Alternative schedule, however, does extend the forecasted date of insolvency.

**Rehabilitation Plan
Cement Masons Local Union #681 Pension Plan
Plan Year Beginning October 1, 2008**

August ~~25~~²⁵, 2009

Introduction

This is the Rehabilitation Plan adopted pursuant to Internal Revenue Code (“IRC”) Section 432 by the Board of Trustees, the Plan Sponsor, of the Cement Masons Local Union #681 Pension Plan (the “Pension Plan”). Under IRC §432(e)(3)(A), a Rehabilitation Plan is a plan which consists of actions, including options or a range of options to be proposed to the bargaining parties to enable the Pension Plan to cease to be in critical status by the end of the rehabilitation period. The Rehabilitation Plan is based upon reasonably anticipated experience as well as reasonable actuarial assumptions.

Background

On December 26, 2008 the Plan Actuary issued a certification as required by IRC §432(b)(3) for the plan year beginning October 1, 2008. The Plan Actuary certified that the Pension Plan was in critical status for the plan year beginning October 1, 2008 (“2008 Plan Year”). The Pension Plan was determined to be in critical status due to the following:

- *Section 432(b)(2)(A) conditions not met.* The Plan funded percentage is at least 65% for the 2008 Plan Year, or the Plan is expected to remain solvent for the current plan year and for each of the six succeeding plan years, and
- *Section 432(b)(2)(B) conditions not met.* The Plan is not expected to have a funding deficiency for the 2008 Plan Year, not taking into account any extension of amortization periods under IRC §431(d); and, the Plan is not expected to have a funding deficiency for any of the three succeeding plan years (four succeeding plan years if the funded percentage of the Plan is 65% or less) not taking into account any extension of amortization periods under IRC §431(d), and
- *Section 432(b)(2)(C) conditions are met.* The Plan’s normal cost for the 2008 Plan Year plus interest on the unfunded benefit liabilities under the Plan exceeds the present value of reasonably anticipated employer contributions for the current plan year, the present value of non-forfeitable inactive participants’ benefits is greater than the present value of non-forfeitable active participants’ benefits, as of October 1, 2008, the Plan does not have an accumulated funding deficiency for the 2008 Plan Year but is projected to have a funding deficiency for any of the four succeeding plan years, not taking into account any extension of amortization periods under IRC §431(d), and
- *Section 432(b)(2)(D) conditions not met.* The Plan is expected to remain solvent for each of the four succeeding plan years.

Because at least one of the critical status criteria was met, the Plan is in the “red” zone for the 2008 Plan Year.

As a result of the 2008 certification, the Trustees were required to provide notification of the Pension Plan's critical status to participants and beneficiaries, bargaining parties, the Pension Benefit Guaranty Corporation, and the Secretary of the Labor within thirty days following the date of the certification. Such notification to participants and beneficiaries was provided on January 24, 2009 and advised them that adjustable benefits might be cut and that such cuts, if made, would affect benefits that had not commenced as of January 24, 2009.

In addition the Trustees must adopt a Rehabilitation Plan no later than 330 days from the beginning of the 2008 Plan Year aimed at ceasing to be in critical status by the end of the rehabilitation period. This document and its attachments serve as the Rehabilitation Plan adopted by the Trustees.

Objectives of the Rehabilitation Plan

A Rehabilitation Plan is a plan which consists of actions, including options or a range of options to be proposed to the bargaining parties, which, based on reasonably anticipated experience and reasonable actuarial assumptions, are designed to enable the Pension Plan to cease to be in critical status by the end of the rehabilitation period. If it is determined that, based on reasonable actuarial assumptions and on the exhaustion of all reasonable measures, the Plan cannot reasonably be expected to emerge from Critical Status by the end of the rehabilitation period, then the Rehabilitation Plan shall contain reasonable measures to emerge from Critical Status at a later time or to forestall possible insolvency.

Rehabilitation Period

Based upon an expiration date of March 31, 2009 of the collective bargaining agreement in effect on the due date of the 2008 actuarial certification that covers at least 75% of the active participants in the Plan, the rehabilitation period commences October 1, 2009. Pursuant to Section 205 of the Worker, Retiree, and Employer Recovery Act of 2008, the Trustees elected that the Rehabilitation Period shall be a 13-year period ending September 30, 2022.

Schedules Provided to Bargaining Parties

In general, as part of the Rehabilitation Plan, a plan sponsor will furnish to the bargaining parties one or more schedules that will meet the objectives of the Rehabilitation Plan. One schedule shall be designated as the Default Schedule, and such schedule shall assume that there are no increases in contributions under the plan other than the increases necessary to emerge from critical status after future benefit accruals and other benefits (other than benefits the reduction or elimination of which are not permitted under IRC §411(d)(6)) have been reduced to the maximum extent permitted by law. The plan sponsor may also develop an Alternative Schedule which may include combinations of contribution increases and reductions in benefits that will also meet the objectives of the Rehabilitation Plan.

The bargaining parties then must negotiate which schedule to ratify. If the bargaining parties cannot agree on which schedule to implement, the default schedule will be implemented as provided by IRC §432(e)(3)(C), within the time period set forth under IRC §432(e)(3)(C)(ii). The actuary for the plan is then required to annually update these schedules to reflect the experience of the plan during the Rehabilitation Period.

The Default Schedule and the Alternative Schedule developed by the Plan Sponsor are summarized on the attached Table A. Based on reasonable actuarial assumptions, under the Default Schedule, the Plan is expected to emerge from Critical Status by the Plan Year beginning October 1, 2022. The Alternative Schedule as developed is not sufficient to forecast that the Plan will emerge from Critical Status by then, but it does extend the forecasted date of insolvency. The Trustees believe that the benefit reduction and recent contribution increases are the maximum that can be adopted by the bargaining parties at this time.

Automatic Employer Surcharge

Under IRC §432(e)(7) a critical status certification requires the imposition of a surcharge on employer contributions, separate from the contribution requirements of the schedules adopted by the bargaining parties as part of the Rehabilitation Plan. Any surcharge would cease when the bargaining parties adopt a schedule presented as part of a Rehabilitation Plan developed by the Trustees.

Restriction on Lump Sums and Similar Benefits

Effective on the date the notice of certification of the Plan's critical status for the initial critical year is sent to the Internal Revenue Service and the Fund office, and notwithstanding IRC §411(d)(6), the Plan shall not pay:

1. Any payment, in excess of the monthly amount paid under a single life annuity (plus any social security supplements described in the last sentence of IRC §411(a)(9)) to a participant or beneficiary whose annuity starting date occurs after the date such notice is sent,
2. Any payment for the purchase of an irrevocable commitment from an insurer to pay benefits, and
3. Any other payment specified by the Secretary by regulations.

The above restrictions shall not apply to a benefit which under IRC §411(a)(11) may be immediately distributed without the consent of the participant or to any makeup payment in the case of a retroactive annuity starting date or any similar payment of benefits owed with respect to a prior period.

Changes to the Rehabilitation Plan

The Internal Revenue Service has yet to issue guidance regarding the development of Rehabilitation Plans. The Trustees have developed this Rehabilitation Plan in consultation with Fund Counsel and the Pension Plan actuary, based on their understanding of the relevant provisions of the law. When the Internal Revenue Service issues guidance, it is possible that such guidance may conflict with the Trustees' understanding of the law, requiring modifications to the Rehabilitation Plan. The Trustees reserve the right to modify the Rehabilitation Plan as needed.

Annual Standards and Annual Certification

Each Plan Year, the Plan's actuary shall review and certify the status of the Plan in accordance with IRC §432(b)(3) and whether or not the Plan is making the scheduled progress toward the goals of the Rehabilitation Plan. The Plan's actuary shall revise these annual standards as deemed appropriate and in the event of guidance is issued by the IRS and the DOL. The Trustees shall update and amend the Rehabilitation Plan accordingly.

Based on reasonable assumptions, under the Default Schedule, the Plan is expected to emerge from Critical Status by the Plan Year beginning October 1, 2022. Under the Alternative Schedule, however, the Plan is not expected to emerge from Critical Status by the end of the Rehabilitation Period. The Trustees will update and amend the Rehabilitation Plan accordingly.

Good Faith Compliance

This Rehabilitation Plan is developed in good faith compliance with a reasonable interpretation of the statutory requirements of IRC §432. The Trustees shall amend this Rehabilitation Plan should a subsequent interpretation of the statute by the IRS or DOL conflict with the terms hereunder or deem amendment appropriate.

If any provision of this Rehabilitation Plan should be deemed invalid by the Internal Revenue Service, subsequent guidance or in a court of law, then that section shall be removed from this Rehabilitation Plan and retroactively corrected by amendment hereto in accordance with the guidance established by the Internal Revenue Service and as permitted under the terms of the Rehabilitation Plan. The removal of any section shall in no way affect the validity of the other sections, and this Rehabilitation Plan shall continue in full force and effect as if the part(s) of this Rehabilitation Plan that was removed had never existed and that such part(s), as amended, retroactively complied with IRC §432.



Trustee Adoption

The Rehabilitation Plan is hereby adopted by the Trustees, subject to the terms and conditions herein.

IN WITNESS WHEREOF, the undersigned have caused the foregoing Rehabilitation Plan to be executed on this 24th day of August, 2009.

UNION TRUSTEES:

EMPLOYER TRUSTEES

Thomas Mera

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Trustee Adoption

The Rehabilitation Plan is hereby adopted by the Trustees, subject to the terms and conditions herein.

IN WITNESS WHEREOF, the undersigned have caused the foregoing Rehabilitation Plan to be executed on this 25th day of August, 2009,

UNION TRUSTEES:

EMPLOYER TRUSTEES

John W. Roberts

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P 7-643-9391



Trustee Adoption

The Rehabilitation Plan is hereby adopted by the Trustees, subject to the terms and conditions herein.

IN WITNESS WHEREOF, the undersigned have caused the foregoing Rehabilitation Plan to be executed on this 25th day of August, 2009.

UNION TRUSTEES:

EMPLOYER TRUSTEES

Neil M. Gale

Trustee Adoption

The Rehabilitation Plan is hereby adopted by the Trustees, subject to the terms and conditions herein.

IN WITNESS WHEREOF, the undersigned have caused the foregoing Rehabilitation Plan to be executed on this 25th day of August, 2009.

UNION TRUSTEES:

EMPLOYER TRUSTEES

_____	_____
_____	_____
_____	_____

Joe Marshall

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Trustee Adoption

The Rehabilitation Plan is hereby adopted by the Trustees, subject to the terms and conditions herein.

IN WITNESS WHEREOF, the undersigned have caused the foregoing Rehabilitation Plan to be executed on this 22nd day of August, 2009.

UNION TRUSTEES:

EMPLOYER TRUSTEES



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**Table A
Cement Masons Local Union #681 Pension Plan
2008 Rehabilitation Plan Outline**

Plan Provision	Current Plan	Default Schedule	Alternative Schedule
Normal Retirement Age	Later of age 65 and the 5 th anniversary of plan participation	Later of age 65 and the 5 th anniversary of plan participation	Later of age 65 and the 5 th anniversary of plan participation
Normal Retirement Benefit	\$45.00 times Credited Service	\$45.00 times Credited Service	\$45.00 times Credited Service
Early Retirement Requirements	10 years of vesting service and the sum of the participant's age plus years of vesting service equals or exceeds 70.	10 years of vesting service and the sum of the participant's age plus years of vesting service equals or exceeds 70.	10 years of vesting service and the sum of the participant's age plus years of vesting service equals or exceeds 70.
Unreduced Early Retirement Requirements	Age 55 and the sum of participant's age plus vesting service equals or exceeds 85.	None	None
Reduced Early Retirement Factors and Requirements	5/12 of 1% for each month the early retirement date precedes the normal retirement date: See Current Early Retirement Factors below	Actuarial Equivalent: See Alternative Early Retirement Factors below	Actuarial Equivalent: See Alternative Early Retirement Factors below
Disability Requirements	<ul style="list-style-type: none"> • 10 years of vesting service • Must have earned at least 600 hours of service in covered employment within the eight calendar quarters immediately preceding the calendar quarter in which the disability occurred. This includes any time within such period during which participant was prevented from working in covered employment by sickness, injury, jury duty, or military service. • Social Security Award or determined disabled by physician 	<ul style="list-style-type: none"> • 10 years of vesting service • Must have earned at least 600 hours of service in covered employment within the eight calendar quarters immediately preceding the calendar quarter in which the disability occurred. This includes any time within such period during which participant was prevented from working in covered employment by sickness, injury, jury duty, or military service. • Social Security Award or determined disabled by physician 	<ul style="list-style-type: none"> • 10 years of vesting service • Must have earned at least 600 hours of service in covered employment within the eight calendar quarters immediately preceding the calendar quarter in which the disability occurred. This includes any time within such period during which participant was prevented from working in covered employment by sickness, injury, jury duty, or military service. • Social Security Award or determined disabled by physician

Table A
Cement Masons Local Union #681 Pension Plan
2008 Rehabilitation Plan Outline

Plan Provision	Current Plan	Default Schedule	Alternative Schedule
Disability Benefits	Normal Retirement Benefit	Actuarial equivalent of the Normal Retirement Benefit (based on normal form of life only)	Actuarial equivalent of the Normal Retirement Benefit (based on normal form of life only)
Credits	Future Service Three is credited by the Plan for hours worked in each Plan Year commencing October 1, 1992 and thereafter.	Future Service Three is credited by the Plan for hours worked in each Plan Year commencing October 1, 1992 and thereafter.	Future Service Three is credited by the Plan for hours worked in each Plan Year commencing October 1, 1992 and thereafter.
Vesting	100% vesting after 5 years of service (employees with cash balance may be 3 years)	100% vesting after 5 years of service (employees with cash balance may be 3 years)	100% vesting after 5 years of service (employees with cash balance may be 3 years)
Qualified Pre-Retirement Survivor Annuity	50% of accrued benefit payable upon death	50% Joint and Survivor Benefit payable at earliest retirement date and reduced for earlier payment	50% Joint and Survivor Benefit payable at earliest retirement date and reduced for earlier payment
Pre-Retirement Lump Sum Death Benefit	<ul style="list-style-type: none"> • \$1,000 plus \$200 times the number of years the participant's death precedes age 60 with a maximum benefit of \$5,000 payable in a single lump sum. • Must have earned at least 600 hours of service in covered employment within the eight calendar quarters immediately proceeding the calendar quarter in which the death occurred. This includes any time within such period during which participant was prevented from working in covered employment by sickness, injury, jury duty, or military service. 	None	None

Table A
Cement Masons Local Union #681 Pension Plan
2008 Rehabilitation Plan Outline

Plan Provision	Current Plan	Default Schedule	Alternative Schedule
Normal Forms of Pension Benefit Payments	<ul style="list-style-type: none"> • Married: 50% Joint and Survivor benefit (unreduced) • Non married: Single life annuity 	<ul style="list-style-type: none"> • Married: Actuarially reduced 50% Joint and Survivor benefit • Non married: Unreduced lifetime only benefit 	<ul style="list-style-type: none"> • Married: Actuarially reduced 50% Joint and Survivor benefit • Non married: Unreduced lifetime only benefit
Optional Forms of Pension Benefit Payments	<ul style="list-style-type: none"> • 75% Joint and Survivor Benefit • 50% Joint and Survivor Benefit • Single Life Annuity • Lump sum for cash balance account • Reduction based on normal forms of payment (for 75% Joint and Survivor Benefit) 	<ul style="list-style-type: none"> • 75% Joint and Survivor Benefit • 50% Joint and Survivor Benefit • Single Life Annuity • No lump sum for cash balance account • Reduction based on normal forms of payment 	<ul style="list-style-type: none"> • 75% Joint and Survivor Benefit • 50% Joint and Survivor Benefit • Single Life Annuity • No lump sum for cash balance account • Reduction based on normal forms of payment
Cash Balance Contributions	<ul style="list-style-type: none"> • 10/01/1992 – 09/30/2008: \$1.22 and various rates thereafter • After 09/30/2008: \$0.00 	<ul style="list-style-type: none"> • 10/01/1992 – 09/30/2008: \$1.22 and various rates thereafter • After 09/30/2008: \$0.00 	<ul style="list-style-type: none"> • 10/01/1992 – 09/30/2008: \$1.22 and various rates thereafter • After 09/30/2008: \$0.00
Contribution Rate	See Schedule Below	See Schedule Below	See Schedule Below

- The October 1, 2009 increases in the contribution rates for the Default Plan and the Alternative Plan are based on the following assumptions (any changes would result in a change in the required increases):
 - Investment return for each and every plan year on and after October 1, 2008 of 6.50%
 - Hours of contributions of approximately 10,785 total benefit hours each plan year

Table A
Cement Masons Local Union #681 Pension Plan
2008 Rehabilitation Plan Outline

Current Early Retirement Factors			Alternative Early Retirement Factors <u>2/</u>		
Age	10 years of service <u>1/</u>	Age 55 and the sum of participant's age plus vesting service equals or exceeds 85	Age	10 years of service	Age 55 and the sum of participant's age plus vesting service equals or exceeds 85
65	100%	100%	65	100%	100%
64	95%	100%	64	89.8%	89.8%
63	90%	100%	63	80.9%	80.9%
62	85%	100%	62	73.0%	73.0%
61	80%	100%	61	66.1%	66.1%
60	75%	100%	60	59.9%	59.9%
59	70%	100%	59	54.4%	54.4%
58	65%	100%	58	49.5%	49.5%
57	60%	100%	57	45.1%	45.1%
56	55%	100%	56	41.1%	41.1%
55	50%	100%	55	37.6%	37.6%

1/ Factors below age 55 have not been listed but would reduce at 5% per year for the Current Plan

2/ These factors would apply to the Default Schedule and the Alternative Schedule. Factors below age 55 have not been listed, but would be actuarially equivalent to a normal retirement age of 65.

Table A
Cement Masons Local Union #681 Pension Plan
2008 Rehabilitation Plan Outline

	CURRENT PLAN	DEFAULT PLAN	ALTERNATIVE PLAN
CURRENT CONTRIBUTION RATES	\$4.88*	\$4.88*	\$4.88*
<u>CONTRIBUTION INCREASES</u>			
ONE TIME INCREASE AT 10/1/2009	\$67.00/hour	\$66.00/hour	\$0.00/hour
TOTAL CONTRIBUTION AS OF 10/1/2009	\$ 71.88	\$ 70.88	\$ 4.88

*Does not include \$0.22 surcharge due to Pension Protection Act regulations

The default plan assumes that IRC 411(d)(6) protected benefits can be modified. In the event the adjustable benefits eliminated or reduced under the default plan are deemed protected under IRC Section 411(d)(6), the effective date of the elimination or reduction of such benefits shall be prospective for accruals on or after October 1, 2009.

CEMENT MASONS LOCAL UNION #681 PENSION PLAN

**Actuarial Valuation as of
October 1, 2018**

April 6, 2020



Actuarial Statement

As requested by the Board of Trustees, this report documents the results of an actuarial valuation of the Cement Masons Local Union #681 Pension Plan as of October 1, 2018. This valuation is based on the Plan that was established on October 1, 1966, as amended through the valuation date.

The Plan became insolvent and was therefore unable to pay full benefits during August 2016. Benefits were reduced to the Pension Benefit Guaranty Corporation (“PBGC”) guaranteed level at that time.

In preparing this valuation, we have relied on information and data provided to us by the Board of Trustees and other persons or organizations designated by the Board of Trustees. We did not perform an audit of the financial and participant census data provided to us, but we have reviewed the data for reasonableness for the purpose of the valuation. We have relied on all information provided, including Plan provisions and asset information, as being complete and accurate.

The valuation summarized in this report involves actuarial calculations that require assumptions about future events. We believe that the assumptions and methods used in this report are reasonable and appropriate for the purposes for which they have been used. However, other assumptions and methods could also be reasonable and could result in materially different results.

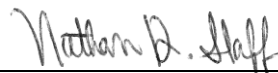
In our opinion, all methods, assumptions and calculations are in accordance with requirements of the Internal Revenue Code (the “Code”) and the Employee Retirement Income Security Act of 1974 (“ERISA”), as amended by the Pension Protection Act of 2006 (“PPA”), the Pension Relief Act of 2010 (“PRA”), and the Multiemployer Pension Reform Act of 2014 (“MPRA”). Further, in our opinion, the procedures followed and presentation of results are in conformity with generally accepted actuarial principles and practices. The Board of Trustees was responsible for the selection of the actuarial cost and asset valuation methods.

This valuation report may not be reproduced or distributed without the consent of the Board of Trustees, other than to assist in the Plan’s administration and to meet the filing requirements of federal government agencies, and may be distributed only in its entirety. The results in this valuation may not be applicable for purposes other than those described in this report.

The undersigned consultants of Horizon Actuarial Services, LLC (“Horizon Actuarial”) with actuarial credentials meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. There is no relationship between the Board of Trustees and Horizon Actuarial that affects our objectivity.



Mark Stewart, A.S.A., E.A.
Senior Consulting Actuary



Nathan H. Slaff, F.S.A., E.A.
Actuary and Managing Consultant



Heather Ray, A.S.A.
Consulting Actuary

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1. Introduction

Exhibit 1.1 - Summary of Key Results

	Plan Year Beginning	
	10/1/2018	10/1/2017
A. Asset Values		
<i>As of the First Day of the Plan Year</i>		
1. Market Value of Assets	\$ 123,019	\$ 142,524
Prior Year Net Investment Return	0.0%	0.0%
2. Actuarial Value of Assets	\$ 139,019	\$ 148,631
Prior Year Net Investment Return	7.1%	20.2%
B. Funded Percentages		
<i>As of the First Day of the Plan Year</i>		
1. Unit Credit Actuarial Accrued Liability	\$ 11,798,368	\$ 11,609,093
2. Market Value Funded Percentage (A.1. / B.1.)	1.0%	1.2%
3. Actuarial Value Funded Percentage (A.2. / B.1.)	1.1%	1.2%
C. PPA Certification Status		
<i>For the Plan Year</i>	Critical and Declining	Critical and Declining
D. Statutory Contributions		
<i>As of the Last Day of the Plan Year</i>		
1. Prior Year Credit Balance (Funding Deficiency)	\$ (5,596,722)	\$ (5,084,819)
2. ERISA Minimum Required Contribution	7,003,469	6,520,891
3. IRS Maximum Tax-Deductible Contribution	14,063,328	14,421,445
E. Participant Counts		
<i>As of the First Day of the Plan Year</i>		
1. Active Participants	6	20
2. Inactive Vested Participants	21	19
3. Retired Participants and Beneficiaries	190	204
4. Total	217	243

Notes

- **Item A:** Asset values include the principal amount of the PBGC Financial Assistance. More information on the value of assets can be found in **Section 3**.
- **Item B:** Percentages have been rounded down to the nearest 0.1%.
- **Item C:** The PPA certification statuses for the current and prior Plan Years are shown for reference. The determination of the PPA certification status is documented in a separate report.
- **Item D:** See **Section 4** for more information on contribution requirements and the credit balance.
- **Item E:** More information on participant demographics can be found in **Appendix A**.

1. Introduction

Exhibit 1.1 - Summary of Key Results (Cont.)

	Plan Year Beginning	
	10/1/2018	10/1/2017
F. Actuarial Liabilities		
<i>As of the First Day of the Plan Year</i>		
Valuation Interest Rate	3.00%	3.00%
Actuarial Cost Method	Unit Credit	Unit Credit
1. Present Value of Future Benefits	\$ 11,994,938	\$ 12,248,412
2. Normal Cost	212,728	267,938
3. Actuarial Accrued Liability	11,798,368	11,609,093
G. Unfunded Actuarial Liability		
<i>As of the First Day of the Plan Year</i>		
1. Market Value Unfunded Liability (F.3. - A.1.)	\$ 11,675,349	\$ 11,466,569
2. Actuarial Value Unfunded Liability (F.3. - A.2.)	11,659,349	11,460,462
H. Prior Plan Year Experience		
<i>During Plan Year Ending</i>		
	9/30/2018	9/30/2017
1. Total Hours Worked	8,178	26,249
2. Contributions Received	\$ 910,512	\$ 962,778
3. Benefits Paid	(768,772)	(822,614)
4. Operating Expenses Paid	(161,245)	(152,589)
5. Net Cash Flow (H.2. + H.3. + H.4.)	\$ (19,505)	\$ (12,425)
6. Net Cash Flow as a Percentage of Assets	-14.69%	-8.43%
I. Unfunded Vested Benefits for Withdrawal Liability		
<i>Measurement Date</i>		
	9/30/2018	9/30/2017
<i>For Employer Withdrawals in the Plan Year Beginning</i>		
	10/1/2018	10/1/2017
1. Present Value of Vested Benefits	\$ 9,718,380	\$ 10,445,673
2. Asset Value	(1,936,612)	(975,658)
3. Unfunded Vested Benefits (I.1. - I.2.)	\$ 11,654,992	\$ 11,421,331

Notes

- **Item F:** More information on actuarial liabilities can be found in **Section 2**. The normal cost in item F.2. includes assumed operating expenses.
- **Item H:** Line H.6. shows cash flow as a percent of the average market value of assets during the Plan Year. See **Section 7** for additional information regarding historical Plan experience.
- **Item I:** Does not include Affected Benefits. See **Section 6** for more information including the impact of Affected Benefits. The market value of assets used for purposes of unfunded vested benefits reflects the PBGC Financial Assistance as a liability payable as reflected in the Plan's audited financial statements.

1. Introduction

Exhibit 1.2 – Commentary

Valuation Highlights

- As of the October 1, 2018 valuation date, the Plan's accrued benefit funded percentage is 1.0% based on the market value of assets and 1.1% based on the actuarial value of assets, as compared to 1.2% and 1.2% as of October 1, 2017.
- The Plan's funding deficiency increased from \$5,084,819 as of September 30, 2017 to \$5,596,722 as of September 30, 2018.
- 8,178 hours were worked in the 2017 Plan Year, which is a 68.8% decrease from the 26,249 hours worked in the 2016 Plan Year.
- In the 2017 Plan Year, the Plan's investment return was 0.0%, on a market value basis.
- The actuarial loss from sources other than investments was \$508,995 or 4.31% of the actuarial accrued liability. We will continue to monitor the assumptions to make sure they are reasonable both in the aggregate and on an individual basis.

Pension Protection Act of 2006

The Plan was certified in critical status for the Plan Year beginning October 1, 2018. Additionally, the Plan was certified in critical and declining status for the Plan Year beginning October 1, 2018. The Plan was also certified for the third consecutive year as not making scheduled progress in meeting the requirements of the Rehabilitation Plan. The Plan was first certified in critical status for the Plan Year beginning October 1, 2008 and in August 2009, the Trustees adopted a Rehabilitation Plan, as required under the Pension Protection Act of 2006 ("PPA"), to improve the Plan's long term funding health and to forestall possible insolvency. The Rehabilitation Period is the thirteen year period ending September 30, 2022.

Plan Insolvency

The Plan became insolvent and was therefore unable to pay full benefits as of August 1, 2016. Benefits were reduced to the Pension Benefit Guaranty Corporation ("PBGC") guaranteed level at that time.

Each quarter, the Fund requests financial assistance from the PBGC based on administrative expenses and benefits payable. In return, promissory notes for the principal amount funded are made to the PBGC for repayment should the Plan's financial condition improve to the degree that it has assets beyond those necessary to pay basic benefits.

The PBGC Financial Assistance, including accrued interest owed as of the valuation date, is included in the liabilities for funding purposes. Additionally, the principal amount of the PBGC Financial Assistance is included as contributions towards the market value of assets and in the funding standard account.

1. Introduction

Exhibit 1.2 – Commentary (Cont.)

Purpose of the Valuation

This report presents the results of the actuarial valuation of the Cement Masons Local Union #681 Pension Plan as of October 1, 2018. The purposes of this report include the following:

- Determine whether the negotiated contributions are sufficient to fund the Plan’s benefits.
- Determine the minimum required contribution amount for the Plan Year under the Employee Retirement Income Security Act of 1974 (“ERISA”) funding basis.
- Determine the maximum tax-deductible contribution for the Plan Year.
- Review the actuarial assumptions in view of experience during the prior Plan Year.
- Determine the unfunded vested liability for computation of withdrawal liability under the Multiemployer Pension Plan Amendments Act of 1980 (“MPPAA”).
- Develop information for disclosure in Form 5500 Schedule MB.
- Determine the information required for the Plan’s Accounting Standards of Codification (“ASC”) 960 financial reporting.

Participant Data

The participant census data needed to perform the actuarial valuation was provided by Benefit Resources, Inc. Participant demographics are summarized in **Exhibit 1.3** and reviewed in more detail in **Appendix A**.

Plan Assets

Harper & Pearson Company, P.C. supplied us with the audited financial statements for the Plan Year ended September 30, 2018, which sets forth the assets of the Plan. A reconciliation of the Market Value of Assets can be found in **Exhibit 3.1**. The development of the Actuarial Value of Assets is shown in **Exhibit 3.2**.

1. Introduction

Exhibit 1.2 – Commentary (Cont.)

Actuarial Assumptions and Methods

There have been no changes in the actuarial assumptions and methods from those used in the previous valuation.

The actuarial assumptions and methods used in the valuation are described in more detail in **Appendix B**.

Plan Provisions

There were no Plan changes that had an impact on the valuation results. The valuation results do not reflect the reduction in benefits to the PBGC guaranteed benefit amounts.

Appendix C describes the principal provisions of the Plan being valued.

Actuarial Gain or Loss

An experience gain/(loss) is the difference between the actual and the expected unfunded actuarial liability. The expected unfunded liability is the amount projected from the previous year, based on the actuarial assumptions.

The Plan had a net actuarial experience loss of \$503,268 for the Plan Year ended September 30, 2018. The components of this loss are a gain of \$5,727 on Plan assets and a loss of \$508,995, from sources related to benefit liabilities.

There was a loss on the market value of assets for the Plan Year (0.0% net return versus the 3.0% assumption), however only a portion of that loss is recognized in the actuarial value of assets under the Plan's asset valuation method.

The loss on liabilities (which represented about 4.31% of liabilities) was mainly due to the increase in liabilities due to the increase in PBGC financial assistance.

Actuarial gains and losses for the last ten years are shown in **Exhibit 7.1**.

PPA Certification Status

Horizon Actuarial Services, LLC, acting as actuary to the Plan, issued a certification to the Internal Revenue Service on December 20, 2018 indicating that the Plan is in critical status under Section 432 of the Internal Revenue Code (i.e., in the "Red Zone") for the 2018 Plan Year. Additionally, the Plan was certified in critical and declining status for the 2018 Plan Year. This certification takes into account the applicable changes to the PPA under the Multiemployer Pension Reform Act of 2014.

The calculations, data, assumptions, and methods used in the certification are documented in a separate report that was sent to the Board of Trustees on December 20, 2018.

1. Introduction

Exhibit 1.3 - Participant Demographic Summary

Measurement Date	10/1/2018	10/1/2017
A. Active Participants		
1. Count	6	20
2. Average Age	51.3	44.7
3. Average Vesting Service	6.6	3.8
4. Average Credited Service	6.4	3.6
5. Average Prior Year Hours	1,279	1,131
B. Inactive Vested Participants		
1. Count	21	19
2. Average Age	56.6	58.0
3. Average Monthly Benefit	\$ 446	\$ 453
C. Retired Participants and Beneficiaries		
1. Count	190	204
2. Average Age	78.4	78.2
3. Average Monthly Benefit	\$ 367	\$ 371
D. Total Participants	217	243

Participants are generally classified into the following categories for valuation purposes:

- Active participants: Those participants who have worked at least 300 hours in the Plan Year preceding the valuation date, and were not retired as of the valuation date.
- Inactive vested participants: Those participants who worked less than 300 hours in the Plan Year preceding the valuation date and who are entitled to receive a deferred vested pension.
- Participants and beneficiaries receiving benefits: Those participants and beneficiaries who were entitled to receive a pension under the Plan as of the valuation date. Included in this category are healthy pensioners, disabled pensioners, and beneficiaries.

A summary of basic demographic statistics is shown above. Additional demographic information can be found in **Appendix A**.

2. Actuarial Liabilities

Exhibit 2.1 - Summary of Actuarial Liabilities

Measurement Date	10/1/2018	10/1/2017
Valuation Interest Rate	3.00%	3.00%
Actuarial Cost Method	Unit Credit	Unit Credit
A. Present Value of Future Benefits		
1. Active Participants	\$ 380,605	\$ 950,030
2. Inactive Vested Participants	1,332,844	1,238,686
3. Retired Participants and Beneficiaries	8,221,858	8,941,514
4. PBGC Financial Assistance	2,059,631	1,118,182
5. Total	\$ 11,994,938	\$ 12,248,412
B. Normal Cost		
1. Cost of Benefit Accruals	\$ 23,063	\$ 54,813
2. Assumed Operating Expenses	189,665	213,125
3. Total	\$ 212,728	\$ 267,938
C. Actuarial Accrued Liability		
1. Active Participants	\$ 184,035	\$ 310,711
2. Inactive Vested Participants	1,332,844	1,238,686
3. Retired Participants and Beneficiaries	8,221,858	8,941,514
4. PBGC Financial Assistance	2,059,631	1,118,182
5. Total	\$ 11,798,368	\$ 11,609,093
D. Expected Benefit Payments for the Plan Year		
1. Active Participants	\$ 13	\$ 16
2. Inactive and Retired Participants	854,442	926,616
3. Total	\$ 854,455	\$ 926,632

The table above summarizes the key actuarial benefit liabilities as of the current and preceding valuation dates. The present value of future benefits (item A.) represents the liability for benefits earned as of the valuation date plus the benefits expected to be earned in all future Plan Years. The normal cost (item B.) represents the cost of benefit accruals (item B.1.) expected to be earned during the Plan Year plus expected operating expenses during the Plan Year (item B.2.). The actuarial accrued liability is the liability for benefits earned through the valuation date, based on the unit credit cost method (item C.).

PBGC Financial Assistance, including accrued interest owed as of the valuation date, is included in the present value of future benefits (item A.4.) and actuarial accrued liability (item C.4.).

The Plan's contribution requirements for the Plan Year are a function of the normal cost and the portion of the actuarial accrued liability not funded by the actuarial value of assets. All amounts shown above are measured as of the beginning of the Plan Year. The actuarial accrued liability based on the unit credit cost method is also used to determine the PPA funded percentage.

2. Actuarial Liabilities

Exhibit 2.2 - Actuarial Liabilities by Benefit Type

Measurement Date	10/1/2018		
Valuation Interest Rate	3.00%		
Actuarial Cost Method	Unit Credit		
	Present Value of Future Benefits	Actuarial Accrued Liability	Normal Cost
A. Active Participants			
1. Retirement Benefits	\$ 347,052	\$ 163,838	\$ 20,862
2. Termination Benefits	14,351	9,484	1,109
3. Disability Benefits	15,296	8,538	852
4. Death Benefits	3,906	2,175	240
5. Total	\$ 380,605	\$ 184,035	\$ 23,063
B. Inactive Vested Participants			
1. Retirement Benefits	\$ 1,324,941	\$ 1,324,941	
2. Death Benefits	7,903	7,903	
3. Total	\$ 1,332,844	\$ 1,332,844	
C. Retired Participants and Beneficiaries			
1. Non-disabled Retirees	\$ 6,655,156	\$ 6,655,156	
2. Disabled Retirees	70,993	70,993	
3. Beneficiaries	1,495,709	1,495,709	
4. Total	\$ 8,221,858	\$ 8,221,858	
D. PBGC Financial Assistance			
	\$ 2,059,631	\$ 2,059,631	
E. Assumed Operating Expenses			
			\$ 189,665
F. Grand Total			
	\$ 11,994,938	\$ 11,798,368	\$ 212,728

The present value of future benefits reflects both benefits earned through the valuation date and benefits expected to be earned in the future by active participants. The present value of future benefits and the actuarial accrued liability shown in the table above are measured as of the valuation date. The normal cost and assumed operating expenses shown in the table above are payable as of the beginning of the year.

PBGC Financial Assistance, including accrued interest owed, as of the valuation date is included in the present value of future benefits and actuarial accrued liability (item D).

3. Plan Assets

Asset figures shown below are based on the Plan's audited financial statements. The principal amount of the PBGC Financial Assistance is included as a contribution (item 2.b.).

Exhibit 3.1 - Market Value of Assets

Plan Year Ending	9/30/2018	9/30/2017
A. Reconciliation of Market Value of Assets		
1. Market Value of Assets at Beginning of Plan Year	\$ 142,524	\$ 153,636
2. Contributions		
a. Employer Contributions	43,036	136,347
b. PBGC Financial Assistance	867,476	826,431
c. Total	910,512	962,778
3. Benefit Payments	(768,772)	(822,614)
4. Operating Expenses	(161,245)	(152,589)
5. Transfers	0	0
6. Investment Income	0	0
7. Market Value of Assets at End of Plan Year	\$ 123,019	\$ 142,524
B. Net Investment Return on Market Value of Assets		
1. Expected Return	3.00%	3.00%
2. Actual Return [Schedule MB, Line 6h]	0.00%	0.00%

3. Plan Assets

The Trustees have approved an actuarial asset valuation method that gradually adjusts to market value, as follows:

- The actuarial value of assets is equal to the market value of assets less unrecognized returns in each of the last five years. The unrecognized return for a year is equal to the difference between the actual market return and the assumed return on the market value of assets, phased in at the rate of 20% per year.
- To comply with IRS regulations, the actuarial value of assets is not less than 80%, nor more than 120%, of the market value of assets.

Under this valuation method, recognition of the full value of any market fluctuations is spread over five years and as a result, the actuarial cost of the Plan is more stable than if the actuarial cost was determined on a market value basis. The difference between the actuarial value of assets and the market value of assets (the “adjustment”) is referred to as a write-up or write-down. The development of the actuarial value of assets is shown on the next page.

In determining the actuarial value of assets, the amount by which the adjustment changes from one year to the next is treated as income, which may be positive or negative. Realized gains and losses and unrealized gains and losses are treated the same and, therefore, sales of assets have no immediate effect on the actuarial value of assets. This delays recognition of the impact that sales of assets may have on the determination of the actuarial cost of the Plan.

See **Appendix B** for more information regarding the Actuarial Value of Assets.

3. Plan Assets

Exhibit 3.2 - Actuarial Value of Assets

Measurement Date						10/1/2018
A. Net Investment Gain/(Loss)						
1. Expected Net Investment Return						\$ 3,983
2. Actual Net Investment Return						0
3. Net Investment Gain/(Loss)						\$ (3,983)
B. Development of Actuarial Value of Assets						
1. Market Value of Assets as of September 30, 2018						\$ 123,019
2. Prior Year Deferred Gains/(Losses)						
Plan Year	Net Investment	Percent Recognized		Amount Recognized	Amt. to be Recognized	
Ending	Gain/(Loss)	to Date	Future Years	in Prior Plan Year	in Future Years	
9/30/2018	\$ (3,983)	20%	80%	\$ (797)	\$ (3,186)	
9/30/2017	(3,110)	40%	60%	(622)	(1,866)	
9/30/2016	6,671	60%	40%	1,334	2,668	
9/30/2015	(68,082)	80%	20%	(13,616)	(13,616)	
9/30/2014	98,056	100%	0%	19,611	0	
Total				\$ 5,910	\$ (16,000)	
3. Adjusted Value of Assets as of October 1, 2018 (1. - 2. Total)						\$ 139,019
4. Actuarial Value of Assets Corridor						
a. 80% of Market Value of Assets						\$ 98,415
b. 120% of Market Value of Assets						\$ 147,623
5. Actuarial Value of Assets as of October 1, 2018						
a. Actuarial Value of Assets, after Adjustment for Corridor						\$ 139,019
b. Actuarial Value as a Percentage of Market Value						113.0%
C. Prior Year Investment Return on Actuarial Value of Assets						
1. Expected Return						3.00%
2. Actual Return [Schedule MB, Line 6g]						7.12%

4. Contributions

Minimum Required Contribution

The ERISA minimum required contribution consists of the normal cost, plus payments to amortize the components of the unfunded actuarial accrued liability over various time periods, less the “**credit balance**” in the “**funding standard account**” as of the end of the prior Plan Year (all adjusted with interest to the end of the Plan Year).

The funding standard account is used to determine the minimum required contribution. The credit balance in the funding standard account is the accumulated amount by which contributions made in prior Plan Years exceeded the ERISA minimum contribution requirements in those years. The credit balance acts as a reserve that may be drawn upon if employer contributions do not cover the net charges to the funding standard account.

Charges to the funding standard account include the normal cost and payments to amortize increases in the unfunded actuarial accrued liability. **Credits** to the funding standard account include employer contributions and payments to amortize decreases in the unfunded actuarial accrued liability. If the credits to the funding standard account – including employer contributions and applicable interest – exceed the charges, then there is a positive credit balance. On the other hand, if charges exceed the credits, there is a negative credit balance, also known as an accumulated “funding deficiency.”

Under the Pension Protection Act of 2006 (“PPA”), portions of unfunded actuarial accrued liability recognized during or after the Plan Year beginning in 2008 are generally amortized in the funding standard account over 15 years.

Detail on the amortization bases in the funding standard account can be found in **Exhibit 4.2**.

Maximum Deductible Contribution

Generally, the IRS permits the deduction of contributions made to fund benefits accruing under a qualified pension plan. However, there are certain limits that specify the maximum contribution that is permitted to be made and deducted in a given Plan Year. The maximum tax-deductible contribution for the current and preceding Plan Years, as determined under section 404 of the Code, is shown in the following table. This amount is significantly greater than the expected contributions for the Plan Year. Accordingly, all employer contributions for the Plan Year are expected to be tax deductible.

4. Contributions

Exhibit 4.1 - Statutory Contribution Range

Plan Year Ending	9/30/2019	9/30/2018
A. Funding Standard Account		
<i>1. Charges to Funding Standard Account</i>		
a. Prior Year Funding Deficiency, if any	\$ 5,596,722	\$ 5,084,819
b. Normal Cost	212,728	267,938
c. Amortization Charges	1,142,385	1,130,556
d. Interest on a., b., and c.	208,555	194,499
e. Total Charges	\$ 7,160,390	\$ 6,677,812
<i>2. Credits to Funding Standard Account</i>		
a. Prior Year Credit Balance, if any	\$ 0	\$ 0
b. Employer Contributions	TBD	910,512
c. Amortization Credits	152,350	152,350
d. Interest on a., b., and c.	TBD	18,228
e. Total Credits	TBD	\$ 1,081,090
<i>3. Credit Balance or Funding Deficiency (2.e. - 1.e.)</i>	TBD	\$ (5,596,722)
B. Minimum Required Contribution		
<i>As of the Last Day of the Plan Year</i>		
1. Before Reflecting Credit Balance	\$ 1,238,845	\$ 1,283,527
2. After Reflecting Credit Balance	7,003,469	6,520,891
C. Amortization Bases for Form 5500 Schedule MB		
<i>As of the First Day of the Plan Year</i>		
1. Outstanding Balance of Amortization Charges	\$ 7,430,901	\$ 7,856,415
2. Outstanding Balance of Amortization Credits	1,368,274	1,480,772
D. Maximum Deductible Contribution		
<i>As of the Last Day of the Plan Year</i>		
1. 140% of Current Liability at end of year	\$ 13,143,891	\$ 13,414,485
2. Actuarial Value of Assets at end of year	(919,437)	(1,006,960)
3. Maximum Deductible Contribution (1. - 2.)	\$ 14,063,328	\$ 14,421,445
E. Other Items for Form 5500 Schedule MB		
1. ERISA Full Funding Limitation [Sch. MB, Line 9j(1)]	\$ 12,244,719	\$ 12,086,542
2. "RPA '94" Override [Sch. MB, Line 9j(2)]	9,369,081	9,630,557
3. Full Funding Limitation Credit [Sch. MB, Line 9j(3)]	0	0

See **Appendix D** for information regarding the current liability referred to in item D.1. above.

4. Contributions

Exhibit 4.2 - Funding Standard Account Amortization Bases

Charges

[Schedule MB, Line 9c]

Type	Date Established	Initial Period	Initial Balance	Outstanding at 10/1/2018 Period	Balance	Annual Payment
Assumption	10/1/1990	30.00	N/A	2.00	\$ 17,783	\$ 9,024
Assumption	10/1/1992	30.00	N/A	4.00	182,563	47,683
Amendment	10/1/1992	30.00	N/A	4.00	661,493	172,777
Assumption	10/1/1997	30.00	N/A	9.00	409,294	51,036
Amendment	10/1/1999	30.00	N/A	11.00	561,389	58,906
Exper Loss	10/1/2004	15.00	N/A	1.00	129,710	129,710
Exper Loss	10/1/2008	15.00	1,222,946	5.00	497,388	105,444
Exper Loss	10/1/2009	15.00	377,736	6.00	179,233	32,123
Exper Loss	10/1/2010	15.00	426,786	7.00	229,767	35,805
Amendment	10/1/2010	15.00	573	7.00	308	48
Assumption	10/1/2011	15.00	778,914	8.00	466,232	64,483
Exper Loss	10/1/2011	15.00	599,036	8.00	358,563	49,592
Assumption	10/1/2012	15.00	838,132	9.00	551,065	68,714
Exper Loss	10/1/2012	15.00	21,283	9.00	13,992	1,745
Assumption	10/1/2013	15.00	1,641,282	10.00	1,175,211	133,758
Assumption	10/1/2014	15.00	204,551	11.00	158,702	16,653
Assumption	10/1/2015	15.00	928,526	12.00	774,217	75,514
Assumption	10/1/2016	15.00	52,050	13.00	46,369	4,233
Exper Loss	10/1/2017	15.00	543,580	14.00	514,354	44,208
Exper Loss	10/1/2018	15.00	503,268	15.00	503,268	40,929
Total Charges					\$ 7,430,901	\$ 1,142,385

Credits

[Schedule MB, Line 9h]

Type	Date Established	Initial Period	Initial Balance	Outstanding at 10/1/2018 Period	Balance	Annual Payment
Exper Gain	10/1/2007	15.00	\$ 5,524	4.00	\$ 1,848	\$ 483
Assumption	10/1/2009	15.00	40,968	6.00	19,440	3,484
Amendment	10/1/2009	15.00	314,867	6.00	149,403	26,776
Assumption	10/1/2010	15.00	25,518	7.00	13,738	2,141
Exper Gain	10/1/2013	15.00	477,083	10.00	341,608	38,880
Exper Gain	10/1/2014	15.00	218,412	11.00	169,457	17,781
Exper Gain	10/1/2015	15.00	266,388	12.00	222,118	21,664
Exper Gain	10/1/2016	15.00	505,876	13.00	450,662	41,141
Total Credits					\$ 1,368,274	\$ 152,350

Net Total

\$ 6,062,627 \$ 990,035

See the comments following this Exhibit 4.2.

4. Contributions

The table above shows the outstanding amortization bases in the funding standard account as of the valuation date. The amortization bases are grouped as charges, which represent increases in the unfunded actuarial liability, and credits, which represent decreases in the unfunded actuarial liability.

Different types of amortization bases are as follows:

Abbreviation	Description
Initial Liab	Initial unfunded actuarial accrued liability
Exper Loss	Actuarial experience loss (charge only)
Exper Gain	Actuarial experience gain (credit only)
Amendment	Plan amendment
Assumption	Change in actuarial assumptions
Method	Change in the actuarial cost method or asset valuation method
Combined	Combined charge base or combined credit base
Offset	Combined and offset charge and credit bases

5. ASC 960 Information

The present value of accumulated benefits as of the last day of the Plan Year is disclosed in the Plan's financial statements, in accordance with the Accounting Standards Codification ("ASC") Topic Number 960.

The present value of accumulated benefits is determined based on the unit credit cost method. The same actuarial assumptions that were used to determine the actuarial accrued liability as of the beginning of the Plan Year (e.g., October 1, 2018) were used to determine the actuarial present value of accumulated benefits as of the end of the prior Plan Year (e.g., September 30, 2018). See **Appendix B** for more information.

The present value of vested benefits includes qualified pre-retirement survivor annuity death benefits, which are excluded from the present value of vested benefits for withdrawal liability (see **Section 6**).

Exhibit 5.1 - Present Value of Accumulated Plan Benefits

Measurement Date	9/30/2018	9/30/2017
Interest Rate Assumption	3.00%	3.00%
A. Participant Counts		
1. Vested Participants		
a. Retired Participants and Beneficiaries	190	204
b. Inactive Vested Participants	21	19
c. Active Vested Participants	4	7
d. Total Vested Participants	215	230
2. Non-Vested Participants	2	13
3. Total Participants	217	243
B. Present Value of Accumulated Plan Benefits		
1. Vested Benefits		
a. Retired Participants and Beneficiaries	\$ 8,221,858	\$ 8,941,514
b. Inactive Vested Participants	1,332,844	1,238,686
c. Active Vested Participants	174,002	277,029
d. Total Vested Benefits	\$ 9,728,704	\$ 10,457,229
2. Non-Vested Accumulated Benefits	10,033	33,682
3. Total Accumulated Benefits	\$ 9,738,737	\$ 10,490,911
C. Changes in Present Value of Accumulated Plan Benefits		
1. Present Value at End of Prior Plan Year	\$ 10,490,911	\$ 11,179,097
2. Increase (Decrease) during the Plan Year due to:		
a. Plan Amendment(s)	\$ 0	\$ 0
b. Change(s) to Actuarial Assumptions	0	0
c. Benefits Accumulated and Actuarial (Gains)/Losses	(288,242)	(189,207)
d. Interest due to Decrease in the Discount Period	304,840	323,635
e. Benefits Paid	(768,772)	(822,614)
f. Merger or Transfer	0	0
g. Net Increase (Decrease)	\$ (752,174)	\$ (688,186)
3. Present Value at End of Plan Year (Measurement Date)	\$ 9,738,737	\$ 10,490,911

6. Withdrawal Liability

The Multiemployer Pension Plan Amendments Act of 1980 (“MPPAA”) provides that an employer who withdraws from a Plan after September 26, 1980 may be obligated to the Plan for its share of any unfunded liability for vested benefits as of the last day of the Plan Year preceding the withdrawal.

The same actuarial assumptions that were used to determine the actuarial accrued liability as of the beginning of the Plan Year (e.g., October 1, 2018) were used to determine the actuarial present value of accumulated benefits as of the end of the prior Plan Year (e.g., September 30, 2018). See **Appendix B** for more information.

The present value of vested benefits reflects the Plan provisions in effect on the measurement date. Plan benefits that are not considered to be vested for withdrawal liability – such as disability benefits (in excess of the value of deferred vested benefits) and death benefits– are not included in the calculation of the present value of vested benefits.

Unfunded vested benefits represent the shortfall between the Plan’s asset value and the present value of vested benefits. Unfunded vested benefits are allocated among participating employers according to the presumptive method, as described under Section 4211(b) of ERISA. The asset value is the market value of assets. The market value of assets used for purposes of unfunded vested benefits reflects the PBGC Financial Assistance as a liability payable as reflected in the Plan’s audited financial statements.

6. Withdrawal Liability

The table below shows the calculation of the unfunded vested benefits as of September 30, 2018, which will be allocated to employers withdrawing during the Plan Year beginning October 1, 2018. Calculations for the prior year are also shown, for reference.

Exhibit 6.1 - Unfunded Vested Benefits for Withdrawal Liability

Measurement Date	9/30/2018	9/30/2017
For Employer Withdrawals in the Plan Year Beginning	10/1/2018	10/1/2017
Interest Rate Assumption	3.00%	3.00%
A. Present Value of Vested Benefits		
1. Active Participants	\$ 171,581	\$ 272,025
2. Inactive Vested Participants	1,324,941	1,232,134
3. Retired Participants and Beneficiaries	8,221,858	8,941,514
4. Total	\$ 9,718,380	\$ 10,445,673
B. Unfunded Vested Benefits		
1. Present Value of Vested Benefits	\$ 9,718,380	\$ 10,445,673
2. Asset Value	(1,936,612)	(975,658)
3. Unfunded Vested Benefits/(Surplus) (B.1. - B.2.)	\$ 11,654,992	\$ 11,421,331
C. Reductions in Adjustable Benefits		
1. Total Balance of Affected Benefits (Prior to Amortization)	\$ 274,931	\$ 274,931
2. Unamortized Balance of Affected Benefits	160,366	178,033

Effective October 1, 2009, certain “adjustable benefits” were reduced or eliminated as part of the Rehabilitation Plan adopted by the Trustees. The “Affected Benefits” shown above represent the present value of the adjustable benefit reductions under the Rehabilitation Plan.

The Board of Trustees on April 20, 2011 adopted PBGC Technical Update 10-3 with respect to the determination of withdrawal liability. Under PBGC Technical Update 10-3, the reductions, called “Affected Benefits”, are first recognized effective September 30, 2010 for purposes of determining withdrawal liability. The interest rate used for the amortization is 6.5%, the valuation interest rate on the date of determination.

The market value of assets used for purposes of unfunded vested benefits reflects the PBGC Financial Assistance as a liability payable as reflected in the Plan’s audited financial statements.

7. Plan Experience

An experience gain or loss is the difference between the *actual* and the *expected* unfunded actuarial accrued liability. The *expected* unfunded accrued liability is the amount predicted from the previous year, based on the actuarial assumptions.

To further analyze the experience, the aggregate gain or loss is broken down between the gain or loss due to investment experience and the gain or loss due to other sources (principally the demographic experience).

The experience gains (losses) have been as follows during the last ten Plan Years:

Exhibit 7.1 - Historical Experience Gains and (Losses)

<u>Plan Year Ended September 30</u>	<u>From Investment Experience</u>	<u>From Other Sources</u>	<u>Total Experience Gain / (Loss)</u>	<u>Percent Gain/(Loss) from Other Sources*</u>
2018	5,727	(508,995)	(503,268)	-4.31%
2017	22,143	(565,723)	(543,580)	-4.87%
2016	113,351	392,524	505,875	3.45%
2015	273,807	(7,419)	266,388	-0.06%
2014	292,689	(74,277)	218,412	-0.62%
2013	287,821	189,262	477,083	1.51%
2012	(139,792)	118,509	(21,283)	1.03%
2011	(387,756)	(211,280)	(599,036)	-1.88%
2010	(146,905)	(279,881)	(426,786)	-2.55%
2009	(702,573)	324,837	(377,736)	2.86%
5-Year Average	141,543	(152,778)	(11,235)	
10-Year Average	(38,149)	(62,244)	(100,393)	

* As a percent of Actuarial Accrued Liability

The actuarial assumptions for this valuation are summarized in **Appendix B**.

7. Plan Experience

A summary of employment activity and the average number of hours of contributions received per active participant is shown below for the last ten years.

Exhibit 7.2 - Historical Hours

Plan Year Ended September 30	TOTAL Hours for ALL Participants		AVERAGE Hours for ACTIVE Participants & Working Retirees	
	Total	% Change	Total	% Change
2018	8,178	-68.8%	1,279	13.1%
2017	26,249	85.6%	1,131	37.8%
2016	14,142	-28.1%	821	-17.3%
2015	19,675	-49.7%	993	-16.8%
2014	39,140	32.4%	1,194	-3.9%
2013	29,557	305.2%	1,243	93.9%
2012	7,295	-69.3%	641	-60.1%
2011	23,737	-17.7%	1,606	52.5%
2010	28,831	20.3%	1,053	5.1%
2009	23,960	-	1,002	-
5-Year Average	21,477		1,084	
10-Year Average	22,076		1,096	

A ten-year summary of the Plan's cash flow is provided in the table below.

Beginning with the Plan Year ended September 30, 2016, the "employer contributions" shown below include the amount of PBGC Financial Assistance received during the Plan Year.

Exhibit 7.3 - Historical Plan Cash Flows

Plan Year Ended September 30	Employer Contributions	Benefit Payments	Operating Expenses	Market Value of Assets at End of Year	Net Cash Flow as a Percent of Market Value*
2018	910,512	768,772	161,245	123,019	-14.7%
2017	962,778	822,614	152,589	142,524	-8.4%
2016	326,851	985,176	264,323	153,636	-155.2%
2015	103,814	1,045,741	232,759	1,055,685	-70.9%
2014	225,729	1,095,972	183,845	2,244,592	-40.7%
2013	157,071	1,105,329	168,162	3,116,468	-32.4%
2012	31,953	1,145,522	187,912	4,003,460	-32.6%
2011	128,032	1,199,512	489,704	4,647,642	-36.5%
2010	157,401	1,216,541	360,764	5,056,846	-26.9%
2009	116,186	1,242,010	262,850	5,990,387	-21.0%
5-Year Average	505,937	943,655	198,952		-58.0%
10-Year Average	312,033	1,062,719	246,415		-43.9%

* Based on the average Market Value of Assets for the Plan Year

Appendix A: Additional Demographic Exhibits

Exhibit A.1 - Distribution of Active Participants

Measurement Date: October 1, 2018

[Form 5500 Sch. MB, Line 8b]

Years of Credited Service

Age	Under 1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 +	Total
Under 25	-	-	-	-	-	-	-	-	-	-	-
25 - 29	-	-	-	-	-	-	-	-	-	-	-
30 - 34	-	-	1	-	-	-	-	-	-	-	1
35 - 39	-	-	-	-	-	-	-	-	-	-	-
40 - 44	-	-	-	-	-	-	-	-	-	-	-
45 - 49	-	-	-	1	-	-	-	-	-	-	1
50 - 54	-	1	-	1	-	-	-	-	-	-	2
55 - 59	-	1	-	-	-	-	-	-	-	-	1
60 - 64	-	-	1	-	-	-	-	-	-	-	1
65 - 69	-	-	-	-	-	-	-	-	-	-	-
70 +	-	-	-	-	-	-	-	-	-	-	-
Total	-	2	2	2	-	-	-	-	-	-	6

Males	6	Average Age	51.3
Females	0	Average Credited Service	6.4
Unknown	0		
Total	6	Number Fully Vested	4
		Number Partially Vested	0

Notes

- As of October 1, 2018 there were no active participants with unknown dates of birth in the data.
- As of October 1, 2018, there were no active participants with unknown gender in the data.

Appendix A: Additional Demographic Exhibits

Exhibit A.2 - Distribution of Inactive Participants

Measurement Date: October 1, 2018

Inactive Vested Participants

Attained Age	Count	Total Annual Benefits	Average Monthly Benefits
Under 40	2	\$ 4,743	\$ 197.63
40-44	-	-	-
45-49	3	17,634	489.83
50-54	3	15,286	424.61
55-59	2	7,003	291.79
60-64	8	51,453	535.97
65 and Over	3	16,196	449.89
Total	21	\$ 112,315	\$ 445.69

Participants and Beneficiaries Receiving Benefits

Attained Age	Count	Total Annual Benefits	Average Monthly Benefits
Under 55	-	\$ -	\$ -
55-59	-	-	-
60-64	11	31,593	239.34
65-69	21	75,861	301.04
70-74	36	169,622	392.64
75-79	47	219,519	389.22
80-84	33	147,624	372.79
85 and Over	42	191,491	379.94
Total	190	\$ 835,710	\$ 366.54

Notes

- As of October 1, 2018, there were no inactive vested participants with unknown dates of birth or gender in the data.
- As of October 1, 2018, there were no participants or beneficiaries receiving benefits with unknown dates of birth or gender in the data.

Appendix A: Additional Demographic Exhibits

Exhibit A.3 - Reconciliation of Participants by Status

	Active	Inactive Vested	Non-disabled Retirees	Disabled Retirees	Beneficiaries	Total
A. Count as of October 1, 2017	20	19	133	1	70	243
B. Status Changes During Plan Year						
1. Nonvested Terminations	(11)					(11)
2. Vested Terminations	(3)	3				0
3. Retirement		(1)	1			0
4. Disabled						0
5. Deceased			(11)		(6)	(17)
6. Certain Period Ended						0
7. Lump Sum						0
8. Rehires						0
9. New Entrants						0
10. New Beneficiaries					2	2
11. Adjustments						0
Net Increase (Decrease)	(14)	2	(10)	0	(4)	(26)
C. Count as of October 1, 2018	6	21	123	1	66	217

Appendix B: Actuarial Assumptions and Methods

(Form 5500 Schedule MB, line 6)

While it is important that the overall assumptions be reasonable, we select each valuation assumption as reasonable in light of this Plan's provisions and characteristics. We have chosen the assumptions after reviewing recent Plan experience and anticipated Plan experience as described below.

Plan Name Cement Masons Local Union #681 Pension Plan

Plan Sponsor Board of Trustees of the Cement Masons Local Union #681 Pension Plan

EIN / PN 74-6091787/001

Interest Rates	Valuation	3.00%
	Cash Balance Crediting Rate	3.50%
	Cash Balance Annuity Conversion	4.00%

The interest rate assumption used for purposes of the ERISA funding valuation and ASC accounting reflects expected Plan termination rates.

RPA '94 Current Liability: the highest rate within the IRS allowable range for determining current liability which is 3.02% per annum as of October 1, 2018.

Retirement Age If an active or inactive vested participant meets the age and service requirements for early retirement by age 62, retirement is assumed at age 62 or current age, if greater. Otherwise, retirement is assumed at age 65 or current age, if greater.

The weighted average retirement age for active participants is 63.7. This average is based on the active population as of the valuation date. All decrements are considered when projecting the current population to retirement. The weighted average retirement age is the average age at which the lives that reach the retirement decrement retire.

Operating Expenses To allow for operating expenses, actual expenses averaged over the last three years and adjusted to the beginning of the year has been added to the Normal Cost. As of October 1, 2018, operating expenses are assumed to be \$189,665 (the total operating expenses payable monthly for the Plan Year beginning October 1, 2018 are assumed to be \$192,273).

Hours Worked For the purpose of projecting future benefit accruals and contributions, it is assumed that each active participant will work the same number of hours per year as worked during the Plan Year preceding the valuation date.

Appendix B: Actuarial Assumptions and Methods

(Form 5500 Schedule MB, line 6)

Contribution Income Contributions are assumed to be \$5.10 per hour.

Active Participant For valuation purposes, an active participant is a participant who worked at least 300 hours in the prior Plan Year, and had not retired as of the valuation date.

Mortality The PBGC plan termination mortality table for the Plan Year. As of October 1, 2018 the mortality table is the UP-94 Mortality Table, sex distinct and projected to 2028 with Scale AA. No future improvement beyond 2028 was assumed.

The mortality assumption including future improvement was chosen based on a review of standard mortality tables and projection scales, historical and current demographic data, and reflecting anticipated future experience and professional judgement.

For the conversion of a Cash Balance Annuity, the table prescribed by Code Section 417 for the valuation year. For the October 1, 2018 valuation, the table used is the Unisex Optional Combined Mortality Table under PPA for 2018 with no future improvement beyond the published table.

For determining the RPA '94 current liability, the mortality tables prescribed by the Pension Protection Act of 2006 were used.

Disability The 1968 Social Security Incidence Rates. Illustrations of the annual rates of disablement per 100 active participants are shown in the table below for selected ages (the same rates are used for males and females):

Representative Disability Rates

Age	
20	0.0770
25	0.0756
30	0.0917
35	0.1150
40	0.2350
45	0.3650
50	0.6316
55	1.1400
60	1.5520
65	0.0000

Appendix B: Actuarial Assumptions and Methods

(Form 5500 Schedule MB, line 6)

Withdrawal Illustrations of the annual rates of withdrawal (for reasons other than mortality or disablement) per 100 active participants are shown in the table below for selected ages (the same rates are used for males and females):

Representative Withdrawal Rates

Age	
20	19.08
25	17.80
30	11.40
35	6.60
40	3.20
45	0.80
50+	0.00

Reemployment It is assumed that participants will not be reemployed following a break in service.

Form of Payment For Annuity Benefits: Married participants are assumed to receive a joint and 50% survivor annuity and single participants are assumed to receive a life annuity.

For Cash Balance Benefits: Participants are assumed to receive a life annuity at the same time they commence their annuity benefit.

Marriage If the marital status is unknown, 70% of participants are assumed to be married.

Spouse Ages Husbands are assumed to be 3 years older than wives.

Cost Method The Unit Credit Cost Method is used to determine the normal cost and the actuarial accrued liability. The actuarial accrued liability is the present value of the accrued benefits as of the beginning of the year for active participants and is the present value of all benefits for other participants. The normal cost is the present value of the difference between the accrued benefits as of the beginning and end of the year. The normal cost and actuarial accrued liability for the Plan are the sums of the individually computed normal costs and actuarial accrued liabilities for all Plan Participants.

Appendix B: Actuarial Assumptions and Methods

(Form 5500 Schedule MB, line 6)

Asset Valuation Method	The actuarial value of assets is determined by adjusting the market value of assets to reflect the investment gains and losses (the difference between the actual investment return and the assumed investment return) during each of the last five years at the rate of 20% per year. Assumed investment return is calculated using the net market value of assets as of the beginning of the Plan Year and the benefit payments, employer contributions and operating expenses, weighted based on the timing of the transactions during the year. The actuarial value is subject to a restriction that it be not less than 80% nor more than 120% of the market value.
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Participant Data	Participant census data as of October 1, 2018 was provided by Benefit Resources, Inc.
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Missing or Incomplete Participant Data	Participants missing a date of birth are assumed to have a date of birth equal to the average age of other participants. They are assumed to enter the Plan at an entry age based on the average service of other participants. Participants missing gender are assumed to be male. This year, no participants were missing a date of birth or gender.
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Financial Information	Financial information was obtained from the audited financial statements from Harper & Pearson Company, P.C.
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Nature of Actuarial Calculations	The valuation results presented in this report are estimates. The results are based on data that may be imperfect and on assumptions made about future events. Certain Plan provisions may be approximated or deemed immaterial for the purposes of the valuation. Assumptions may be made about missing or incomplete participant census data or other factors. Reasonable efforts were made to ensure that significant items and factors are included in the valuation and treated appropriately. A range of results different from those presented in this report could also be considered reasonable.
---	---

The actuarial assumptions selected for this valuation – including the valuation interest rate – generally reflect average expectations over the long term. If overall future demographic or investment experience is less favorable than assumed, the relative level of Plan costs determined in this valuation will likely increase in future valuations. Investment returns and demographic factors may fluctuate significantly from year to year. The deterministic actuarial models used in this valuation do not take into consideration the possibility of such volatility.

Unfunded Vested Benefits for Employer Withdrawals	Valued using an interest rate of 3.00% per annum as of September 30, 2018 (same as fund earnings assumption used to determine other Plan costs and liabilities as of October 1, 2018), and the market value of assets. The market value of assets used for purposes of unfunded vested benefits reflects the PBGC Financial Assistance as a liability payable as reflected in the Plan's audited financial statements.
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Appendix B: Actuarial Assumptions and Methods

(Form 5500 Schedule MB, line 6)

***Changes in
Assumptions***

No assumptions have been changed since the prior valuation.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

This appendix summarizes the major provisions of the Plan that were reflected in the actuarial valuation. This summary of provisions is not intended to be a comprehensive statement of all provisions of the Plan.

Plan Name	Cement Masons Local Union #681 Pension Plan
Plan Sponsor	Board of Trustees of the Cement Masons Local Union #681 Pension Plan
EIN / PN	74-6091787/001
Effective Date and Most Recent Amendment	<p>The Plan was originally effective as of October 1, 1966.</p> <p>The Plan, as amended and restated effective October 1, 2014 is reflected herein.</p>
Plan Year	The twelve-month period ending September 30.
Employers	A participating Employer who is party to a collective bargaining agreement with the Union which requires contributions under the Plan or any employer (including a union) who otherwise agrees in writing to make contributions to the Trust Fund.
Participants	Participation is automatic when an employee commences covered employment. An employee will remain a participant as long as he continues to be an employee without a permanent break-in-service and thereafter as long as he or his beneficiary retains any right to benefits under the Plan.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

Credited Service

Past Service: An employee receives one year of past service credit for each calendar year during the continuous and unbroken period ending on January 1, 1967, during which he was an employee under the jurisdiction of the Union.

Future Service: Future service is based on 1,200 hours per year of employment for full credit. If an employee works between 300 and 1,200 hours, he will receive fractional credit determined by dividing the number of hours of service in covered employment by 1,200. No credit is given if employee works less than 300 hours in the year.

Future Service One is credited by the Plan for hours worked in calendar years in the period commencing January 1, 1967 and ending December 31, 1984.

Future Service Two is credited by the Plan for hours worked in calendar years in the period commencing January 1, 1985 and ending December 31, 1991.

Future Service Three is credited by the Plan for hours worked in the 1992 calendar year and for hours worked in each Plan Year commencing October 1, 1992 and thereafter. Hours of service credited during October, November, and December of 1992 are credited to both the 1992 calendar year and the Plan Year beginning October 1, 1992.

Effective October 1, 1996, Future Service Three will be adjusted for the purposes of determining a participant's accrued benefit and Cash Balance Account when the participant works a market recovery job.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

Vesting Service

Vesting Service is the sum of:

1. the participant's years of Past Service and,
2. the participant's years of Future Service One as of January 1, 1976 and,
3. one year, or fractional year during which the participant was credited at least 300 hours of service but less than 1,000 hours of service, for subsequent calendar years through December 31, 1992. Such fraction is determined by dividing the number of hours of service in covered employment by 1,000. And,
4. one year, or fractional year during which the participant was credited at least 300 hours of service but less than 1,000 hours of service, for subsequent Plan Years beginning October 1, 1992. Such fraction is determined by dividing the number of hours of service in covered employment by 1,000. Hours of service credited during October, November, and December of 1992 are credited to both the 1992 calendar year and the Plan Year beginning October 1, 1992.

Break-In-Service

A calendar year (prior to 1993) or a Plan Year (after October 1, 1992) during which an employee fails to complete 300 hours of service with an employer. An employee shall not incur a one-year break in service for the year he suffers a total and permanent disability. Solely for the purposes of determining a one-year break in service, hours of service shall be recognized for an "authorized leave of absence" and "maternity or paternity leave of absence".

Cash Balance Contribution Credits

Beginning in October 1, 1992 and continuing through September 30, 2008, a contribution credit in the amount of \$1.22 per hour of service, or such other amount as may be determined by the Trustees from time to time, was recognized as of the end of the Plan Year.

No further Contribution Credits recognized on or after October 1, 2008.

Cash Balance Account

The Cash Balance Account is the sum of Contribution Credits plus the Interest Credits accumulated from October 1, 1992 to the date of benefit commencement.

On and after October 1, 2008 the accumulation of Contribution Credits shall cease to the Cash Balance Account and no Cash Balance Account shall be established for any employee who becomes a participant on or after October 1, 2008.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

<i>Cash Balance Annuity</i>	The Cash Balance Annuity is a monthly annuity benefit that is actuarially equivalent to the Cash Balance Account.
<i>Cash Balance Interest Credits</i>	The interest crediting rate was 5% per annum for Plan Years ending September 30, 1993 through September 30, 1997. Effective October 1, 1997, the interest crediting rate is determined annually as of the first day of the Plan Year and equals the sum of the yield on the one-year Treasury Constant Maturities and 100 basis points.
<i>Distribution of Cash Balance Account</i>	The Cash Balance Account shall remain in the Plan receiving Interest Credits until the participant begins his annuity benefit.
<i>Normal Retirement Age</i>	A participant attains Normal Retirement Age at the later of attaining age 65 or the fifth anniversary of participation in the Plan.
<i>Normal Retirement-Eligibility</i>	A participant becomes eligible on the first day of the calendar month coincident with or following the date the participant attains Normal Retirement Age.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

Normal Retirement – Amount of Benefit

The accrued annuity benefit is the sum of the Cash Balance Annuity and the amount determined by multiplying the participant's years of Credited Service by the applicable benefit rate in effect in the last year that the participant earned Credited Service. The applicable benefit rates are shown in the table below.

Date that last Credited Service was Earned	Past Service	Future Service One	Future Service Two	Future Service Three
Prior to July 1, 1983	\$11.81	\$26.00	N/A	N/A
July 1, 1983 to September 30, 1987	\$9.85	\$32.00	\$45.00	N/A
October 1, 1987 to December 31, 1988	\$22.05	\$32.00	\$45.00	N/A
January 1, 1989 to January 31, 1989	\$21.00	\$32.00	\$45.00	N/A
February 1, 1989 to September 30, 1992	\$20.00	\$32.00	\$45.00	N/A
October 1, 1992 to present	\$20.00	\$32.00	\$45.00	\$45.00

Late Retirement Benefit

The late retirement benefit shall be equal to the greater of his or her accrued benefit as of his or her late retirement date or the actuarial equivalent of his or her normal retirement benefit.

Early Retirement – Eligibility

Retirement prior to the participant's normal retirement date with 10 years of Vesting Service and the sum of the participant's age plus years of Vesting Service equals or exceeds 70.

Early Retirement – Amount of Benefit

The accrued annuity benefit payable at normal retirement shall be actuarially reduced for early commencement.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

Disability Pension – Eligibility

- The disability is determined to be total and permanent disability. To be totally and permanently disabled, a participant must be prevented from engaging in any substantial gainful activity by reason of a medically determinable physical or mental impairment
- Disability does not result from intentional, self-inflicted injury or attempted suicide, injury or disease sustained after termination of covered employment, declared or undeclared war or any act thereof (except as required under USERRA), service in the armed forces of any country (except as required under USERRA), or participation in or in consequence of having participated in the committing of a felony
- The participant has at least 10 years of Vesting Service
- The participant earned at least 600 hours of service in covered employment within the eight calendar quarters immediately preceding the calendar quarter in which the disability occurred. This includes any time within such period during which participant was prevented from working in covered employment by sickness, injury, jury duty, or military service.

Approval or disapproval for Social Security Disability Award shall be taken into consideration but shall not be used as the sole criterion in determining disability.

Disability Pension – Amount of Benefit

Disability pension shall be computed in the same manner as the normal retirement benefits, actuarially reduced for early payment, commencing on the participant's disability retirement date.

Vested Benefit

A participant is 100% vested upon completion of three years of Vesting Service if the participant has an hour of service on or after January 1, 2010. If the participant had at least 10 years of Vesting Service, he may elect to begin his annuity on a reduced basis as described in the Early Retirement section above.

Pre-Retirement Death Benefit

If the participant is vested and married at the time of his death, then his surviving spouse will receive a monthly annuity for her lifetime equal to 50% of the Joint and Survivor benefit payable at the deceased participant's earliest retirement date and actuarially reduced for early payment.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

Forms of Payment

Normal Form

- (a) For married participants, retirement benefits are paid in the form of a 50% Joint and Survivor Annuity unless this form is rejected by a participant and his or her spouse. If not rejected, the benefit amount otherwise payable is actuarially reduced to reflect the joint and survivor form.
- (b) If the 50% Joint and Survivor Annuity is rejected or if the participant is not married, benefits are payable as a Life Annuity.

Optional Forms

- (a) 75% Joint and Survivor Annuity

Actuarial Equivalence

Benefits under optional forms of payment and early commencement are converted from the amount payable under the Life Annuity based on assumptions of 7.5% interest and the RP-2000 Combined Healthy Mortality Table for males for participants and females for spouses or beneficiaries. The RP-2000 Disabled Male Mortality Table shall be used for participants entitled to a Disability Pension.

Changes in Plan Provisions

Effective October 1, 2018, there were no Plan changes that had an impact on the valuation results. The valuation results do not reflect the reduction in benefits to the PBGC guaranteed benefit amounts.

Appendix D: Current Liability (for Form 5500 Schedule MB)

Exhibit D.1 - "RPA '94" Current Liability and Additional Information for Form 5500 Schedule MB

Measurement Date	10/1/2018	10/1/2017
Current Liability Interest Rate	3.02%	3.01%
A. Number of Participants		
1. Retired Participants and Beneficiaries	190	204
2. Inactive Vested Participants	21	19
3. Active Participants		
a. Non-Vested Benefits	2	13
b. Vested Benefits	4	7
c. Total Active	6	20
4. Total	217	243
B. Current Liability Normal Cost		
1. Cost of Benefit Accruals	\$ 23,462	\$ 54,353
2. Assumed Operating Expenses	189,665	213,125
3. Total	\$ 213,127	\$ 267,478
C. Current Liability		
1. Retired Participants and Beneficiaries	\$ 8,392,911	\$ 8,631,695
2. Inactive Vested Participants	1,352,819	1,219,381
3. Active Participants		
a. Non-Vested Benefits	\$ 10,120	\$ 33,001
b. Vested Benefits	176,790	274,739
c. Total Active	\$ 186,910	\$ 307,740
4. Total	\$ 9,932,640	\$ 10,158,816
D. Current Liability Expected Benefit Payments	\$ 855,367	\$ 924,891
E. Additional Information for Form 5500 Schedule MB		
1. Current Liability Normal Cost [Sch. MB Line 1d(2)(b)]	\$ 213,127	\$ 267,478
2. Expected Release [Sch. MB Line 1d(2)(c)]	1,063,676	1,158,351
3. Expected Disbursements [Sch. MB Line 1d(3)]	1,031,676	1,126,262

The primary use for current liability is to determine the amount of the maximum tax-deductible contribution for the Plan Year. Current liability is also reported on the Schedule MB to the Form 5500; however, it rarely affects the determination of the ERISA minimum required contribution.

Current liability is calculated similarly to the actuarial accrued liability under the unit credit cost method, but based on interest and mortality assumptions that are mandated by the Internal Revenue Service (IRS). The current liability interest rate assumption is based on corporate bond yields and does not reflect the assumed return on Plan assets.

Current liability and the expected increase in current liability attributable to benefits accruing during the Plan Year are shown above, as of the valuation date. Also shown above are the expected benefit payments for the Plan Year, based the same actuarial assumptions used to measure current liability.

Appendix E: Glossary

Actuarial Accrued Liability: This is computed differently under different actuarial cost methods. The Actuarial Accrued Liability generally represents the portion of the cost of the participants' anticipated retirement, termination, death and disability benefits allocated to the years before the current Plan Year.

Actuarial Cost: This is the contribution required for a Plan Year in accordance with the suggested funding policy. It consists of the Normal Cost plus an amortization payment to pay interest on and amortize the Unfunded Actuarial Accrued Liability based on the amortization schedule adopted by the Trustees.

Actuarial Gain or Loss: From one Plan Year to the next, if the experience of the Plan differs from that anticipated using the actuarial assumptions, an actuarial gain or loss occurs. For example, an actuarial gain would occur if the assets in the trust earned 12% for the year while the assumed rate of return used in the valuation was 3.00%.

Actuarial Value of Assets: This is the value of cash, investments and other property belonging to a pension plan, as used by the actuary for the purposes of an actuarial valuation. It may be equal to the market value, or a smoothed value that recognizes changes in market value systematically over time.

Credit Balance: The Credit Balance represents the historical excess of actual contributions over the minimum required contributions under ERISA. The Credit Balance is also equal to the cumulative excess of credits over charges to the Funding Standard Account.

Current Liability: This is computed the same as the Present Value of Accumulated Benefits, but using interest rate and mortality assumptions specified by the IRS. This quantity is used in the calculation to determine the maximum tax deductible contribution to the Plan for the year.

Funding Standard Account: This is the account which a plan is required to maintain in compliance with the minimum funding standards under ERISA. It consists of annual charges and credits needed to fund the Normal Cost and amortize the cost of plan amendments, actuarial method and assumption changes, and experience gains and losses.

Normal Cost: The Normal Cost is computed differently under different actuarial cost methods. The Normal Cost generally represents the portion of the cost of the participants' anticipated retirement, termination, death and disability benefits allocated to the current Plan Year. Normal Cost generally also includes the cost of anticipated operating expenses.

Present Value of Accumulated Benefits: The Present Value of Accumulated Benefits is computed in accordance with ASC 960. This quantity is determined independently from the Plan's actuarial cost method. This is the present value of a participant's accrued benefit as of the valuation date, assuming the participant will earn no more credited service and will receive no future salary.

Present Value of Future Benefits: This is computed by projecting the total future benefit cash flow from the Plan, using actuarial assumptions, and then discounting the cash flow to the valuation date.

Present Value of Vested Benefits: This is the portion of the Present Value of Accumulated Benefits in which the employee would have a vested interest if the employee were to separate from service with the employer on the valuation date. It is also referred to as Vested Benefit Liability.

Unfunded Actuarial Accrued Liability: This is the amount by which the Actuarial Accrued Liability exceeds the Actuarial Value of Assets.

Withdrawal Liability: This is the amount an employer is required to pay upon certain types of withdrawal from a pension plan. It is an employer's allocated portion of the unfunded Present Value of Vested Benefits



Horizon Actuarial Services, LLC
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Atlanta, GA 30338
Phone/Fax: 678.317.4100
www.horizonactuarial.com

December 20, 2018

Trustees of the Cement Masons Local Union #681 Pension Plan
c/o Mr. Mark Crandell
Benefit Resources, Inc.
8441 Gulf Freeway, Suite 304
Houston, TX 77017

Subject: Annual Certification and Report for the Cement Masons Local Union #681 Pension Plan - 2018 Plan Year

Trustees:

We have prepared and are enclosing a signed copy of the annual certification of plan status by the Plan Actuary as required under §432 of the Internal Revenue Code ("IRC") for the Cement Masons Local Union #681 Pension Plan ("Plan").

The Plan **remains in critical status** (i.e., the Plan is in the "red zone") for the plan year beginning October 1, 2018 ("2018 Plan Year"). Additionally, the Plan remains in **critical and declining** status for the 2018 Plan Year. As such, the Trustees are required to provide notification of the Plan's status to participants and beneficiaries, bargaining parties, the Pension Benefit Guaranty Corporation, and the Secretary of the Labor **within thirty days following the date of this certification** (by no later than January 19, 2019). We will work with Fund Counsel and the Administrator to prepare this notice.

Since the Plan entered into the Rehabilitation Period as of October 1, 2009, we are required to certify as to whether or not the Plan is making progress in meeting the requirements of the Rehabilitation Plan. The Plan became insolvent as of August 1, 2016. Therefore, we are certifying that the Plan is not making scheduled progress in meeting the requirements of its Rehabilitation Plan. This is the third consecutive year that we are certifying that the Plan is not making scheduled progress. Under Internal Revenue Service Code (IRC) Section 4971(g), if the Plan is certified as not making scheduled progress for three consecutive years, the Plan will be treated as having an accumulated funding deficiency. As such there may be taxes due under IRC Sections 4971(a) and (b) as of the end of the third consecutive year.

The IRC states that as the "Plan Actuary", we are required to provide this annual certification directly to the Secretary of the Treasury. We have sent a copy of the certification to the Secretary of the Treasury.

Mr. Mark Crandell
December 20, 2018
Page 2 of 2

Please review these materials thoroughly and let us know if any of the items presented herein warrant further discussion. Penalties are imposed directly against the Trustees for failing to comply with the rules or missing deadlines.

Please call us with any questions you may have.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Stewart".

Mark Stewart, ASA
Senior Consulting Actuary

Enclosures

cc: Doug Selwyn, w/encl.
Mark Crandell, w/encl.
Kevin Bienvenu, w/encl.

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Actuarial Certification of Plan Status

Plan Name: Cement Masons Local Union #681 Pension Plan
EIN / PN: 74-6091787/ 001
Plan Sponsor: Trustees of the Cement Masons Local Union #681 Pension Plan
8441 Gulf Freeway, Suite 304 | Houston, TX 77017 | (713) 643-9300
Plan Year: Beginning October 1, 2018 and Ending September 30, 2019
Certification Results:

- Critical and Declining Status
- Not making scheduled progress toward Rehabilitation Plan

This is the annual certification by the Plan Actuary as required under section 432(b) of the Internal Revenue Code (the "Code") for the above-named multiemployer plan (the "Plan") and plan year (the "Plan Year"). For the Plan Year, the Plan is in critical and declining status.

This certification was performed based upon actuarial projections of assets and liabilities for the current and succeeding plan years, as described under section 432(b)(3)(B). These projections are based on reasonable actuarial estimates, assumptions, and methods that offer my best estimate of anticipated experience under the Plan. The projected present value of Plan liabilities as of the beginning of the Plan Year was determined based on a projection of the actuarial valuation of the Plan as of October 1, 2017. Plan assets reflect that the Plan became insolvent as of August 1, 2016 and is currently receiving financial assistance from the Pension Benefit Guaranty Corporation ("PBGC").

This certification is also based on projections of future industry activity and covered employment levels, which are based on information provided in good faith by the Plan Sponsor. This certification assumes that the current terms of the collective bargaining agreements under which contributions are made to the Plan will remain in effect for all succeeding plan years. This certification complies with the applicable Actuarial Standards of Practice.

In accordance with IRC Section 432(e)(4)(A), the Plan's Rehabilitation Period began on October 1, 2009. In accordance with IRC Section 432(e)(3)(A)(ii), the Plan's Rehabilitation Plan consisted of all reasonable measures to forestall insolvency. However, the plan will not emerge from critical and declining status during the Rehabilitation Period or a later time. The plan is insolvent and benefits have been reduced to the PBGC guaranteed benefit amounts as of August 1, 2016.

Certified by:



Mark Stewart, A.S.A.
Horizon Actuarial Services, LLC
1040 Crown Pointe Parkway, Suite 560
Atlanta, GA 30338

Phone Number: (678) 317-4104
Enrollment Number: 17-06075
Date: December 20, 2018

CEMENT MASONS LOCAL UNION #681 PENSION PLAN

**Actuarial Valuation as of
October 1, 2019**

October 28, 2020



Actuarial Statement

As requested by the Board of Trustees, this report documents the results of an actuarial valuation of the Cement Masons Local Union #681 Pension Plan as of October 1, 2019. This valuation is based on the Plan that was established on October 1, 1966, as amended through the valuation date.

The Plan became insolvent and was therefore unable to pay full benefits during August 2016. Benefits were reduced to the Pension Benefit Guaranty Corporation (“PBGC”) guaranteed level at that time.

In preparing this valuation, we have relied on information and data provided to us by the Board of Trustees and other persons or organizations designated by the Board of Trustees. We did not perform an audit of the financial and participant census data provided to us, but we have reviewed the data for reasonableness for the purpose of the valuation. We have relied on all information provided, including Plan provisions and asset information, as being complete and accurate.

The valuation summarized in this report involves actuarial calculations that require assumptions about future events. We believe that the assumptions and methods used in this report are reasonable and appropriate for the purposes for which they have been used. However, other assumptions and methods could also be reasonable and could result in materially different results.

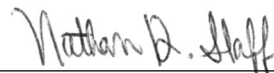
In our opinion, all methods, assumptions and calculations are in accordance with requirements of the Internal Revenue Code (the “Code”) and the Employee Retirement Income Security Act of 1974 (“ERISA”), as amended by the Pension Protection Act of 2006 (“PPA”), the Pension Relief Act of 2010 (“PRA”), and the Multiemployer Pension Reform Act of 2014 (“MPRA”). Further, in our opinion, the procedures followed and presentation of results are in conformity with generally accepted actuarial principles and practices. The Board of Trustees was responsible for the selection of the actuarial cost and asset valuation methods.

This valuation report may not be reproduced or distributed without the consent of the Board of Trustees, other than to assist in the Plan’s administration and to meet the filing requirements of federal government agencies, and may be distributed only in its entirety. The results in this valuation may not be applicable for purposes other than those described in this report.

The undersigned consultants of Horizon Actuarial Services, LLC (“Horizon Actuarial”) with actuarial credentials meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. There is no relationship between the Board of Trustees and Horizon Actuarial that affects our objectivity.



Mark Stewart, A.S.A., E.A.
Senior Consulting Actuary



Nathan H. Slaff, F.S.A., E.A.
Actuary and Managing Consultant



Heather Ray, A.S.A., E.A.
Consulting Actuary

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1. Introduction

Exhibit 1.1 - Summary of Key Results

	Plan Year Beginning	
	10/1/2019	10/1/2018
A. Asset Values		
<i>As of the First Day of the Plan Year</i>		
1. Market Value of Assets	\$ 127,083	\$ 123,019
Prior Year Net Investment Return	0.0%	0.0%
2. Actuarial Value of Assets	\$ 132,385	\$ 139,019
Prior Year Net Investment Return	-7.6%	7.1%
B. Funded Percentages		
<i>As of the First Day of the Plan Year</i>		
1. Unit Credit Actuarial Accrued Liability	\$ 12,252,197	\$ 11,798,368
2. Market Value Funded Percentage (A.1. / B.1.)	1.0%	1.0%
3. Actuarial Value Funded Percentage (A.2. / B.1.)	1.0%	1.1%
C. PPA Certification Status		
<i>For the Plan Year</i>	Critical and Declining	Critical and Declining
D. Statutory Contributions		
<i>As of the Last Day of the Plan Year</i>		
1. Prior Year Credit Balance (Funding Deficiency)	\$ (6,157,318)	\$ (5,596,722)
2. ERISA Minimum Required Contribution	7,444,200	7,003,469
3. IRS Maximum Tax-Deductible Contribution	13,170,584	14,063,328
E. Participant Counts		
<i>As of the First Day of the Plan Year</i>		
1. Active Participants	3	6
2. Inactive Vested Participants	23	21
3. Retired Participants and Beneficiaries	181	190
4. Total	207	217

Notes

- **Item A:** Asset values include the principal amount of the PBGC Financial Assistance. More information on the value of assets can be found in **Section 3**.
- **Item B:** Percentages have been rounded down to the nearest 0.1%.
- **Item C:** The PPA certification statuses for the current and prior Plan Years are shown for reference. The determination of the PPA certification status is documented in a separate report.
- **Item D:** See **Section 4** for more information on contribution requirements and the credit balance.
- **Item E:** More information on participant demographics can be found in **Appendix A**.

1. Introduction

Exhibit 1.1 - Summary of Key Results (Cont.)

	Plan Year Beginning	
	10/1/2019	10/1/2018
F. Actuarial Liabilities		
<i>As of the First Day of the Plan Year</i>		
Valuation Interest Rate	3.00%	3.00%
Actuarial Cost Method	Unit Credit	Unit Credit
1. Present Value of Future Benefits	\$ 12,333,143	\$ 11,994,938
2. Normal Cost	149,741	212,728
3. Actuarial Accrued Liability	12,252,197	11,798,368
G. Unfunded Actuarial Liability		
<i>As of the First Day of the Plan Year</i>		
1. Market Value Unfunded Liability (F.3. - A.1.)	\$ 12,125,114	\$ 11,675,349
2. Actuarial Value Unfunded Liability (F.3. - A.2.)	12,119,812	11,659,349
H. Prior Plan Year Experience		
<i>During Plan Year Ending</i>		
	9/30/2019	9/30/2018
1. Total Hours Worked	5,256	8,178
2. Contributions Received	\$ 833,647	\$ 910,512
3. Benefits Paid	(711,805)	(768,772)
4. Operating Expenses Paid	(117,778)	(161,245)
5. Net Cash Flow (H.2. + H.3. + H.4.)	\$ 4,064	\$ (19,505)
6. Net Cash Flow as a Percentage of Assets	3.25%	-14.69%
I. Unfunded Vested Benefits for Withdrawal Liability		
<i>Measurement Date</i>		
	9/30/2019	9/30/2018
<i>For Employer Withdrawals in the Plan Year Beginning</i>		
	10/1/2019	10/1/2018
1. Present Value of Vested Benefits	\$ 9,240,287	\$ 9,718,380
2. Asset Value	(2,875,475)	(1,936,612)
3. Unfunded Vested Benefits (I.1. - I.2.)	\$ 12,115,762	\$ 11,654,992

Notes

- **Item F:** More information on actuarial liabilities can be found in **Section 2**. The normal cost in item F.2. includes assumed operating expenses.
- **Item H:** Line H.6. shows cash flow as a percent of the average market value of assets during the Plan Year.
- **Item I:** Does not include Affected Benefits. See **Section 6** for more information including the impact of Affected Benefits. The market value of assets used for purposes of unfunded vested benefits reflects the PBGC Financial Assistance as a liability payable as reflected in the Plan's audited financial statements.

1. Introduction

Exhibit 1.2 – Commentary

Valuation Highlights

- As of the October 1, 2019 valuation date, the Plan's accrued benefit funded percentage is 1.0% based on the market value of assets and 1.0% based on the actuarial value of assets, as compared to 1.0% and 1.1% as of October 1, 2018.
- The Plan's funding deficiency increased from \$5,596,722 as of September 30, 2018 to \$6,157,318 as of September 30, 2019.
- 5,256 hours were worked in the 2018 Plan Year, which is a 35.7% decrease from the 8,178 hours worked in the 2017 Plan Year.
- The actuarial loss from sources other than investments was \$722,794 or 5.9% of the actuarial accrued liability. We will continue to monitor the assumptions to make sure they are reasonable both in the aggregate and on an individual basis.

Pension Protection Act of 2006

Horizon Actuarial Services, LLC, acting as actuary to the Plan, issued a certification to the Internal Revenue Service on December 20, 2019 indicating that the Plan is in critical status under Section 432 of the Internal Revenue Code (i.e., in the "Red Zone") for the 2019 Plan Year. Additionally, the Plan was certified in critical and declining status for the 2019 Plan Year. The Plan was also certified for the fourth consecutive year as not making scheduled progress in meeting the requirements of the Rehabilitation Plan.

The calculations, data, assumptions, and methods used in the certification are documented in a separate report that was sent to the Board of Trustees on December 20, 2019.

The Plan was first certified in critical status for the Plan Year beginning October 1, 2008 and in August 2009, the Trustees adopted a Rehabilitation Plan, as required under the Pension Protection Act of 2006 ("PPA"), to improve the Plan's long term funding health and to forestall possible insolvency. The Rehabilitation Period is the thirteen year period ending September 30, 2022.

1. Introduction

Exhibit 1.2 – Commentary (Cont.)

Plan Insolvency

The Plan became insolvent and was therefore unable to pay full benefits as of August 1, 2016. Benefits were reduced to the Pension Benefit Guaranty Corporation (“PBGC”) guaranteed level at that time.

Each quarter, the Fund requests financial assistance from the PBGC based on administrative expenses and benefits payable. In return, promissory notes for the principal amount funded are made to the PBGC for repayment should the Plan’s financial condition improve to the degree that it has assets beyond those necessary to pay basic benefits.

The PBGC Financial Assistance, including accrued interest owed as of the valuation date, is included in the liabilities for funding purposes. Additionally, the principal amount of the PBGC Financial Assistance is included as contributions towards the market value of assets and in the funding standard account.

Purpose of the Valuation

This report presents the results of the actuarial valuation of the Cement Masons Local Union #681 Pension Plan as of October 1, 2019. The purposes of this report include the following:

- Determine whether the negotiated contributions are sufficient to fund the Plan’s benefits.
- Determine the minimum required contribution amount for the Plan Year under the Employee Retirement Income Security Act of 1974 (“ERISA”) funding basis.
- Determine the maximum tax-deductible contribution for the Plan Year.
- Review the actuarial assumptions in view of experience during the prior Plan Year.
- Determine the unfunded vested liability for computation of withdrawal liability under the Multiemployer Pension Plan Amendments Act of 1980 (“MPPAA”).
- Develop information for disclosure in Form 5500 Schedule MB.
- Determine the information required for the Plan’s Accounting Standards of Codification (“ASC”) 960 financial reporting.

Participant Data

The participant census data needed to perform the actuarial valuation was provided by Benefit Resources, Inc. Participant demographics are summarized in **Exhibit 1.3** and reviewed in more detail in **Appendix A**.

Plan Assets

Harper & Pearson Company, P.C. supplied us with the audited financial statements for the Plan Year ended September 30, 2019, which sets forth the assets of the Plan. A reconciliation of the Market Value of Assets can be found in **Exhibit 3.1**. The development of the Actuarial Value of Assets is shown in **Exhibit 3.2**.

1. Introduction

Exhibit 1.2 – Commentary (Cont.)

Actuarial Assumptions and Methods

There have been no changes in the actuarial assumptions and methods from those used in the previous valuation.

The actuarial assumptions and methods used in the valuation are described in more detail in **Appendix B**.

Plan Provisions

There were no Plan changes that had an impact on the valuation results. The valuation results do not reflect the reduction in benefits to the PBGC guaranteed benefit amounts.

Appendix C describes the principal provisions of the Plan being valued.

Actuarial Gain or Loss

An experience gain/(loss) is the difference between the actual and the expected unfunded actuarial liability. The expected unfunded liability is the amount projected from the previous year, based on the actuarial assumptions.

The Plan had a net actuarial experience loss of \$737,724 for the Plan Year ended September 30, 2019. The components of this loss are a loss of \$14,930 on Plan assets and a loss of \$722,794 from sources related to benefit liabilities.

There was a loss on the market value of assets for the Plan Year (0.0% net return versus the 3.0% assumption), however only a portion of that loss is recognized in the actuarial value of assets under the Plan's asset valuation method.

The loss on liabilities (which represented about 5.90% of liabilities) was mainly due to the increase in liabilities due to the increase in PBGC financial assistance.

1. Introduction

Exhibit 1.3 - Participant Demographic Summary

Measurement Date	10/1/2019	10/1/2018
A. Active Participants		
1. Count	3	6
2. Average Age	43.9	51.3
3. Average Vesting Service	8.6	6.6
4. Average Credited Service	8.4	6.4
5. Average Prior Year Hours	1,116	1,279
B. Inactive Vested Participants		
1. Count	23	21
2. Average Age	56.7	56.6
3. Average Monthly Benefit	\$ 431	\$ 446
C. Retired Participants and Beneficiaries		
1. Count	181	190
2. Average Age	78.6	78.4
3. Average Monthly Benefit	\$ 365	\$ 367
D. Total Participants	207	217

Participants are generally classified into the following categories for valuation purposes:

- Active participants: Those participants who have worked at least 300 hours in the Plan Year preceding the valuation date, and were not retired as of the valuation date.
- Inactive vested participants: Those participants who worked less than 300 hours in the Plan Year preceding the valuation date and who are entitled to receive a deferred vested pension.
- Participants and beneficiaries receiving benefits: Those participants and beneficiaries who were entitled to receive a pension under the Plan as of the valuation date. Included in this category are healthy pensioners, disabled pensioners, and beneficiaries.

A summary of basic demographic statistics is shown above. Additional demographic information can be found in **Appendix A**.

2. Actuarial Liabilities

Exhibit 2.1 - Summary of Actuarial Liabilities

Measurement Date	10/1/2019	10/1/2018
Valuation Interest Rate	3.00%	3.00%
Actuarial Cost Method	Unit Credit	Unit Credit
A. Present Value of Future Benefits		
1. Active Participants	\$ 202,949	\$ 380,605
2. Inactive Vested Participants	1,437,188	1,332,844
3. Retired Participants and Beneficiaries	7,690,448	8,221,858
4. PBGC Financial Assistance	3,002,558	2,059,631
5. Total	\$ 12,333,143	\$ 11,994,938
B. Normal Cost		
1. Cost of Benefit Accruals	\$ 8,150	\$ 23,063
2. Assumed Operating Expenses	141,591	189,665
3. Total	\$ 149,741	\$ 212,728
C. Actuarial Accrued Liability		
1. Active Participants	\$ 122,003	\$ 184,035
2. Inactive Vested Participants	1,437,188	1,332,844
3. Retired Participants and Beneficiaries	7,690,448	8,221,858
4. PBGC Financial Assistance	3,002,558	2,059,631
5. Total	\$ 12,252,197	\$ 11,798,368
D. Expected Benefit Payments for the Plan Year		
1. Active Participants	\$ 18	\$ 13
2. Inactive and Retired Participants	820,710	854,442
3. Total	\$ 820,728	\$ 854,455

The table above summarizes the key actuarial benefit liabilities as of the current and preceding valuation dates. The present value of future benefits (item A.) represents the liability for benefits earned as of the valuation date plus the benefits expected to be earned in all future Plan Years. The normal cost (item B.) represents the cost of benefit accruals (item B.1.) expected to be earned during the Plan Year plus expected operating expenses during the Plan Year (item B.2.). The actuarial accrued liability is the liability for benefits earned through the valuation date, based on the unit credit cost method (item C.).

PBGC Financial Assistance, including accrued interest owed as of the valuation date, is included in the present value of future benefits (item A.4.) and actuarial accrued liability (item C.4.).

The Plan's contribution requirements for the Plan Year are a function of the normal cost and the portion of the actuarial accrued liability not funded by the actuarial value of assets. All amounts shown above are measured as of the beginning of the Plan Year. The actuarial accrued liability based on the unit credit cost method is also used to determine the PPA funded percentage.

3. Plan Assets

Asset figures shown below are based on the Plan's audited financial statements. The principal amount of the PBGC Financial Assistance is included as a contribution (item 2.b.).

Exhibit 3.1 - Market Value of Assets

Plan Year Ending	9/30/2019	9/30/2018
A. Reconciliation of Market Value of Assets		
1. Market Value of Assets at Beginning of Plan Year	\$ 123,019	\$ 142,524
2. Contributions		
a. Employer Contributions	31,867	43,036
b. PBGC Financial Assistance	801,780	867,476
c. Total	833,647	910,512
3. Benefit Payments	(711,805)	(768,772)
4. Operating Expenses	(117,778)	(161,245)
5. Transfers	0	0
6. Investment Income	0	0
7. Market Value of Assets at End of Plan Year	\$ 127,083	\$ 123,019
B. Net Investment Return on Market Value of Assets		
1. Expected Return	3.00%	3.00%
2. Actual Return [Schedule MB, Line 6h]	0.00%	0.00%

3. Plan Assets

The Trustees have approved an actuarial asset valuation method that gradually adjusts to market value, as follows:

- The actuarial value of assets is equal to the market value of assets less unrecognized returns in each of the last five years. The unrecognized return for a year is equal to the difference between the actual market return and the assumed return on the market value of assets, phased in at the rate of 20% per year.
- To comply with IRS regulations, the actuarial value of assets is not less than 80%, nor more than 120%, of the market value of assets.

Under this valuation method, recognition of the full value of any market fluctuations is spread over five years and as a result, the actuarial cost of the Plan is more stable than if the actuarial cost was determined on a market value basis. The difference between the actuarial value of assets and the market value of assets (the “adjustment”) is referred to as a write-up or write-down. The development of the actuarial value of assets is shown on the next page.

In determining the actuarial value of assets, the amount by which the adjustment changes from one year to the next is treated as income, which may be positive or negative. Realized gains and losses and unrealized gains and losses are treated the same and, therefore, sales of assets have no immediate effect on the actuarial value of assets. This delays recognition of the impact that sales of assets may have on the determination of the actuarial cost of the Plan.

See **Appendix B** for more information regarding the Actuarial Value of Assets.

3. Plan Assets

Exhibit 3.2 - Actuarial Value of Assets

Measurement Date	10/1/2019					
A. Net Investment Gain/(Loss)						
1. Expected Net Investment Return					\$	3,752
2. Actual Net Investment Return						0
3. Net Investment Gain/(Loss)					\$	(3,752)
B. Development of Actuarial Value of Assets						
1. Market Value of Assets as of September 30, 2019					\$	127,083
2. Prior Year Deferred Gains/(Losses)						
Plan Year	Net Investment	Percent Recognized		Amount Recognized	Amt. to be Recognized	
Ending	Gain/(Loss)	to Date	Future Years	in Prior Plan Year	in Future Years	
9/30/2019	\$ (3,752)	20%	80%	\$ (750)	\$ (3,002)	
9/30/2018	(3,983)	40%	60%	(797)	(2,390)	
9/30/2017	(3,110)	60%	40%	(622)	(1,244)	
9/30/2016	6,671	80%	20%	1,334	1,334	
9/30/2015	(68,082)	100%	0%	(13,616)	0	
Total				\$ (14,451)	\$ (5,302)	
3. Adjusted Value of Assets as of October 1, 2019 (1. - 2. Total)					\$	132,385
4. Actuarial Value of Assets Corridor						
a. 80% of Market Value of Assets					\$	101,666
b. 120% of Market Value of Assets					\$	152,500
5. Actuarial Value of Assets as of October 1, 2019						
a. Actuarial Value of Assets, after Adjustment for Corridor					\$	132,385
b. Actuarial Value as a Percentage of Market Value						104.2%
C. Prior Year Investment Return on Actuarial Value of Assets						
1. Expected Return						3.00%
2. Actual Return [Schedule MB, Line 6g]						-7.58%

4. Contributions

Minimum Required Contribution

The ERISA minimum required contribution consists of the normal cost, plus payments to amortize the components of the unfunded actuarial accrued liability over various time periods, less the “**credit balance**” in the “**funding standard account**” as of the end of the prior Plan Year (all adjusted with interest to the end of the Plan Year).

The funding standard account is used to determine the minimum required contribution. The credit balance in the funding standard account is the accumulated amount by which contributions made in prior Plan Years exceeded the ERISA minimum contribution requirements in those years. The credit balance acts as a reserve that may be drawn upon if employer contributions do not cover the net charges to the funding standard account.

Charges to the funding standard account include the normal cost and payments to amortize increases in the unfunded actuarial accrued liability. **Credits** to the funding standard account include employer contributions and payments to amortize decreases in the unfunded actuarial accrued liability. If the credits to the funding standard account – including employer contributions and applicable interest – exceed the charges, then there is a positive credit balance. On the other hand, if charges exceed the credits, there is a negative credit balance, also known as an accumulated “funding deficiency.”

Under the Pension Protection Act of 2006 (“PPA”), portions of unfunded actuarial accrued liability recognized during or after the Plan Year beginning in 2008 are generally amortized in the funding standard account over 15 years.

Detail on the amortization bases in the funding standard account can be found in **Exhibit 4.2**.

Maximum Deductible Contribution

Generally, the IRS permits the deduction of contributions made to fund benefits accruing under a qualified pension plan. However, there are certain limits that specify the maximum contribution that is permitted to be made and deducted in a given Plan Year. The maximum tax-deductible contribution for the current and preceding Plan Years, as determined under section 404 of the Code, is shown in the following table. This amount is significantly greater than the expected contributions for the Plan Year. Accordingly, all employer contributions for the Plan Year are expected to be tax deductible.

4. Contributions

Exhibit 4.1 - Statutory Contribution Range

Plan Year Ending	9/30/2020	9/30/2019
A. Funding Standard Account		
<i>1. Charges to Funding Standard Account</i>		
a. Prior Year Funding Deficiency, if any	\$ 6,157,318	\$ 5,596,722
b. Normal Cost	149,741	212,728
c. Amortization Charges	1,072,670	1,142,385
d. Interest on a., b., and c.	221,392	208,555
e. Total Charges	\$ 7,601,121	\$ 7,160,390
<i>2. Credits to Funding Standard Account</i>		
a. Prior Year Credit Balance, if any	\$ 0	\$ 0
b. Employer Contributions	TBD	833,647
c. Amortization Credits	152,350	152,350
d. Interest on a., b., and c.	TBD	17,075
e. Total Credits	TBD	\$ 1,003,072
<i>3. Credit Balance or Funding Deficiency (2.e. - 1.e.)</i>	TBD	\$ (6,157,318)
B. Minimum Required Contribution		
<i>As of the Last Day of the Plan Year</i>		
1. Before Reflecting Credit Balance	\$ 1,102,162	\$ 1,238,845
2. After Reflecting Credit Balance	7,444,200	7,003,469
C. Amortization Bases for Form 5500 Schedule MB		
<i>As of the First Day of the Plan Year</i>		
1. Outstanding Balance of Amortization Charges	\$ 7,214,895	\$ 7,430,901
2. Outstanding Balance of Amortization Credits	1,252,401	1,368,274
D. Maximum Deductible Contribution		
<i>As of the Last Day of the Plan Year</i>		
1. 140% of Current Liability at end of year	\$ 12,328,063	\$ 13,143,891
2. Actuarial Value of Assets at end of year	(842,521)	(919,437)
3. Maximum Deductible Contribution (1. - 2.)	\$ 13,170,584	\$ 14,063,328
E. Other Items for Form 5500 Schedule MB		
1. ERISA Full Funding Limitation [Sch. MB, Line 9j(1)]	\$ 12,643,101	\$ 12,244,719
2. "RPA '94" Override [Sch. MB, Line 9j(2)]	8,767,705	9,369,081
3. Full Funding Limitation Credit [Sch. MB, Line 9j(3)]	0	0

See **Appendix D** for information regarding the current liability referred to in item D.1. above.

4. Contributions

Exhibit 4.2 - Funding Standard Account Amortization Bases

Charges

[Schedule MB, Line 9c]

Type	Date Established	Initial Period	Initial Balance	Outstanding at 10/1/2019 Period	Balance	Annual Payment
Assumption	10/1/1990	30.00	N/A	1.00	\$ 9,022	\$ 9,022
Assumption	10/1/1992	30.00	N/A	3.00	138,926	47,683
Amendment	10/1/1992	30.00	N/A	3.00	503,377	172,777
Assumption	10/1/1997	30.00	N/A	8.00	369,006	51,036
Amendment	10/1/1999	30.00	N/A	10.00	517,557	58,906
Exper Loss	10/1/2008	15.00	1,222,946	4.00	403,702	105,444
Exper Loss	10/1/2009	15.00	377,736	5.00	151,523	32,123
Exper Loss	10/1/2010	15.00	426,786	6.00	199,781	35,805
Amendment	10/1/2010	15.00	573	6.00	268	48
Assumption	10/1/2011	15.00	778,914	7.00	413,802	64,483
Exper Loss	10/1/2011	15.00	599,036	7.00	318,240	49,592
Assumption	10/1/2012	15.00	838,132	8.00	496,822	68,714
Exper Loss	10/1/2012	15.00	21,283	8.00	12,615	1,745
Assumption	10/1/2013	15.00	1,641,282	9.00	1,072,696	133,758
Assumption	10/1/2014	15.00	204,551	10.00	146,311	16,653
Assumption	10/1/2015	15.00	928,526	11.00	719,664	75,514
Assumption	10/1/2016	15.00	52,050	12.00	43,400	4,233
Exper Loss	10/1/2017	15.00	543,580	13.00	484,250	44,208
Exper Loss	10/1/2018	15.00	503,268	14.00	476,209	40,929
Exper Loss	10/1/2019	15.00	737,724	15.00	737,724	59,997
Total Charges					\$ 7,214,895	\$ 1,072,670

Credits

[Schedule MB, Line 9h]

Type	Date Established	Initial Period	Initial Balance	Outstanding at 10/1/2019 Period	Balance	Annual Payment
Exper Gain	10/1/2007	15.00	\$ 5,524	3.00	\$ 1,406	\$ 483
Assumption	10/1/2009	15.00	40,968	5.00	16,435	3,484
Amendment	10/1/2009	15.00	314,867	5.00	126,306	26,776
Assumption	10/1/2010	15.00	25,518	6.00	11,945	2,141
Exper Gain	10/1/2013	15.00	477,083	9.00	311,809	38,880
Exper Gain	10/1/2014	15.00	218,412	10.00	156,227	17,781
Exper Gain	10/1/2015	15.00	266,388	11.00	206,467	21,664
Exper Gain	10/1/2016	15.00	505,876	12.00	421,806	41,141
Total Credits					\$ 1,252,401	\$ 152,350

Net Total

\$ 5,962,494 \$ 920,320

See the comments following this Exhibit 4.2.

4. Contributions

The table above shows the outstanding amortization bases in the funding standard account as of the valuation date. The amortization bases are grouped as charges, which represent increases in the unfunded actuarial liability, and credits, which represent decreases in the unfunded actuarial liability.

Different types of amortization bases are as follows:

Abbreviation	Description
Initial Liab	Initial unfunded actuarial accrued liability
Exper Loss	Actuarial experience loss (charge only)
Exper Gain	Actuarial experience gain (credit only)
Amendment	Plan amendment
Assumption	Change in actuarial assumptions
Method	Change in the actuarial cost method or asset valuation method
Combined	Combined charge base or combined credit base
Offset	Combined and offset charge and credit bases

5. ASC 960 Information

The present value of accumulated benefits as of the last day of the Plan Year is disclosed in the Plan's financial statements, in accordance with the Accounting Standards Codification ("ASC") Topic Number 960.

The present value of accumulated benefits is determined based on the unit credit cost method. The same actuarial assumptions that were used to determine the actuarial accrued liability as of the beginning of the Plan Year (e.g., October 1, 2019) were used to determine the actuarial present value of accumulated benefits as of the end of the prior Plan Year (e.g., September 30, 2019). See **Appendix B** for more information.

The present value of vested benefits includes qualified pre-retirement survivor annuity death benefits, which are excluded from the present value of vested benefits for withdrawal liability (see **Section 6**).

Exhibit 5.1 - Present Value of Accumulated Plan Benefits

Measurement Date	<u>9/30/2019</u>	<u>9/30/2018</u>
Interest Rate Assumption	3.00%	3.00%
A. Participant Counts		
1. Vested Participants		
a. Retired Participants and Beneficiaries	181	190
b. Inactive Vested Participants	23	21
c. Active Vested Participants	<u>2</u>	<u>4</u>
d. Total Vested Participants	206	215
2. Non-Vested Participants	<u>1</u>	<u>2</u>
3. Total Participants	207	217
B. Present Value of Accumulated Plan Benefits		
1. Vested Benefits		
a. Retired Participants and Beneficiaries	\$ 7,690,448	\$ 8,221,858
b. Inactive Vested Participants	1,437,188	1,332,844
c. Active Vested Participants	<u>121,492</u>	<u>174,002</u>
d. Total Vested Benefits	\$ 9,249,128	\$ 9,728,704
2. Non-Vested Accumulated Benefits	<u>511</u>	<u>10,033</u>
3. Total Accumulated Benefits	\$ 9,249,639	\$ 9,738,737
C. Changes in Present Value of Accumulated Plan Benefits		
1. Present Value at End of Prior Plan Year	\$ 9,738,737	\$ 10,490,911
2. Increase (Decrease) during the Plan Year due to:		
a. Plan Amendment(s)	\$ 0	\$ 0
b. Change(s) to Actuarial Assumptions	0	0
c. Benefits Accumulated and Actuarial (Gains)/Losses	(59,470)	(288,242)
d. Interest due to Decrease in the Discount Period	282,177	304,840
e. Benefits Paid	(711,805)	(768,772)
f. Merger or Transfer	<u>0</u>	<u>0</u>
g. Net Increase (Decrease)	\$ (489,098)	\$ (752,174)
3. Present Value at End of Plan Year (Measurement Date)	\$ 9,249,639	\$ 9,738,737

6. Withdrawal Liability

The Multiemployer Pension Plan Amendments Act of 1980 (“MPPAA”) provides that an employer who withdraws from a Plan after September 26, 1980 may be obligated to the Plan for its share of any unfunded liability for vested benefits as of the last day of the Plan Year preceding the withdrawal.

The same actuarial assumptions that were used to determine the actuarial accrued liability as of the beginning of the Plan Year (e.g., October 1, 2019) were used to determine the actuarial present value of accumulated benefits as of the end of the prior Plan Year (e.g., September 30, 2019). See **Appendix B** for more information.

The present value of vested benefits reflects the Plan provisions in effect on the measurement date. Plan benefits that are not considered to be vested for withdrawal liability – such as disability benefits (in excess of the value of deferred vested benefits) and death benefits– are not included in the calculation of the present value of vested benefits.

Unfunded vested benefits represent the shortfall between the Plan’s asset value and the present value of vested benefits. Unfunded vested benefits are allocated among participating employers according to the presumptive method, as described under Section 4211(b) of ERISA. The asset value is the market value of assets. The market value of assets used for purposes of unfunded vested benefits reflects the PBGC Financial Assistance as a liability payable as reflected in the Plan’s audited financial statements.

6. Withdrawal Liability

The table below shows the calculation of the unfunded vested benefits as of September 30, 2019, which will be allocated to employers withdrawing during the Plan Year beginning October 1, 2019. Calculations for the prior year are also shown, for reference.

Exhibit 6.1 - Unfunded Vested Benefits for Withdrawal Liability

Measurement Date	<u>9/30/2019</u>	<u>9/30/2018</u>
For Employer Withdrawals in the Plan Year Beginning	10/1/2019	10/1/2018
Interest Rate Assumption	3.00%	3.00%
A. Present Value of Vested Benefits		
1. Active Participants	\$ 120,387	\$ 171,581
2. Inactive Vested Participants	1,429,452	1,324,941
3. Retired Participants and Beneficiaries	<u>7,690,448</u>	<u>8,221,858</u>
4. Total	\$ 9,240,287	\$ 9,718,380
B. Unfunded Vested Benefits		
1. Present Value of Vested Benefits	\$ 9,240,287	\$ 9,718,380
2. Asset Value	<u>(2,875,475)</u>	<u>(1,936,612)</u>
3. Unfunded Vested Benefits/(Surplus) (B.1. - B.2.)	\$ 12,115,762	\$ 11,654,992
C. Reductions in Adjustable Benefits		
1. Total Balance of Affected Benefits (Prior to Amortization)	\$ 274,931	\$ 274,931
2. Unamortized Balance of Affected Benefits	141,550	160,366

Effective October 1, 2009, certain “adjustable benefits” were reduced or eliminated as part of the Rehabilitation Plan adopted by the Trustees. The “Affected Benefits” shown above represent the present value of the adjustable benefit reductions under the Rehabilitation Plan.

The Board of Trustees on April 20, 2011 adopted PBGC Technical Update 10-3 with respect to the determination of withdrawal liability. Under PBGC Technical Update 10-3, the reductions, called “Affected Benefits”, are first recognized effective September 30, 2010 for purposes of determining withdrawal liability. The interest rate used for the amortization is 6.5%, the valuation interest rate on the date of determination.

The market value of assets used for purposes of unfunded vested benefits reflects the PBGC Financial Assistance as a liability payable as reflected in the Plan’s audited financial statements.

7. Risk

The deterministic actuarial models used in this valuation are based on a single set of assumptions and do not take into consideration the risk associated with deviations from those assumptions. The assumptions selected for this valuation generally reflect average expectations over the long term.

If overall future economic or demographic experience is different than assumed, the level of plan costs determined in this valuation could increase or decrease dramatically in future valuations. In order to better understand the Plan's risk exposure, a summary of the significant risk factors for this pension plan is provided below.

The Plan became insolvent and was therefore unable to pay full benefits during August 2016. Benefits were reduced to the Pension Benefit Guaranty Corporation ("PBGC") guaranteed level at that time.

Specific Risk Factors

The following is a brief overview of the most significant risk factors inherent in the Plan. We have identified these risks to be significant because small deviations will materially impact the results, or the likelihood of volatility is high, or both.

- **Longevity Risk** is the risk that mortality rates will be higher or lower than assumed.
 - While the mortality tables we have selected for this valuation represent our best estimate of future experience under the Plan, it is important to understand how future changes in longevity would impact Plan funding. For example, advancements in medicine and health care could result in longer lifespans, which increases the Plan's liability, since promised benefits will be paid for a longer period of time. Such increases could have a significant impact on the contribution requirements shown in this valuation.
- **Other Demographic Risk** is the risk that participant behavior will be different than assumed. This plan is particularly sensitive to:
 - Retirements occurring earlier or later than assumed.
 - Turnover of active participants being more or less than assumed.
 - Form of payment elections that are different than assumed.
- **Interest Rate Risk** is the risk that interest rates will be higher or lower than assumed.
- **Regulatory Risk** is the risk that future changes in applicable law will impact the measurements in this report.
 - For example, if the PBGC is unable to continue providing financial assistance at current levels to this plan, the plan would be unable to provide monthly benefits to participants.

Risk Assessment

The commentary above is a broad overview of pension plan risk factors and includes information on the risk factors that are most significant for this pension plan. Other risks also apply. A more detailed risk assessment would allow the Trustees to better understand how deviations from the assumptions may affect the plan, and ultimately, how to better position the plan to respond to the inevitable deviations that will occur. A more detailed risk assessment may include scenario tests, sensitivity tests, stochastic modeling, stress tests, or other information.

Appendix A: Additional Demographic Exhibits

Exhibit A.1 - Distribution of Active Participants

Measurement Date: October 1, 2019

[Form 5500 Sch. MB, Line 8b]

Years of Credited Service

Age	Under 1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 +	Total
Under 25	-	-	-	-	-	-	-	-	-	-	-
25 - 29	1	-	-	-	-	-	-	-	-	-	1
30 - 34	-	-	-	-	-	-	-	-	-	-	-
35 - 39	-	-	-	-	-	-	-	-	-	-	-
40 - 44	-	-	-	-	-	-	-	-	-	-	-
45 - 49	-	-	-	-	-	-	-	-	-	-	-
50 - 54	-	-	-	2	-	-	-	-	-	-	2
55 - 59	-	-	-	-	-	-	-	-	-	-	-
60 - 64	-	-	-	-	-	-	-	-	-	-	-
65 - 69	-	-	-	-	-	-	-	-	-	-	-
70 +	-	-	-	-	-	-	-	-	-	-	-
Total	1	-	-	2	-	-	-	-	-	-	3

Males	3
Females	0
<u>Unknown</u>	<u>0</u>
Total	3

Average Age	43.9
Average Credited Service	8.4
Number Fully Vested	2
Number Partially Vested	0

Notes

- As of October 1, 2019 there were no active participants with unknown dates of birth in the data.
- As of October 1, 2019, there were no active participants with unknown gender in the data.

Appendix A: Additional Demographic Exhibits

Exhibit A.2 - Distribution of Inactive Participants

Measurement Date: October 1, 2019

Inactive Vested Participants

Attained Age	Count	Total Annual Benefits	Average Monthly Benefits
Under 40	2	\$ 5,274	\$ 219.75
40-44	1	3,123	260.25
45-49	3	17,634	489.83
50-54	3	15,286	424.61
55-59	1	2,706	225.50
60-64	10	58,796	489.97
65 and Over	3	16,196	449.89
Total	23	\$ 119,015	\$ 431.21

Participants and Beneficiaries Receiving Benefits

Attained Age	Count	Total Annual Benefits	Average Monthly Benefits
Under 55	-	\$ -	\$ -
55-59	-	-	-
60-64	5	18,297	304.95
65-69	20	53,399	222.50
70-74	39	173,448	370.62
75-79	43	211,411	409.71
80-84	33	159,142	401.87
85 and Over	41	176,767	359.28
Total	181	\$ 792,464	\$ 364.85

Notes

- As of October 1, 2019, there were no inactive vested participants with unknown dates of birth or gender in the data.
- As of October 1, 2019, there were no participants or beneficiaries receiving benefits with unknown dates of birth or gender in the data.

Appendix A: Additional Demographic Exhibits

Exhibit A.3 - Reconciliation of Participants by Status

	Active	Inactive Vested	Non-disabled Retirees	Disabled Retirees	Beneficiaries	Total
A. Count as of October 1, 2018	6	21	123	1	66	217
B. Status Changes During Plan Year						
1. Nonvested Terminations	(2)					(2)
2. Vested Terminations	(2)	2				0
3. Retirement						0
4. Disabled						0
5. Deceased			(6)		(6)	(12)
6. Certain Period Ended						0
7. Lump Sum						0
8. Rehires	1					1
9. New Entrants						0
10. New Beneficiaries					3	3
11. Adjustments						0
Net Increase (Decrease)	(3)	2	(6)	0	(3)	(10)
C. Count as of October 1, 2019	3	23	117	1	63	207

Appendix B: Actuarial Assumptions and Methods

(Form 5500 Schedule MB, line 6)

While it is important that the overall assumptions be reasonable, we select each valuation assumption as reasonable in light of this Plan's provisions and characteristics. We have chosen the assumptions after reviewing recent Plan experience and anticipated Plan experience as described below.

Plan Name Cement Masons Local Union #681 Pension Plan

Plan Sponsor Board of Trustees of the Cement Masons Local Union #681 Pension Plan

EIN / PN 74-6091787/001

Interest Rates	Valuation	3.00%
	Cash Balance Crediting Rate	3.50%
	Cash Balance Annuity Conversion	4.00%

The interest rate assumption used for purposes of the ERISA funding valuation and ASC accounting reflects expected Plan termination rates.

RPA '94 Current Liability: the highest rate within the IRS allowable range for determining current liability which is 3.02% per annum as of October 1, 2019.

Retirement Age If an active or inactive vested participant meets the age and service requirements for early retirement by age 62, retirement is assumed at age 62 or current age, if greater. Otherwise, retirement is assumed at age 65 or current age, if greater.

The weighted average retirement age for active participants is 62. This average is based on the active population as of the valuation date. All decrements are considered when projecting the current population to retirement. The weighted average retirement age is the average age at which the lives that reach the retirement decrement retire.

Operating Expenses To allow for operating expenses, actual expenses averaged over the last three years and adjusted to the beginning of the year has been added to the Normal Cost. As of October 1, 2019, operating expenses are assumed to be \$141,591 (the total operating expenses payable monthly for the Plan Year beginning October 1, 2019 are assumed to be \$143,538).

Hours Worked For the purpose of projecting future benefit accruals and contributions, it is assumed that each active participant will work the same number of hours per year as worked during the Plan Year preceding the valuation date.

Appendix B: Actuarial Assumptions and Methods

(Form 5500 Schedule MB, line 6)

Contribution Income Contributions are assumed to be \$5.10 per hour.

Active Participant For valuation purposes, an active participant is a participant who worked at least 300 hours in the prior Plan Year, and had not retired as of the valuation date.

Mortality The PBGC plan termination mortality table for the Plan Year. As of October 1, 2019, the mortality table is the UP-94 Mortality Table, sex distinct and projected to 2029 with Scale AA. No future improvement beyond 2029 was assumed.

The mortality assumption including future improvement was chosen based on a review of standard mortality tables and projection scales, historical and current demographic data, and reflecting anticipated future experience and professional judgement.

For the conversion of a Cash Balance Annuity, the table prescribed by Code Section 417 for the valuation year. For the October 1, 2019 valuation, the table used is the Unisex Optional Combined Mortality Table under PPA for 2019 with no future improvement beyond the published table.

For determining the RPA '94 current liability, the mortality tables prescribed by the Pension Protection Act of 2006 were used.

Disability The 1968 Social Security Incidence Rates. Illustrations of the annual rates of disablement per 100 active participants are shown in the table below for selected ages (the same rates are used for males and females):

Representative Disability Rates

Age	
20	0.0770
25	0.0756
30	0.0917
35	0.1150
40	0.2350
45	0.3650
50	0.6316
55	1.1400
60	1.5520
65	0.0000

Appendix B: Actuarial Assumptions and Methods

(Form 5500 Schedule MB, line 6)

Withdrawal Illustrations of the annual rates of withdrawal (for reasons other than mortality or disablement) per 100 active participants are shown in the table below for selected ages (the same rates are used for males and females):

Representative Withdrawal Rates

Age	
20	19.08
25	17.80
30	11.40
35	6.60
40	3.20
45	0.80
50+	0.00

Reemployment It is assumed that participants will not be reemployed following a break in service.

Form of Payment For Annuity Benefits: Married participants are assumed to receive a joint and 50% survivor annuity and single participants are assumed to receive a life annuity.

For Cash Balance Benefits: Participants are assumed to receive a life annuity at the same time they commence their annuity benefit.

Marriage If the marital status is unknown, 70% of participants are assumed to be married.

Spouse Ages Husbands are assumed to be 3 years older than wives.

Cost Method The Unit Credit Cost Method is used to determine the normal cost and the actuarial accrued liability. The actuarial accrued liability is the present value of the accrued benefits as of the beginning of the year for active participants and is the present value of all benefits for other participants. The normal cost is the present value of the difference between the accrued benefits as of the beginning and end of the year. The normal cost and actuarial accrued liability for the Plan are the sums of the individually computed normal costs and actuarial accrued liabilities for all Plan Participants.

Appendix B: Actuarial Assumptions and Methods

(Form 5500 Schedule MB, line 6)

Asset Valuation Method	The actuarial value of assets is determined by adjusting the market value of assets to reflect the investment gains and losses (the difference between the actual investment return and the assumed investment return) during each of the last five years at the rate of 20% per year. Assumed investment return is calculated using the net market value of assets as of the beginning of the Plan Year and the benefit payments, employer contributions and operating expenses, weighted based on the timing of the transactions during the year. The actuarial value is subject to a restriction that it be not less than 80% nor more than 120% of the market value.
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Participant Data	Participant census data as of October 1, 2019 was provided by Benefit Resources, Inc.
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Missing or Incomplete Participant Data	Participants missing a date of birth are assumed to have a date of birth equal to the average age of other participants. They are assumed to enter the Plan at an entry age based on the average service of other participants. Participants missing gender are assumed to be male. This year, no participants were missing a date of birth or gender.
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Financial Information	Financial information was obtained from the audited financial statements from Harper & Pearson Company, P.C.
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Nature of Actuarial Calculations	The valuation results presented in this report are estimates. The results are based on data that may be imperfect and on assumptions made about future events. Certain Plan provisions may be approximated or deemed immaterial for the purposes of the valuation. Assumptions may be made about missing or incomplete participant census data or other factors. Reasonable efforts were made to ensure that significant items and factors are included in the valuation and treated appropriately. A range of results different from those presented in this report could also be considered reasonable.
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The actuarial assumptions selected for this valuation – including the valuation interest rate – generally reflect average expectations over the long term. If overall future demographic or investment experience is less favorable than assumed, the relative level of Plan costs determined in this valuation will likely increase in future valuations. Investment returns and demographic factors may fluctuate significantly from year to year. The deterministic actuarial models used in this valuation do not take into consideration the possibility of such volatility.

Unfunded Vested Benefits for Employer Withdrawals	Valued using an interest rate of 3.00% per annum as of September 30, 2019 (same as fund earnings assumption used to determine other Plan costs and liabilities as of October 1, 2019), and the market value of assets. The market value of assets used for purposes of unfunded vested benefits reflects the PBGC Financial Assistance as a liability payable as reflected in the Plan's audited financial statements.
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Appendix B: Actuarial Assumptions and Methods

(Form 5500 Schedule MB, line 6)

***Changes in
Assumptions***

No assumptions have been changed since the prior valuation.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

This appendix summarizes the major provisions of the Plan that were reflected in the actuarial valuation. This summary of provisions is not intended to be a comprehensive statement of all provisions of the Plan.

Plan Name	Cement Masons Local Union #681 Pension Plan
Plan Sponsor	Board of Trustees of the Cement Masons Local Union #681 Pension Plan
EIN / PN	74-6091787/001
Effective Date and Most Recent Amendment	<p>The Plan was originally effective as of October 1, 1966.</p> <p>The Plan, as amended and restated effective October 1, 2014 is reflected herein.</p>
Plan Year	The twelve-month period ending September 30.
Employers	A participating Employer who is party to a collective bargaining agreement with the Union which requires contributions under the Plan or any employer (including a union) who otherwise agrees in writing to make contributions to the Trust Fund.
Participants	Participation is automatic when an employee commences covered employment. An employee will remain a participant as long as he continues to be an employee without a permanent break-in-service and thereafter as long as he or his beneficiary retains any right to benefits under the Plan.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

Credited Service

Past Service: An employee receives one year of past service credit for each calendar year during the continuous and unbroken period ending on January 1, 1967, during which he was an employee under the jurisdiction of the Union.

Future Service: Future service is based on 1,200 hours per year of employment for full credit. If an employee works between 300 and 1,200 hours, he will receive fractional credit determined by dividing the number of hours of service in covered employment by 1,200. No credit is given if employee works less than 300 hours in the year.

Future Service One is credited by the Plan for hours worked in calendar years in the period commencing January 1, 1967 and ending December 31, 1984.

Future Service Two is credited by the Plan for hours worked in calendar years in the period commencing January 1, 1985 and ending December 31, 1991.

Future Service Three is credited by the Plan for hours worked in the 1992 calendar year and for hours worked in each Plan Year commencing October 1, 1992 and thereafter. Hours of service credited during October, November, and December of 1992 are credited to both the 1992 calendar year and the Plan Year beginning October 1, 1992.

Effective October 1, 1996, Future Service Three will be adjusted for the purposes of determining a participant's accrued benefit and Cash Balance Account when the participant works a market recovery job.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

Vesting Service

Vesting Service is the sum of:

1. the participant's years of Past Service and,
2. the participant's years of Future Service One as of January 1, 1976 and,
3. one year, or fractional year during which the participant was credited at least 300 hours of service but less than 1,000 hours of service, for subsequent calendar years through December 31, 1992. Such fraction is determined by dividing the number of hours of service in covered employment by 1,000. And,
4. one year, or fractional year during which the participant was credited at least 300 hours of service but less than 1,000 hours of service, for subsequent Plan Years beginning October 1, 1992. Such fraction is determined by dividing the number of hours of service in covered employment by 1,000. Hours of service credited during October, November, and December of 1992 are credited to both the 1992 calendar year and the Plan Year beginning October 1, 1992.

Break-In-Service

A calendar year (prior to 1993) or a Plan Year (after October 1, 1992) during which an employee fails to complete 300 hours of service with an employer. An employee shall not incur a one-year break in service for the year he suffers a total and permanent disability. Solely for the purposes of determining a one-year break in service, hours of service shall be recognized for an "authorized leave of absence" and "maternity or paternity leave of absence".

Cash Balance Contribution Credits

Beginning in October 1, 1992 and continuing through September 30, 2008, a contribution credit in the amount of \$1.22 per hour of service, or such other amount as may be determined by the Trustees from time to time, was recognized as of the end of the Plan Year.

No further Contribution Credits recognized on or after October 1, 2008.

Cash Balance Account

The Cash Balance Account is the sum of Contribution Credits plus the Interest Credits accumulated from October 1, 1992 to the date of benefit commencement.

On and after October 1, 2008 the accumulation of Contribution Credits shall cease to the Cash Balance Account and no Cash Balance Account shall be established for any employee who becomes a participant on or after October 1, 2008.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

<i>Cash Balance Annuity</i>	The Cash Balance Annuity is a monthly annuity benefit that is actuarially equivalent to the Cash Balance Account.
<i>Cash Balance Interest Credits</i>	The interest crediting rate was 5% per annum for Plan Years ending September 30, 1993 through September 30, 1997. Effective October 1, 1997, the interest crediting rate is determined annually as of the first day of the Plan Year and equals the sum of the yield on the one-year Treasury Constant Maturities and 100 basis points.
<i>Distribution of Cash Balance Account</i>	The Cash Balance Account shall remain in the Plan receiving Interest Credits until the participant begins his annuity benefit.
<i>Normal Retirement Age</i>	A participant attains Normal Retirement Age at the later of attaining age 65 or the fifth anniversary of participation in the Plan.
<i>Normal Retirement-Eligibility</i>	A participant becomes eligible on the first day of the calendar month coincident with or following the date the participant attains Normal Retirement Age.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

Normal Retirement – Amount of Benefit

The accrued annuity benefit is the sum of the Cash Balance Annuity and the amount determined by multiplying the participant's years of Credited Service by the applicable benefit rate in effect in the last year that the participant earned Credited Service. The applicable benefit rates are shown in the table below.

Date that last Credited Service was Earned	Past Service	Future Service One	Future Service Two	Future Service Three
Prior to July 1, 1983	\$11.81	\$26.00	N/A	N/A
July 1, 1983 to September 30, 1987	\$9.85	\$32.00	\$45.00	N/A
October 1, 1987 to December 31, 1988	\$22.05	\$32.00	\$45.00	N/A
January 1, 1989 to January 31, 1989	\$21.00	\$32.00	\$45.00	N/A
February 1, 1989 to September 30, 1992	\$20.00	\$32.00	\$45.00	N/A
October 1, 1992 to present	\$20.00	\$32.00	\$45.00	\$45.00

Late Retirement Benefit

The late retirement benefit shall be equal to the greater of his or her accrued benefit as of his or her late retirement date or the actuarial equivalent of his or her normal retirement benefit.

Early Retirement – Eligibility

Retirement prior to the participant's normal retirement date with 10 years of Vesting Service and the sum of the participant's age plus years of Vesting Service equals or exceeds 70.

Early Retirement – Amount of Benefit

The accrued annuity benefit payable at normal retirement shall be actuarially reduced for early commencement.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

Disability Pension – Eligibility

- The disability is determined to be total and permanent disability. To be totally and permanently disabled, a participant must be prevented from engaging in any substantial gainful activity by reason of a medically determinable physical or mental impairment
- Disability does not result from intentional, self-inflicted injury or attempted suicide, injury or disease sustained after termination of covered employment, declared or undeclared war or any act thereof (except as required under USERRA), service in the armed forces of any country (except as required under USERRA), or participation in or in consequence of having participated in the committing of a felony
- The participant has at least 10 years of Vesting Service
- The participant earned at least 600 hours of service in covered employment within the eight calendar quarters immediately preceding the calendar quarter in which the disability occurred. This includes any time within such period during which participant was prevented from working in covered employment by sickness, injury, jury duty, or military service.

Approval or disapproval for Social Security Disability Award shall be taken into consideration but shall not be used as the sole criterion in determining disability.

Disability Pension – Amount of Benefit

Disability pension shall be computed in the same manner as the normal retirement benefits, actuarially reduced for early payment, commencing on the participant's disability retirement date.

Vested Benefit

A participant is 100% vested upon completion of three years of Vesting Service if the participant has an hour of service on or after January 1, 2010. If the participant had at least 10 years of Vesting Service, he may elect to begin his annuity on a reduced basis as described in the Early Retirement section above.

Pre-Retirement Death Benefit

If the participant is vested and married at the time of his death, then his surviving spouse will receive a monthly annuity for her lifetime equal to 50% of the Joint and Survivor benefit payable at the deceased participant's earliest retirement date and actuarially reduced for early payment.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

Forms of Payment

Normal Form

- (a) For married participants, retirement benefits are paid in the form of a 50% Joint and Survivor Annuity unless this form is rejected by a participant and his or her spouse. If not rejected, the benefit amount otherwise payable is actuarially reduced to reflect the joint and survivor form.
- (b) If the 50% Joint and Survivor Annuity is rejected or if the participant is not married, benefits are payable as a Life Annuity.

Optional Forms

- (a) 75% Joint and Survivor Annuity

Actuarial Equivalence

Benefits under optional forms of payment and early commencement are converted from the amount payable under the Life Annuity based on assumptions of 7.5% interest and the RP-2000 Combined Healthy Mortality Table for males for participants and females for spouses or beneficiaries. The RP-2000 Disabled Male Mortality Table shall be used for participants entitled to a Disability Pension.

Changes in Plan Provisions

Effective October 1, 2019, there were no Plan changes that had an impact on the valuation results. The valuation results do not reflect the reduction in benefits to the PBGC guaranteed benefit amounts.

Appendix D: Current Liability (for Form 5500 Schedule MB)

Exhibit D.1 - "RPA '94" Current Liability and Additional Information for Form 5500 Schedule MB

Measurement Date	10/1/2019	10/1/2018
Current Liability Interest Rate	3.02%	3.02%
A. Number of Participants		
1. Retired Participants and Beneficiaries	181	190
2. Inactive Vested Participants	23	21
3. Active Participants		
a. Non-Vested Benefits	1	2
b. Vested Benefits	2	4
c. Total Active	3	6
4. Total	207	217
B. Current Liability Normal Cost		
1. Cost of Benefit Accruals	\$ 8,210	\$ 23,462
2. Assumed Operating Expenses	141,591	189,665
3. Total	\$ 149,801	\$ 213,127
C. Current Liability		
1. Retired Participants and Beneficiaries	\$ 7,777,079	\$ 8,392,911
2. Inactive Vested Participants	1,448,671	1,352,819
3. Active Participants		
a. Non-Vested Benefits	\$ 518	\$ 10,120
b. Vested Benefits	122,289	176,790
c. Total Active	\$ 122,807	\$ 186,910
4. Total	\$ 9,348,557	\$ 9,932,640
D. Current Liability Expected Benefit Payments	\$ 821,182	\$ 855,367
E. Additional Information for Form 5500 Schedule MB		
1. Current Liability Normal Cost [Sch. MB Line 1d(2)(b)]	\$ 149,801	\$ 213,127
2. Expected Release [Sch. MB Line 1d(2)(c)]	979,449	1,063,676
3. Expected Disbursements [Sch. MB Line 1d(3)]	950,367	1,031,676

The primary use for current liability is to determine the amount of the maximum tax-deductible contribution for the Plan Year. Current liability is also reported on the Schedule MB to the Form 5500; however, it rarely affects the determination of the ERISA minimum required contribution.

Current liability is calculated similarly to the actuarial accrued liability under the unit credit cost method, but based on interest and mortality assumptions that are mandated by the Internal Revenue Service (IRS). The current liability interest rate assumption is based on corporate bond yields and does not reflect the assumed return on Plan assets.

Current liability and the expected increase in current liability attributable to benefits accruing during the Plan Year are shown above, as of the valuation date. Also shown above are the expected benefit payments for the Plan Year, based the same actuarial assumptions used to measure current liability.

Appendix E: Glossary

Actuarial Accrued Liability: This is computed differently under different actuarial cost methods. The Actuarial Accrued Liability generally represents the portion of the cost of the participants' anticipated retirement, termination, death and disability benefits allocated to the years before the current Plan Year.

Actuarial Cost: This is the contribution required for a Plan Year in accordance with the suggested funding policy. It consists of the Normal Cost plus an amortization payment to pay interest on and amortize the Unfunded Actuarial Accrued Liability based on the amortization schedule adopted by the Trustees.

Actuarial Gain or Loss: From one Plan Year to the next, if the experience of the Plan differs from that anticipated using the actuarial assumptions, an actuarial gain or loss occurs. For example, an actuarial gain would occur if the assets in the trust earned 12% for the year while the assumed rate of return used in the valuation was 3.00%.

Actuarial Value of Assets: This is the value of cash, investments and other property belonging to a pension plan, as used by the actuary for the purposes of an actuarial valuation. It may be equal to the market value, or a smoothed value that recognizes changes in market value systematically over time.

Credit Balance: The Credit Balance represents the historical excess of actual contributions over the minimum required contributions under ERISA. The Credit Balance is also equal to the cumulative excess of credits over charges to the Funding Standard Account.

Current Liability: This is computed the same as the Present Value of Accumulated Benefits, but using interest rate and mortality assumptions specified by the IRS. This quantity is used in the calculation to determine the maximum tax deductible contribution to the Plan for the year.

Funding Standard Account: This is the account which a plan is required to maintain in compliance with the minimum funding standards under ERISA. It consists of annual charges and credits needed to fund the Normal Cost and amortize the cost of plan amendments, actuarial method and assumption changes, and experience gains and losses.

Normal Cost: The Normal Cost is computed differently under different actuarial cost methods. The Normal Cost generally represents the portion of the cost of the participants' anticipated retirement, termination, death and disability benefits allocated to the current Plan Year. Normal Cost generally also includes the cost of anticipated operating expenses.

Present Value of Accumulated Benefits: The Present Value of Accumulated Benefits is computed in accordance with ASC 960. This quantity is determined independently from the Plan's actuarial cost method. This is the present value of a participant's accrued benefit as of the valuation date, assuming the participant will earn no more credited service and will receive no future salary.

Present Value of Future Benefits: This is computed by projecting the total future benefit cash flow from the Plan, using actuarial assumptions, and then discounting the cash flow to the valuation date.

Present Value of Vested Benefits: This is the portion of the Present Value of Accumulated Benefits in which the employee would have a vested interest if the employee were to separate from service with the employer on the valuation date. It is also referred to as Vested Benefit Liability.

Unfunded Actuarial Accrued Liability: This is the amount by which the Actuarial Accrued Liability exceeds the Actuarial Value of Assets.

Withdrawal Liability: This is the amount an employer is required to pay upon certain types of withdrawal from a pension plan. It is an employer's allocated portion of the unfunded Present Value of Vested Benefits



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December 20, 2019

Trustees of the Cement Masons Local Union #681 Pension Plan
c/o Mr. Mark Crandell
Benefit Resources, Inc.
8441 Gulf Freeway, Suite 304
Houston, TX 77017

Subject: Annual Certification and Report for the Cement Masons Local Union #681 Pension Plan - 2019 Plan Year

Trustees:

We have prepared and are enclosing a signed copy of the annual certification of plan status by the Plan Actuary as required under §432 of the Internal Revenue Code ("IRC") for the Cement Masons Local Union #681 Pension Plan ("Plan").

The Plan **remains in critical status** (i.e., the Plan is in the "red zone") for the plan year beginning October 1, 2019 ("2019 Plan Year"). Additionally, the Plan remains in **critical and declining** status for the 2019 Plan Year. As such, the Trustees are required to provide notification of the Plan's status to participants and beneficiaries, bargaining parties, the Pension Benefit Guaranty Corporation, and the Secretary of the Labor **within thirty days following the date of this certification** (by no later than January 19, 2020). We will work with Fund Counsel and the Administrator to prepare this notice.

Since the Plan entered into the Rehabilitation Period as of October 1, 2009, we are required to certify as to whether or not the Plan is making progress in meeting the requirements of the Rehabilitation Plan. The Plan became insolvent as of August 1, 2016. Therefore, we are certifying that the Plan is not making scheduled progress in meeting the requirements of its Rehabilitation Plan. This is the fourth consecutive year that we are certifying that the Plan is not making scheduled progress. Under Internal Revenue Service Code (IRC) Section 4971(g), if the Plan is certified as not making scheduled progress for three consecutive years, the Plan will be treated as having an accumulated funding deficiency. As such there may be taxes due under IRC Sections 4971(a) and (b) as of the end of the third consecutive year.

The IRC states that as the "Plan Actuary", we are required to provide this annual certification directly to the Secretary of the Treasury. We have sent a copy of the certification to the Secretary of the Treasury.

Mr. Mark Crandell
December 20, 2019
Page 2 of 2

Please review these materials thoroughly and let us know if any of the items presented herein warrant further discussion. Penalties are imposed directly against the Trustees for failing to comply with the rules or missing deadlines.

Please call us with any questions you may have.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark Stewart', written in a cursive style.

Mark Stewart, ASA
Senior Consulting Actuary

Enclosures

cc: Doug Selwyn, w/encl.
Mark Crandell, w/encl.
Kevin Bienvenu, w/encl.

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Actuarial Certification of Plan Status

Plan Name: Cement Masons Local Union #681 Pension Plan
EIN / PN: 74-6091787/ 001
Plan Sponsor: Trustees of the Cement Masons Local Union #681 Pension Plan
8441 Gulf Freeway, Suite 304 | Houston, TX 77017 | (713) 643-9300
Plan Year: Beginning October 1, 2019 and Ending September 30, 2020
Certification Results:

- Critical and Declining Status
- Not making scheduled progress toward Rehabilitation Plan

This is the annual certification by the Plan Actuary as required under section 432(b) of the Internal Revenue Code (the “Code”) for the above-named multiemployer plan (the “Plan”) and plan year (the “Plan Year”). For the Plan Year, the Plan is in critical and declining status.

This certification was performed based upon actuarial projections of assets and liabilities for the current and succeeding plan years, as described under section 432(b)(3)(B). These projections are based on reasonable actuarial estimates, assumptions, and methods that offer my best estimate of anticipated experience under the Plan. The projected present value of Plan liabilities as of the beginning of the Plan Year was determined based on a projection of the actuarial valuation of the Plan as of October 1, 2018. Plan assets reflect that the Plan became insolvent as of August 1, 2016 and is currently receiving financial assistance from the Pension Benefit Guaranty Corporation (“PBGC”).

This certification is also based on projections of future industry activity and covered employment levels, which are based on information provided in good faith by the Plan Sponsor. This certification assumes that the current terms of the collective bargaining agreements under which contributions are made to the Plan will remain in effect for all succeeding plan years. This certification complies with the applicable Actuarial Standards of Practice.

In accordance with IRC Section 432(e)(4)(A), the Plan’s Rehabilitation Period began on October 1, 2009. In accordance with IRC Section 432(e)(3)(A)(ii), the Plan’s Rehabilitation Plan consisted of all reasonable measures to forestall insolvency. However, the plan will not emerge from critical and declining status during the Rehabilitation Period or a later time. The plan is insolvent and benefits have been reduced to the PBGC guaranteed benefit amounts as of August 1, 2016.

Certified by:



Mark Stewart, A.S.A.
Horizon Actuarial Services, LLC
1040 Crown Pointe Parkway, Suite 560
Atlanta, GA 30338

Phone Number: (678) 317-4104
Enrollment Number: 17-06075
Date: December 20, 2019

CEMENT MASONS LOCAL UNION #681 PENSION PLAN

**Actuarial Valuation as of
October 1, 2020**

December 16, 2021



Actuarial Statement

As requested by the Board of Trustees, this report documents the results of an actuarial valuation of the Cement Masons Local Union #681 Pension Plan as of October 1, 2020. This valuation is based on the Plan that was established on October 1, 1966, as amended through the valuation date.

The Plan became insolvent and was therefore unable to pay full benefits during August 2016. Benefits were reduced to the Pension Benefit Guaranty Corporation (“PBGC”) guaranteed level at that time.

In preparing this valuation, we have relied on information and data provided to us by the Board of Trustees and other persons or organizations designated by the Board of Trustees. We did not perform an audit of the financial and participant census data provided to us, but we have reviewed the data for reasonableness for the purpose of the valuation. We have relied on all information provided, including Plan provisions and asset information, as being complete and accurate.

The valuation summarized in this report involves actuarial calculations that require assumptions about future events. These calculations are performed using actuarial models, the intended purpose of which is the estimation and projection of the Plan’s liabilities, assets, zone status, and other related information summarized herein. We believe that the assumptions and methods used in this report are reasonable individually and in the aggregate, and are appropriate for the purposes for which they have been used. However, other assumptions and methods could also be reasonable and could generate materially different results. We have relied on the input of experts in developing certain assumptions, such as mortality and the valuation interest rate.

In our opinion, all methods, assumptions and calculations are in accordance with requirements of the Internal Revenue Code (the “Code”) and the Employee Retirement Income Security Act of 1974 (“ERISA”), as amended by the Pension Protection Act of 2006 (“PPA”), the Pension Relief Act of 2010 (“PRA”), and the Multiemployer Pension Reform Act of 2014 (“MPRA”). Further, in our opinion, the procedures followed and presentation of results are in conformity with generally accepted actuarial principles and practices. The Board of Trustees was responsible for the selection of the actuarial cost and asset valuation methods.

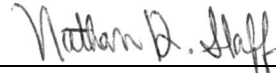
This valuation report may not be reproduced or distributed without the consent of the Board of Trustees, other than to assist in the Plan’s administration and to meet the filing requirements of federal government agencies, and may be distributed only in its entirety. The results in this valuation may not be applicable for purposes other than those described in this report.

Actuarial Statement

The undersigned consultants of Horizon Actuarial Services, LLC ("Horizon Actuarial") with actuarial credentials meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. There is no relationship between the Board of Trustees and Horizon Actuarial that affects our objectivity.



Mark Stewart, A.S.A., E.A.
Senior Consulting Actuary



Nathan H. Slaff, F.S.A., E.A.
Actuary and Managing Consultant



Heather Ray, A.S.A., E.A.
Senior Consulting Actuary

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1. Introduction

Exhibit 1.1 - Summary of Key Results

	Plan Year Beginning	
	10/1/2020	10/1/2019
A. Asset Values		
<i>As of the First Day of the Plan Year</i>		
1. Market Value of Assets	\$ 140,056	\$ 127,083
Prior Year Net Investment Return	0.0%	0.0%
2. Actuarial Value of Assets	\$ 147,728	\$ 132,385
Prior Year Net Investment Return	1.7%	-7.6%
B. Funded Percentages		
<i>As of the First Day of the Plan Year</i>		
1. Unit Credit Actuarial Accrued Liability	\$ 12,349,314	\$ 12,252,197
2. Market Value Funded Percentage (A.1. / B.1.)	1.1%	1.0%
3. Actuarial Value Funded Percentage (A.2. / B.1.)	1.1%	1.0%
C. PPA Certification Status		
<i>For the Plan Year</i>	Critical and Declining	Critical and Declining
D. Statutory Contributions		
<i>As of the Last Day of the Plan Year</i>		
1. Prior Year Credit Balance (Funding Deficiency)	\$ (6,597,825)	\$ (6,157,318)
2. ERISA Minimum Required Contribution	7,928,998	7,444,200
3. IRS Maximum Tax-Deductible Contribution	12,407,900	13,170,584
E. Participant Counts		
<i>As of the First Day of the Plan Year</i>		
1. Active Participants	4	3
2. Inactive Vested Participants	18	23
3. Retired Participants and Beneficiaries	169	181
4. Total	191	207

Notes

- **Item A:** Asset values include the principal amount of the PBGC Financial Assistance. More information on the value of assets can be found in **Section 3**.
- **Item B:** Percentages have been rounded down to the nearest 0.1%.
- **Item C:** The PPA certification statuses for the current and prior Plan Years are shown for reference. The determination of the PPA certification status is documented in a separate report.
- **Item D:** See **Section 4** for more information on contribution requirements and the credit balance.
- **Item E:** More information on participant demographics can be found in **Appendix A**.

1. Introduction

Exhibit 1.1 - Summary of Key Results (Cont.)

	Plan Year Beginning	
	10/1/2020	10/1/2019
F. Actuarial Liabilities		
<i>As of the First Day of the Plan Year</i>		
Valuation Interest Rate	3.00%	3.00%
Actuarial Cost Method	Unit Credit	Unit Credit
1. Present Value of Future Benefits	\$ 12,454,519	\$ 12,333,143
2. Normal Cost	155,564	149,741
3. Actuarial Accrued Liability	12,349,314	12,252,197
G. Unfunded Actuarial Liability		
<i>As of the First Day of the Plan Year</i>		
1. Market Value Unfunded Liability (F.3. - A.1.)	\$ 12,209,258	\$ 12,125,114
2. Actuarial Value Unfunded Liability (F.3. - A.2.)	12,201,586	12,119,812
H. Prior Plan Year Experience		
<i>During Plan Year Ending</i>		
	9/30/2020	9/30/2019
1. Total Hours Worked	6,318	5,256
2. Contributions Received	\$ 833,867	\$ 833,647
3. Benefits Paid	(676,213)	(711,805)
4. Operating Expenses Paid	(144,681)	(117,778)
5. Net Cash Flow (H.2. + H.3. + H.4.)	\$ 12,973	\$ 4,064
6. Net Cash Flow as a Percentage of Assets	9.71%	3.25%
I. Unfunded Vested Benefits for Withdrawal Liability		
<i>Measurement Date</i>		
	9/30/2020	9/30/2019
<i>For Employer Withdrawals in the Plan Year Beginning</i>		
	10/1/2020	10/1/2019
1. Present Value of Vested Benefits	\$ 8,397,683	\$ 9,240,287
2. Asset Value	(3,786,671)	(2,875,475)
3. Unfunded Vested Benefits (I.1. - I.2.)	\$ 12,184,354	\$ 12,115,762

Notes

- **Item F:** More information on actuarial liabilities can be found in **Section 2**. The normal cost in item F.2. includes assumed operating expenses.
- **Item H:** Line H.6. shows cash flow as a percent of the average market value of assets during the Plan Year.
- **Item I:** Does not include Affected Benefits. See **Section 6** for more information including the impact of Affected Benefits. The market value of assets used for purposes of unfunded vested benefits reflects the PBGC Financial Assistance as a liability payable as reflected in the Plan's audited financial statements.

1. Introduction

Exhibit 1.2 – Commentary

Valuation Highlights

- As of the October 1, 2020 valuation date, the Plan's accrued benefit funded percentage is 1.1% based on the market value of assets and 1.1% based on the actuarial value of assets, as compared to 1.0% and 1.0% as of October 1, 2019.
- The Plan's funding deficiency increased from \$6,157,318 as of September 30, 2019 to \$6,597,825 as of September 30, 2020.
- 6,318 hours were worked in the 2019 Plan Year, which is a 20.2% increase from the 5,256 hours worked in the 2018 Plan Year.
- The actuarial loss from sources other than investments was \$408,523 or 3.31% of the actuarial accrued liability. We will continue to monitor the assumptions to make sure they are reasonable both in the aggregate and on an individual basis.

Pension Protection Act of 2006

Horizon Actuarial Services, LLC, acting as actuary to the Plan, issued a certification to the Internal Revenue Service on December 22, 2020 indicating that the Plan is in critical status under Section 432 of the Internal Revenue Code (i.e., in the "Red Zone") for the 2020 Plan Year. Additionally, the Plan was certified in critical and declining status for the 2020 Plan Year. The Plan was also certified for the fifth consecutive year as not making scheduled progress in meeting the requirements of the Rehabilitation Plan.

The calculations, data, assumptions, and methods used in the certification are documented in a separate report that was sent to the Board of Trustees on December 22, 2020.

The Plan was first certified in critical status for the Plan Year beginning October 1, 2008 and in August 2009, the Trustees adopted a Rehabilitation Plan, as required under the Pension Protection Act of 2006 ("PPA"), to improve the Plan's long term funding health and to forestall possible insolvency. The Rehabilitation Period is the thirteen year period ending September 30, 2022.

1. Introduction

Exhibit 1.2 – Commentary (Cont.)

Plan Insolvency

The Plan became insolvent and was therefore unable to pay full benefits as of August 1, 2016. Benefits were reduced to the Pension Benefit Guaranty Corporation (“PBGC”) guaranteed level at that time.

Each quarter, the Fund requests financial assistance from the PBGC based on administrative expenses and benefits payable. In return, promissory notes for the principal amount funded are made to the PBGC for repayment should the Plan’s financial condition improve to the degree that it has assets beyond those necessary to pay basic benefits.

The PBGC Financial Assistance, including accrued interest owed as of the valuation date, is included in the liabilities for funding purposes. Additionally, the principal amount of the PBGC Financial Assistance is included as contributions towards the market value of assets and in the funding standard account.

Purpose of the Valuation

This report presents the results of the actuarial valuation of the Cement Masons Local Union #681 Pension Plan as of October 1, 2020. The purposes of this report include the following:

- Determine whether the negotiated contributions are sufficient to fund the Plan’s benefits.
- Determine the minimum required contribution amount for the Plan Year under the Employee Retirement Income Security Act of 1974 (“ERISA”) funding basis.
- Determine the maximum tax-deductible contribution for the Plan Year.
- Review the actuarial assumptions in view of experience during the prior Plan Year.
- Determine the unfunded vested liability for computation of withdrawal liability under the Multiemployer Pension Plan Amendments Act of 1980 (“MPPAA”).
- Develop information for disclosure in Form 5500 Schedule MB.
- Determine the information required for the Plan’s Accounting Standards of Codification (“ASC”) 960 financial reporting.

Participant Data

The participant census data needed to perform the actuarial valuation was provided by Benefit Resources, Inc. Participant demographics are summarized in **Exhibit 1.3** and reviewed in more detail in **Appendix A**.

Plan Assets

Harper & Pearson Company, P.C. supplied us with the audited financial statements for the Plan Year ended September 30, 2020, which sets forth the assets of the Plan. A reconciliation of the Market Value of Assets can be found in **Exhibit 3.1**. The development of the Actuarial Value of Assets is shown in **Exhibit 3.2**.

1. Introduction

Exhibit 1.2 – Commentary (Cont.)

Actuarial Assumptions and Methods

There have been no changes in the actuarial assumptions and methods from those used in the previous valuation, except as follows:

- The operating expense assumption was changed from the average of actual expenses over the last three years to the average of actual expenses over the last three years increased by 2%.

The actuarial assumptions and methods used in the valuation are described in more detail in **Appendix B**.

Plan Provisions

There were no Plan changes that had an impact on the valuation results. The valuation results do not reflect the reduction in benefits to the PBGC guaranteed benefit amounts.

Appendix C describes the principal provisions of the Plan being valued.

Actuarial Gain or Loss

An experience gain/(loss) is the difference between the actual and the expected unfunded actuarial liability. The expected unfunded liability is the amount projected from the previous year, based on the actuarial assumptions.

The Plan had a net actuarial experience loss of \$410,319 for the Plan Year ended September 30, 2020. The components of this loss are a loss of \$1,796 on Plan assets and a loss of \$408,523 from sources related to benefit liabilities.

There was a loss on the market value of assets for the Plan Year (0.0% net return versus the 3.0% assumption), however only a portion of that loss is recognized in the actuarial value of assets under the Plan's asset valuation method.

The loss on liabilities (which represented about 3.31% of liabilities) was mainly due to the increase in liabilities due to the increase in PBGC financial assistance.

1. Introduction

Exhibit 1.3 - Participant Demographic Summary

Measurement Date	10/1/2020	10/1/2019
A. Active Participants		
1. Count	4	3
2. Average Age	50.9	43.9
3. Average Vesting Service	10.5	8.6
4. Average Credited Service	10.1	8.4
5. Average Prior Year Hours	1,471	1,116
B. Inactive Vested Participants		
1. Count	18	23
2. Average Age	60.4	56.7
3. Average Monthly Benefit	\$ 485	\$ 431
C. Retired Participants and Beneficiaries		
1. Count	169	181
2. Average Age	79.2	78.6
3. Average Monthly Benefit	\$ 362	\$ 365
D. Total Participants	191	207

Participants are generally classified into the following categories for valuation purposes:

- Active participants: Those participants who have worked at least 300 hours in the Plan Year preceding the valuation date, and were not retired as of the valuation date.
- Inactive vested participants: Those participants who worked less than 300 hours in the Plan Year preceding the valuation date and who are entitled to receive a deferred vested pension.
- Participants and beneficiaries receiving benefits: Those participants and beneficiaries who were entitled to receive a pension under the Plan as of the valuation date. Included in this category are healthy pensioners, disabled pensioners, and beneficiaries.

A summary of basic demographic statistics is shown above. Additional demographic information can be found in **Appendix A**.

2. Actuarial Liabilities

Exhibit 2.1 - Summary of Actuarial Liabilities

Measurement Date	10/1/2020	10/1/2019
Valuation Interest Rate	3.00%	3.00%
Actuarial Cost Method	Unit Credit	Unit Credit
A. Present Value of Future Benefits		
1. Active Participants	\$ 308,539	\$ 202,949
2. Inactive Vested Participants	1,324,896	1,437,188
3. Retired Participants and Beneficiaries	6,894,357	7,690,448
4. PBGC Financial Assistance	3,926,727	3,002,558
5. Total	\$ 12,454,519	\$ 12,333,143
B. Normal Cost		
1. Cost of Benefit Accruals	\$ 13,788	\$ 8,150
2. Assumed Operating Expenses	141,776	141,591
3. Total	\$ 155,564	\$ 149,741
C. Actuarial Accrued Liability		
1. Active Participants	\$ 203,334	\$ 122,003
2. Inactive Vested Participants	1,324,896	1,437,188
3. Retired Participants and Beneficiaries	6,894,357	7,690,448
4. PBGC Financial Assistance	3,926,727	3,002,558
5. Total	\$ 12,349,314	\$ 12,252,197
D. Expected Benefit Payments for the Plan Year		
1. Active Participants	\$ 27	\$ 18
2. Inactive and Retired Participants	778,835	820,710
3. Total	\$ 778,862	\$ 820,728

The table above summarizes the key actuarial benefit liabilities as of the current and preceding valuation dates. The present value of future benefits (item A.) represents the liability for benefits earned as of the valuation date plus the benefits expected to be earned in all future Plan Years. The normal cost (item B.) represents the cost of benefit accruals (item B.1.) expected to be earned during the Plan Year plus expected operating expenses during the Plan Year (item B.2.). The actuarial accrued liability is the liability for benefits earned through the valuation date, based on the unit credit cost method (item C.).

PBGC Financial Assistance, including accrued interest owed as of the valuation date, is included in the present value of future benefits (item A.4.) and actuarial accrued liability (item C.4.).

The Plan's contribution requirements for the Plan Year are a function of the normal cost and the portion of the actuarial accrued liability not funded by the actuarial value of assets. All amounts shown above are measured as of the beginning of the Plan Year. The actuarial accrued liability based on the unit credit cost method is also used to determine the PPA funded percentage.

3. Plan Assets

Asset figures shown below are based on the Plan's audited financial statements. The principal amount of the PBGC Financial Assistance is included as a contribution (item 2.b.).

Exhibit 3.1 - Market Value of Assets

Plan Year Ending	9/30/2020	9/30/2019
A. Reconciliation of Market Value of Assets		
1. Market Value of Assets at Beginning of Plan Year	\$ 127,083	\$ 123,019
2. Contributions		
a. Employer Contributions	65,936	31,867
b. PBGC Financial Assistance	767,931	801,780
c. Total	833,867	833,647
3. Benefit Payments	(676,213)	(711,805)
4. Operating Expenses	(144,681)	(117,778)
5. Transfers	0	0
6. Investment Income	0	0
7. Market Value of Assets at End of Plan Year	\$ 140,056	\$ 127,083
B. Net Investment Return on Market Value of Assets		
1. Expected Return	3.00%	3.00%
2. Actual Return [Schedule MB, Line 6h]	0.00%	0.00%

3. Plan Assets

The Trustees have approved an actuarial asset valuation method that gradually adjusts to market value, as follows:

- The actuarial value of assets is equal to the market value of assets less unrecognized returns in each of the last five years. The unrecognized return for a year is equal to the difference between the actual market return and the assumed return on the market value of assets, phased in at the rate of 20% per year.
- To comply with IRS regulations, the actuarial value of assets is not less than 80%, nor more than 120%, of the market value of assets.

Under this valuation method, recognition of the full value of any market fluctuations is spread over five years and as a result, the actuarial cost of the Plan is more stable than if the actuarial cost was determined on a market value basis. The difference between the actuarial value of assets and the market value of assets (the “adjustment”) is referred to as a write-up or write-down. The development of the actuarial value of assets is shown on the next page.

In determining the actuarial value of assets, the amount by which the adjustment changes from one year to the next is treated as income, which may be positive or negative. Realized gains and losses and unrealized gains and losses are treated the same and, therefore, sales of assets have no immediate effect on the actuarial value of assets. This delays recognition of the impact that sales of assets may have on the determination of the actuarial cost of the Plan.

See **Appendix B** for more information regarding the Actuarial Value of Assets.

3. Plan Assets

Exhibit 3.2 - Actuarial Value of Assets

Measurement Date	10/1/2020					
A. Net Investment Gain/(Loss)						
1. Expected Net Investment Return					\$	4,007
2. Actual Net Investment Return						0
3. Net Investment Gain/(Loss)					\$	(4,007)
B. Development of Actuarial Value of Assets						
1. Market Value of Assets as of September 30, 2020					\$	140,056
2. Prior Year Deferred Gains/(Losses)						
Plan Year Ending	Net Investment Gain/(Loss)	Percent Recognized to Date Future Years		Amount Recognized in Prior Plan Year	Amt. to be Recognized in Future Years	
9/30/2020	\$ (4,007)	20%	80%	\$ (801)	\$ (3,206)	
9/30/2019	(3,752)	40%	60%	(750)	(2,251)	
9/30/2018	(3,983)	60%	40%	(797)	(1,593)	
9/30/2017	(3,110)	80%	20%	(622)	(622)	
9/30/2016	6,671	100%	0%	1,334	0	
Total				\$ (1,636)	\$ (7,672)	
3. Adjusted Value of Assets as of October 1, 2020 (1. - 2. Total)					\$	147,728
4. Actuarial Value of Assets Corridor						
a. 80% of Market Value of Assets					\$	112,045
b. 120% of Market Value of Assets					\$	168,067
5. Actuarial Value of Assets as of October 1, 2020						
a. Actuarial Value of Assets, after Adjustment for Corridor					\$	147,728
b. Actuarial Value as a Percentage of Market Value						105.5%
C. Prior Year Investment Return on Actuarial Value of Assets						
1. Expected Return						3.00%
2. Actual Return [Schedule MB, Line 6g]						1.71%

4. Contributions

Minimum Required Contribution

The ERISA minimum required contribution consists of the normal cost, plus payments to amortize the components of the unfunded actuarial accrued liability over various time periods, less the “**credit balance**” in the “**funding standard account**” as of the end of the prior Plan Year (all adjusted with interest to the end of the Plan Year).

The funding standard account is used to determine the minimum required contribution. The credit balance in the funding standard account is the accumulated amount by which contributions made in prior Plan Years exceeded the ERISA minimum contribution requirements in those years. The credit balance acts as a reserve that may be drawn upon if employer contributions do not cover the net charges to the funding standard account.

Charges to the funding standard account include the normal cost and payments to amortize increases in the unfunded actuarial accrued liability. **Credits** to the funding standard account include employer contributions and payments to amortize decreases in the unfunded actuarial accrued liability. If the credits to the funding standard account – including employer contributions and applicable interest – exceed the charges, then there is a positive credit balance. On the other hand, if charges exceed the credits, there is a negative credit balance, also known as an accumulated “funding deficiency.”

Under the Pension Protection Act of 2006 (“PPA”), portions of unfunded actuarial accrued liability recognized during or after the Plan Year beginning in 2008 are generally amortized in the funding standard account over 15 years.

Detail on the amortization bases in the funding standard account can be found in **Exhibit 4.2**.

Maximum Deductible Contribution

Generally, the IRS permits the deduction of contributions made to fund benefits accruing under a qualified pension plan. However, there are certain limits that specify the maximum contribution that is permitted to be made and deducted in a given Plan Year. The maximum tax-deductible contribution for the current and preceding Plan Years, as determined under section 404 of the Code, is shown in the following table. This amount is significantly greater than the expected contributions for the Plan Year. Accordingly, all employer contributions for the Plan Year are expected to be tax deductible.

4. Contributions

Exhibit 4.1 - Statutory Contribution Range

Plan Year Ending	9/30/2021	9/30/2020
A. Funding Standard Account		
<i>1. Charges to Funding Standard Account</i>		
a. Prior Year Funding Deficiency, if any	\$ 6,597,825	\$ 6,157,318
b. Normal Cost	155,564	149,741
c. Amortization Charges	1,097,018	1,072,670
d. Interest on a., b., and c.	235,512	221,392
e. Total Charges	\$ 8,085,919	\$ 7,601,121
<i>2. Credits to Funding Standard Account</i>		
a. Prior Year Credit Balance, if any	\$ 0	\$ 0
b. Employer Contributions	TBD	833,867
c. Amortization Credits	152,350	152,350
d. Interest on a., b., and c.	TBD	17,079
e. Total Credits	TBD	\$ 1,003,296
<i>3. Credit Balance or Funding Deficiency (2.e. - 1.e.)</i>	TBD	\$ (6,597,825)
B. Minimum Required Contribution		
<i>As of the Last Day of the Plan Year</i>		
1. Before Reflecting Credit Balance	\$ 1,133,238	\$ 1,102,162
2. After Reflecting Credit Balance	7,928,998	7,444,200
C. Amortization Bases for Form 5500 Schedule MB		
<i>As of the First Day of the Plan Year</i>		
1. Outstanding Balance of Amortization Charges	\$ 6,736,811	\$ 7,214,895
2. Outstanding Balance of Amortization Credits	1,133,050	1,252,401
D. Maximum Deductible Contribution		
<i>As of the Last Day of the Plan Year</i>		
1. 140% of Current Liability at end of year	\$ 11,623,486	\$ 12,328,063
2. Actuarial Value of Assets at end of year	(784,414)	(842,521)
3. Maximum Deductible Contribution (1. - 2.)	\$ 12,407,900	\$ 13,170,584
E. Other Items for Form 5500 Schedule MB		
1. ERISA Full Funding Limitation [Sch. MB, Line 9j(1)]	\$ 12,735,767	\$ 12,643,101
2. "RPA '94" Override [Sch. MB, Line 9j(2)]	8,256,655	8,767,705
3. Full Funding Limitation Credit [Sch. MB, Line 9j(3)]	0	0

See **Appendix D** for information regarding the current liability referred to in item D.1. above.

4. Contributions

Exhibit 4.2 - Funding Standard Account Amortization Bases

Charges

[Schedule MB, Line 9c]

Type	Date Established	Initial Period	Initial Balance	Outstanding at 10/1/2020 Period	Balance	Annual Payment
Assumption	10/1/1992	30.00	N/A	2.00	\$ 93,981	\$ 47,683
Amendment	10/1/1992	30.00	N/A	2.00	340,518	172,777
Assumption	10/1/1997	30.00	N/A	7.00	327,509	51,036
Amendment	10/1/1999	30.00	N/A	9.00	472,411	58,906
Exper Loss	10/1/2008	15.00	1,222,946	3.00	307,206	105,444
Exper Loss	10/1/2009	15.00	377,736	4.00	122,982	32,123
Exper Loss	10/1/2010	15.00	426,786	5.00	168,895	35,805
Amendment	10/1/2010	15.00	573	5.00	227	48
Assumption	10/1/2011	15.00	778,914	6.00	359,798	64,483
Exper Loss	10/1/2011	15.00	599,036	6.00	276,708	49,592
Assumption	10/1/2012	15.00	838,132	7.00	440,951	68,714
Exper Loss	10/1/2012	15.00	21,283	7.00	11,196	1,745
Assumption	10/1/2013	15.00	1,641,282	8.00	967,106	133,758
Assumption	10/1/2014	15.00	204,551	9.00	133,547	16,653
Assumption	10/1/2015	15.00	928,526	10.00	663,474	75,514
Assumption	10/1/2016	15.00	52,050	11.00	40,342	4,233
Exper Loss	10/1/2017	15.00	543,580	12.00	453,244	44,208
Exper Loss	10/1/2018	15.00	503,268	13.00	448,338	40,929
Exper Loss	10/1/2019	15.00	737,724	14.00	698,059	59,997
Exper Loss	10/1/2020	15.00	410,319	15.00	410,319	33,370
Total Charges					\$ 6,736,811	\$ 1,097,018

Credits

[Schedule MB, Line 9h]

Type	Date Established	Initial Period	Initial Balance	Outstanding at 10/1/2020 Period	Balance	Annual Payment
Exper Gain	10/1/2007	15.00	\$ 5,524	2.00	\$ 950	\$ 483
Assumption	10/1/2009	15.00	40,968	4.00	13,339	3,484
Amendment	10/1/2009	15.00	314,867	4.00	102,516	26,776
Assumption	10/1/2010	15.00	25,518	5.00	10,098	2,141
Exper Gain	10/1/2013	15.00	477,083	8.00	281,117	38,880
Exper Gain	10/1/2014	15.00	218,412	9.00	142,599	17,781
Exper Gain	10/1/2015	15.00	266,388	10.00	190,346	21,664
Exper Gain	10/1/2016	15.00	505,876	11.00	392,085	41,141
Total Credits					\$ 1,133,050	\$ 152,350
Net Total					\$ 5,603,761	\$ 944,668

See the comments following this Exhibit 4.2.

4. Contributions

The table above shows the outstanding amortization bases in the funding standard account as of the valuation date. The amortization bases are grouped as charges, which represent increases in the unfunded actuarial liability, and credits, which represent decreases in the unfunded actuarial liability.

Different types of amortization bases are as follows:

Abbreviation	Description
Initial Liab	Initial unfunded actuarial accrued liability
Exper Loss	Actuarial experience loss (charge only)
Exper Gain	Actuarial experience gain (credit only)
Amendment	Plan amendment
Assumption	Change in actuarial assumptions
Method	Change in the actuarial cost method or asset valuation method
Combined	Combined charge base or combined credit base
Offset	Combined and offset charge and credit bases

5. ASC 960 Information

The present value of accumulated benefits as of the last day of the Plan Year is disclosed in the Plan's financial statements, in accordance with the Accounting Standards Codification ("ASC") Topic Number 960.

The present value of accumulated benefits is determined based on the unit credit cost method. The same actuarial assumptions that were used to determine the actuarial accrued liability as of the beginning of the Plan Year (e.g., October 1, 2020) were used to determine the actuarial present value of accumulated benefits as of the end of the prior Plan Year (e.g., September 30, 2020). See **Appendix B** for more information.

The present value of vested benefits includes qualified pre-retirement survivor annuity death benefits, which are excluded from the present value of vested benefits for withdrawal liability (see **Section 6**).

Exhibit 5.1 - Present Value of Accumulated Plan Benefits

Measurement Date	9/30/2020	9/30/2019
Interest Rate Assumption	3.00%	3.00%
A. Participant Counts		
1. Vested Participants		
a. Retired Participants and Beneficiaries	169	181
b. Inactive Vested Participants	18	23
c. Active Vested Participants	4	2
d. Total Vested Participants	191	206
2. Non-Vested Participants	0	1
3. Total Participants	191	207
B. Present Value of Accumulated Plan Benefits		
1. Vested Benefits		
a. Retired Participants and Beneficiaries	\$ 6,894,357	\$ 7,690,448
b. Inactive Vested Participants	1,324,896	1,437,188
c. Active Vested Participants	186,181	121,492
d. Total Vested Benefits	\$ 8,405,434	\$ 9,249,128
2. Non-Vested Accumulated Benefits	17,153	511
3. Total Accumulated Benefits	\$ 8,422,587	\$ 9,249,639
C. Changes in Present Value of Accumulated Plan Benefits		
1. Present Value at End of Prior Plan Year	\$ 9,249,639	\$ 9,738,737
2. Increase (Decrease) during the Plan Year due to:		
a. Plan Amendment(s)	\$ 0	\$ 0
b. Change(s) to Actuarial Assumptions	0	0
c. Benefits Accumulated and Actuarial (Gains)/Losses	(418,429)	(59,470)
d. Interest due to Decrease in the Discount Period	267,590	282,177
e. Benefits Paid	(676,213)	(711,805)
f. Merger or Transfer	0	0
g. Net Increase (Decrease)	\$ (827,052)	\$ (489,098)
3. Present Value at End of Plan Year (Measurement Date)	\$ 8,422,587	\$ 9,249,639

6. Withdrawal Liability

The Multiemployer Pension Plan Amendments Act of 1980 (“MPPAA”) provides that an employer who withdraws from a Plan after September 26, 1980 may be obligated to the Plan for its share of any unfunded liability for vested benefits as of the last day of the Plan Year preceding the withdrawal.

The same actuarial assumptions that were used to determine the actuarial accrued liability as of the beginning of the Plan Year (e.g., October 1, 2020) were used to determine the actuarial present value of accumulated benefits as of the end of the prior Plan Year (e.g., September 30, 2020). See **Appendix B** for more information.

The present value of vested benefits reflects the Plan provisions in effect on the measurement date. Plan benefits that are not considered to be vested for withdrawal liability – such as disability benefits (in excess of the value of deferred vested benefits) and death benefits– are not included in the calculation of the present value of vested benefits.

Unfunded vested benefits represent the shortfall between the Plan’s asset value and the present value of vested benefits. Unfunded vested benefits are allocated among participating employers according to the presumptive method, as described under Section 4211(b) of ERISA. The asset value is the market value of assets. The market value of assets used for purposes of unfunded vested benefits reflects the PBGC Financial Assistance as a liability payable as reflected in the Plan’s audited financial statements.

6. Withdrawal Liability

The table below shows the calculation of the unfunded vested benefits as of September 30, 2020, which will be allocated to employers withdrawing during the Plan Year beginning October 1, 2020. Calculations for the prior year are also shown, for reference.

Exhibit 6.1 - Unfunded Vested Benefits for Withdrawal Liability

Measurement Date	<u>9/30/2020</u>	<u>9/30/2019</u>
For Employer Withdrawals in the Plan Year Beginning	10/1/2020	10/1/2019
Interest Rate Assumption	3.00%	3.00%
 A. Present Value of Vested Benefits		
1. Active Participants	\$ 184,021	\$ 120,387
2. Inactive Vested Participants	1,319,305	1,429,452
3. Retired Participants and Beneficiaries	<u>6,894,357</u>	<u>7,690,448</u>
4. Total	\$ 8,397,683	\$ 9,240,287
 B. Unfunded Vested Benefits		
1. Present Value of Vested Benefits	\$ 8,397,683	\$ 9,240,287
2. Asset Value	<u>(3,786,671)</u>	<u>(2,875,475)</u>
3. Unfunded Vested Benefits/(Surplus) (B.1. - B.2.)	\$ 12,184,354	\$ 12,115,762
 C. Reductions in Adjustable Benefits		
1. Total Balance of Affected Benefits (Prior to Amortization)	\$ 274,931	\$ 274,931
2. Unamortized Balance of Affected Benefits	121,511	141,550

Effective October 1, 2009, certain “adjustable benefits” were reduced or eliminated as part of the Rehabilitation Plan adopted by the Trustees. The “Affected Benefits” shown above represent the present value of the adjustable benefit reductions under the Rehabilitation Plan.

The Board of Trustees on April 20, 2011 adopted PBGC Technical Update 10-3 with respect to the determination of withdrawal liability. Under PBGC Technical Update 10-3, the reductions, called “Affected Benefits”, are first recognized effective September 30, 2010 for purposes of determining withdrawal liability. The interest rate used for the amortization is 6.5%, the valuation interest rate on the date of determination.

The market value of assets used for purposes of unfunded vested benefits reflects the PBGC Financial Assistance as a liability payable as reflected in the Plan’s audited financial statements.

7. Risk

The deterministic actuarial models used in this valuation are based on a single set of assumptions and do not take into consideration the risk associated with deviations from those assumptions. The assumptions selected for this valuation generally reflect average expectations over the long term.

If overall future economic or demographic experience is different than assumed, the level of plan costs determined in this valuation could increase or decrease dramatically in future valuations. In order to better understand the Plan's risk exposure, a summary of the significant risk factors for this pension plan is provided below.

The Plan became insolvent and was therefore unable to pay full benefits during August 2016. Benefits were reduced to the Pension Benefit Guaranty Corporation ("PBGC") guaranteed level at that time.

Specific Risk Factors

The following is a brief overview of the most significant risk factors inherent in the Plan. We have identified these risks to be significant because small deviations will materially impact the results, or the likelihood of volatility is high, or both.

- **Longevity Risk** is the risk that mortality rates will be higher or lower than assumed.
 - While the mortality tables we have selected for this valuation represent our best estimate of future experience under the Plan, it is important to understand how future changes in longevity would impact Plan funding. For example, advancements in medicine and health care could result in longer lifespans, which increases the Plan's liability, since promised benefits will be paid for a longer period of time. Such increases could have a significant impact on the contribution requirements shown in this valuation.
- **Other Demographic Risk** is the risk that participant behavior will be different than assumed. This plan is particularly sensitive to:
 - Retirements occurring earlier or later than assumed.
 - Turnover of active participants being more or less than assumed.
 - Form of payment elections that are different than assumed.
- **Interest Rate Risk** is the risk that interest rates will be higher or lower than assumed.
- **Regulatory Risk** is the risk that future changes in applicable law will impact the measurements in this report.
 - For example, if the PBGC is unable to continue providing financial assistance at current levels to this plan, the plan would be unable to provide monthly benefits to participants.

Risk Assessment

The commentary above is a broad overview of pension plan risk factors and includes information on the risk factors that are most significant for this pension plan. Other risks also apply. A more detailed risk assessment would allow the Trustees to better understand how deviations from the assumptions may affect the plan, and ultimately, how to better position the plan to respond to the inevitable deviations that will occur. A more detailed risk assessment may include scenario tests, sensitivity tests, stochastic modeling, stress tests, or other information.

Appendix A: Additional Demographic Exhibits

Exhibit A.1 - Distribution of Active Participants

Measurement Date: October 1, 2020

[Form 5500 Sch. MB, Line 8b]

Years of Credited Service

Age	Under 1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 +	Total
Under 25	-	-	-	-	-	-	-	-	-	-	-
25 - 29	-	-	-	-	-	-	-	-	-	-	-
30 - 34	-	-	1	-	-	-	-	-	-	-	1
35 - 39	-	-	-	-	-	-	-	-	-	-	-
40 - 44	-	-	-	-	-	-	-	-	-	-	-
45 - 49	-	-	-	-	-	-	-	-	-	-	-
50 - 54	-	-	-	1	-	-	-	-	-	-	1
55 - 59	-	-	-	1	-	-	-	-	-	-	1
60 - 64	-	-	1	-	-	-	-	-	-	-	1
65 - 69	-	-	-	-	-	-	-	-	-	-	-
70 +	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	2	2	-	-	-	-	-	-	4

Males	4	Average Age	50.9
Females	0	Average Credited Service	10.1
<u>Unknown</u>	<u>0</u>		
Total	4	Number Fully Vested	4
		Number Partially Vested	0

Notes

- As of October 1, 2020, there were no active participants with unknown dates of birth in the data.
- As of October 1, 2020, there were no active participants with unknown gender in the data.

Appendix A: Additional Demographic Exhibits

Exhibit A.2 - Distribution of Inactive Participants

Measurement Date: October 1, 2020

Inactive Vested Participants

Attained Age	Count	Total Annual Benefits	Average Monthly Benefits
Under 40	-	\$ -	\$ -
40-44	1	3,123	260.25
45-49	2	15,857	660.71
50-54	3	15,286	424.61
55-59	1	2,706	225.50
60-64	5	32,171	536.18
65 and Over	6	35,687	495.65
Total	18	\$ 104,830	\$ 485.32

Participants and Beneficiaries Receiving Benefits

Attained Age	Count	Total Annual Benefits	Average Monthly Benefits
Under 55	-	\$ -	\$ -
55-59	-	-	-
60-64	3	8,225	228.47
65-69	18	50,201	232.41
70-74	30	134,883	374.68
75-79	42	191,674	380.31
80-84	37	188,001	423.43
85 and Over	39	162,019	346.19
Total	169	\$ 735,003	\$ 362.43

Notes

- As of October 1, 2020, there were no inactive vested participants with unknown dates of birth or gender in the data.
- As of October 1, 2020, there were no participants or beneficiaries receiving benefits with unknown dates of birth or gender in the data.

Appendix A: Additional Demographic Exhibits

Exhibit A.3 - Reconciliation of Participants by Status

	Active	Inactive Vested	Non-disabled Retirees	Disabled Retirees	Beneficiaries	Total
A. Count as of October 1, 2019	3	23	117	1	63	207
B. Status Changes During Plan Year						
1. Nonvested Terminations	(1)					(1)
2. Vested Terminations						0
3. Retirement		(1)	1			0
4. Disabled						0
5. Deceased			(9)		(7)	(16)
6. Certain Period Ended						0
7. Lump Sum						0
8. Rehires	2	(2)				0
9. New Entrants						0
10. New Beneficiaries					3	3
11. Adjustments		(2)				(2)
Net Increase (Decrease)	1	(5)	(8)	0	(4)	(16)
C. Count as of October 1, 2020	4	18	109	1	59	191

Appendix B: Actuarial Assumptions and Methods

(Form 5500 Schedule MB, line 6)

While it is important that the overall assumptions be reasonable, we select each valuation assumption as reasonable in light of this Plan's provisions and characteristics. We have chosen the assumptions after reviewing recent Plan experience and anticipated Plan experience as described below.

Plan Name Cement Masons Local Union #681 Pension Plan

Plan Sponsor Board of Trustees of the Cement Masons Local Union #681 Pension Plan

EIN / PN 74-6091787/001

Interest Rates	Valuation	3.00%
	Cash Balance Crediting Rate	3.50%
	Cash Balance Annuity Conversion	4.00%

The interest rate assumption used for purposes of the ERISA funding valuation and ASC accounting reflects expected Plan termination rates.

RPA '94 Current Liability: the highest rate within the IRS allowable range for determining current liability which is 2.55% per annum as of October 1, 2020.

Retirement Age If an active or inactive vested participant meets the age and service requirements for early retirement by age 62, retirement is assumed at age 62 or current age, if greater. Otherwise, retirement is assumed at age 65 or current age, if greater.

The weighted average retirement age for active participants is 62.9. This average is based on the active population as of the valuation date. All decrements are considered when projecting the current population to retirement. The weighted average retirement age is the average age at which the lives that reach the retirement decrement retire.

Operating Expenses The operating expense assumption is the actual expenses averaged over the last three years, increased by 2%, and adjusted to the beginning of the Plan Year. As of October 1, 2020, operating expenses are assumed to be \$141,776 (the total operating expenses payable monthly for the Plan Year beginning October 1, 2020 are assumed to be \$143,725).

Hours Worked For the purpose of projecting future benefit accruals and contributions, it is assumed that each active participant will work the same number of hours per year as worked during the Plan Year preceding the valuation date.

Appendix B: Actuarial Assumptions and Methods

(Form 5500 Schedule MB, line 6)

Contribution Income Contributions are assumed to be \$5.10 per hour.

Active Participant For valuation purposes, an active participant is a participant who worked at least 300 hours in the prior Plan Year, and had not retired as of the valuation date.

Mortality The PBGC plan termination mortality table for the Plan Year. As of October 1, 2020, the mortality table is the UP-94 Mortality Table, sex distinct and projected to 2030 with Scale AA. No future improvement beyond 2030 was assumed.

The mortality assumption including future improvement was chosen based on a review of standard mortality tables and projection scales, historical and current demographic data, and reflecting anticipated future experience and professional judgement.

For the conversion of a Cash Balance Annuity, the table prescribed by Code Section 417 for the valuation year. For the October 1, 2020 valuation, the table used is the Unisex Optional Combined Mortality Table under PPA for 2020 with no future improvement beyond the published table.

For determining the RPA '94 current liability, the mortality tables prescribed by the Pension Protection Act of 2006 were used.

Disability The 1968 Social Security Incidence Rates. Illustrations of the annual rates of disablement per 100 active participants are shown in the table below for selected ages (the same rates are used for males and females):

Representative Disability Rates

Age	
20	0.0770
25	0.0756
30	0.0917
35	0.1150
40	0.2350
45	0.3650
50	0.6316
55	1.1400
60	1.5520
65	0.0000

Appendix B: Actuarial Assumptions and Methods

(Form 5500 Schedule MB, line 6)

Withdrawal Illustrations of the annual rates of withdrawal (for reasons other than mortality or disablement) per 100 active participants are shown in the table below for selected ages (the same rates are used for males and females):

Representative Withdrawal Rates

Age	
20	19.08
25	17.80
30	11.40
35	6.60
40	3.20
45	0.80
50+	0.00

Reemployment It is assumed that participants will not be reemployed following a break in service.

Form of Payment For Annuity Benefits: Married participants are assumed to receive a joint and 50% survivor annuity and single participants are assumed to receive a life annuity.

For Cash Balance Benefits: Participants are assumed to receive a life annuity at the same time they commence their annuity benefit.

Marriage If the marital status is unknown, 70% of participants are assumed to be married.

Spouse Ages Husbands are assumed to be 3 years older than wives.

Cost Method The Unit Credit Cost Method is used to determine the normal cost and the actuarial accrued liability. The actuarial accrued liability is the present value of the accrued benefits as of the beginning of the year for active participants and is the present value of all benefits for other participants. The normal cost is the present value of the difference between the accrued benefits as of the beginning and end of the year. The normal cost and actuarial accrued liability for the Plan are the sums of the individually computed normal costs and actuarial accrued liabilities for all Plan Participants.

Appendix B: Actuarial Assumptions and Methods

(Form 5500 Schedule MB, line 6)

Asset Valuation Method	The actuarial value of assets is determined by adjusting the market value of assets to reflect the investment gains and losses (the difference between the actual investment return and the assumed investment return) during each of the last five years at the rate of 20% per year. Assumed investment return is calculated using the net market value of assets as of the beginning of the Plan Year and the benefit payments, employer contributions and operating expenses, weighted based on the timing of the transactions during the year. The actuarial value is subject to a restriction that it be not less than 80% nor more than 120% of the market value.
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Participant Data	Participant census data as of October 1, 2020 was provided by Benefit Resources, Inc.
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Missing or Incomplete Participant Data	Participants missing a date of birth are assumed to have a date of birth equal to the average age of other participants. They are assumed to enter the Plan at an entry age based on the average service of other participants. Participants missing gender are assumed to be male. This year, no participants were missing a date of birth or gender.
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Financial Information	Financial information was obtained from the audited financial statements from Harper & Pearson Company, P.C.
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Nature of Actuarial Calculations	The valuation results presented in this report are estimates. The results are based on data that may be imperfect and on assumptions made about future events. Certain Plan provisions may be approximated or deemed immaterial for the purposes of the valuation. Assumptions may be made about missing or incomplete participant census data or other factors. Reasonable efforts were made to ensure that significant items and factors are included in the valuation and treated appropriately. A range of results different from those presented in this report could also be considered reasonable.
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The actuarial assumptions selected for this valuation – including the valuation interest rate – generally reflect average expectations over the long term. If overall future demographic or investment experience is less favorable than assumed, the relative level of Plan costs determined in this valuation will likely increase in future valuations. Investment returns and demographic factors may fluctuate significantly from year to year. The deterministic actuarial models used in this valuation do not take into consideration the possibility of such volatility.

Unfunded Vested Benefits for Employer Withdrawals	Valued using an interest rate of 3.00% per annum as of September 30, 2020 (same as fund earnings assumption used to determine other Plan costs and liabilities as of October 1, 2020), and the market value of assets. The market value of assets used for purposes of unfunded vested benefits reflects the PBGC Financial Assistance as a liability payable as reflected in the Plan's audited financial statements.
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Appendix B: Actuarial Assumptions and Methods

(Form 5500 Schedule MB, line 6)

Changes in Assumptions

Since the prior valuation, the following assumptions have been changed:

- The operating expense assumption was changed from the average of actual expenses over the last three years to the average of actual expenses over the last three years increased by 2%.
-

Justification for Changes in Assumptions

The operating expense assumption has been updated to better reflect anticipated Plan experience.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

This appendix summarizes the major provisions of the Plan that were reflected in the actuarial valuation. This summary of provisions is not intended to be a comprehensive statement of all provisions of the Plan.

Plan Name	Cement Masons Local Union #681 Pension Plan
Plan Sponsor	Board of Trustees of the Cement Masons Local Union #681 Pension Plan
EIN / PN	74-6091787/001
Effective Date and Most Recent Amendment	<p>The Plan was originally effective as of October 1, 1966.</p> <p>The Plan, as amended and restated effective October 1, 2014 is reflected herein.</p>
Plan Year	The twelve-month period ending September 30.
Employers	A participating Employer who is party to a collective bargaining agreement with the Union which requires contributions under the Plan or any employer (including a union) who otherwise agrees in writing to make contributions to the Trust Fund.
Participants	Participation is automatic when an employee commences covered employment. An employee will remain a participant as long as he continues to be an employee without a permanent break-in-service and thereafter as long as he or his beneficiary retains any right to benefits under the Plan.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

Credited Service

Past Service: An employee receives one year of past service credit for each calendar year during the continuous and unbroken period ending on January 1, 1967, during which he was an employee under the jurisdiction of the Union.

Future Service: Future service is based on 1,200 hours per year of employment for full credit. If an employee works between 300 and 1,200 hours, he will receive fractional credit determined by dividing the number of hours of service in covered employment by 1,200. No credit is given if employee works less than 300 hours in the year.

Future Service One is credited by the Plan for hours worked in calendar years in the period commencing January 1, 1967 and ending December 31, 1984.

Future Service Two is credited by the Plan for hours worked in calendar years in the period commencing January 1, 1985 and ending December 31, 1991.

Future Service Three is credited by the Plan for hours worked in the 1992 calendar year and for hours worked in each Plan Year commencing October 1, 1992 and thereafter. Hours of service credited during October, November, and December of 1992 are credited to both the 1992 calendar year and the Plan Year beginning October 1, 1992.

Effective October 1, 1996, Future Service Three will be adjusted for the purposes of determining a participant's accrued benefit and Cash Balance Account when the participant works a market recovery job.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

Vesting Service

Vesting Service is the sum of:

1. the participant's years of Past Service and,
2. the participant's years of Future Service One as of January 1, 1976 and,
3. one year, or fractional year during which the participant was credited at least 300 hours of service but less than 1,000 hours of service, for subsequent calendar years through December 31, 1992. Such fraction is determined by dividing the number of hours of service in covered employment by 1,000. And,
4. one year, or fractional year during which the participant was credited at least 300 hours of service but less than 1,000 hours of service, for subsequent Plan Years beginning October 1, 1992. Such fraction is determined by dividing the number of hours of service in covered employment by 1,000. Hours of service credited during October, November, and December of 1992 are credited to both the 1992 calendar year and the Plan Year beginning October 1, 1992.

Break-In-Service

A calendar year (prior to 1993) or a Plan Year (after October 1, 1992) during which an employee fails to complete 300 hours of service with an employer. An employee shall not incur a one-year break in service for the year he suffers a total and permanent disability. Solely for the purposes of determining a one-year break in service, hours of service shall be recognized for an "authorized leave of absence" and "maternity or paternity leave of absence".

Cash Balance Contribution Credits

Beginning in October 1, 1992 and continuing through September 30, 2008, a contribution credit in the amount of \$1.22 per hour of service, or such other amount as may be determined by the Trustees from time to time, was recognized as of the end of the Plan Year.

No further Contribution Credits recognized on or after October 1, 2008.

Cash Balance Account

The Cash Balance Account is the sum of Contribution Credits plus the Interest Credits accumulated from October 1, 1992 to the date of benefit commencement.

On and after October 1, 2008 the accumulation of Contribution Credits shall cease to the Cash Balance Account and no Cash Balance Account shall be established for any employee who becomes a participant on or after October 1, 2008.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

<i>Cash Balance Annuity</i>	The Cash Balance Annuity is a monthly annuity benefit that is actuarially equivalent to the Cash Balance Account.
<i>Cash Balance Interest Credits</i>	The interest crediting rate was 5% per annum for Plan Years ending September 30, 1993 through September 30, 1997. Effective October 1, 1997, the interest crediting rate is determined annually as of the first day of the Plan Year and equals the sum of the yield on the one-year Treasury Constant Maturities and 100 basis points.
<i>Distribution of Cash Balance Account</i>	The Cash Balance Account shall remain in the Plan receiving Interest Credits until the participant begins his annuity benefit.
<i>Normal Retirement Age</i>	A participant attains Normal Retirement Age at the later of attaining age 65 or the fifth anniversary of participation in the Plan.
<i>Normal Retirement-Eligibility</i>	A participant becomes eligible on the first day of the calendar month coincident with or following the date the participant attains Normal Retirement Age.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

Normal Retirement – Amount of Benefit

The accrued annuity benefit is the sum of the Cash Balance Annuity and the amount determined by multiplying the participant's years of Credited Service by the applicable benefit rate in effect in the last year that the participant earned Credited Service. The applicable benefit rates are shown in the table below.

Date that last Credited Service was Earned	Past Service	Future Service One	Future Service Two	Future Service Three
Prior to July 1, 1983	\$11.81	\$26.00	N/A	N/A
July 1, 1983 to September 30, 1987	\$9.85	\$32.00	\$45.00	N/A
October 1, 1987 to December 31, 1988	\$22.05	\$32.00	\$45.00	N/A
January 1, 1989 to January 31, 1989	\$21.00	\$32.00	\$45.00	N/A
February 1, 1989 to September 30, 1992	\$20.00	\$32.00	\$45.00	N/A
October 1, 1992 to present	\$20.00	\$32.00	\$45.00	\$45.00

Late Retirement Benefit

The late retirement benefit shall be equal to the greater of his or her accrued benefit as of his or her late retirement date or the actuarial equivalent of his or her normal retirement benefit.

Early Retirement – Eligibility

Retirement prior to the participant's normal retirement date with 10 years of Vesting Service and the sum of the participant's age plus years of Vesting Service equals or exceeds 70.

Early Retirement – Amount of Benefit

The accrued annuity benefit payable at normal retirement shall be actuarially reduced for early commencement.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

Disability Pension – Eligibility

- The disability is determined to be total and permanent disability. To be totally and permanently disabled, a participant must be prevented from engaging in any substantial gainful activity by reason of a medically determinable physical or mental impairment
- Disability does not result from intentional, self-inflicted injury or attempted suicide, injury or disease sustained after termination of covered employment, declared or undeclared war or any act thereof (except as required under USERRA), service in the armed forces of any country (except as required under USERRA), or participation in or in consequence of having participated in the committing of a felony
- The participant has at least 10 years of Vesting Service
- The participant earned at least 600 hours of service in covered employment within the eight calendar quarters immediately preceding the calendar quarter in which the disability occurred. This includes any time within such period during which participant was prevented from working in covered employment by sickness, injury, jury duty, or military service.

Approval or disapproval for Social Security Disability Award shall be taken into consideration but shall not be used as the sole criterion in determining disability.

Disability Pension – Amount of Benefit

Disability pension shall be computed in the same manner as the normal retirement benefits, actuarially reduced for early payment, commencing on the participant's disability retirement date.

Vested Benefit

A participant is 100% vested upon completion of three years of Vesting Service if the participant has an hour of service on or after January 1, 2010. If the participant had at least 10 years of Vesting Service, he may elect to begin his annuity on a reduced basis as described in the Early Retirement section above.

Pre-Retirement Death Benefit

If the participant is vested and married at the time of his death, then his surviving spouse will receive a monthly annuity for her lifetime equal to 50% of the Joint and Survivor benefit payable at the deceased participant's earliest retirement date and actuarially reduced for early payment.

Appendix C: Summary of Plan Provisions

(Form 5500 Schedule MB, line 6)

Forms of Payment

Normal Form

- (a) For married participants, retirement benefits are paid in the form of a 50% Joint and Survivor Annuity unless this form is rejected by a participant and his or her spouse. If not rejected, the benefit amount otherwise payable is actuarially reduced to reflect the joint and survivor form.
- (b) If the 50% Joint and Survivor Annuity is rejected or if the participant is not married, benefits are payable as a Life Annuity.

Optional Forms

- (a) 75% Joint and Survivor Annuity

Actuarial Equivalence

Benefits under optional forms of payment and early commencement are converted from the amount payable under the Life Annuity based on assumptions of 7.5% interest and the RP-2000 Combined Healthy Mortality Table for males for participants and females for spouses or beneficiaries. The RP-2000 Disabled Male Mortality Table shall be used for participants entitled to a Disability Pension.

Changes in Plan Provisions

Effective October 1, 2020, there were no Plan changes that had an impact on the valuation results. The valuation results do not reflect the reduction in benefits to the PBGC guaranteed benefit amounts.

Appendix D: Current Liability (for Form 5500 Schedule MB)

Exhibit D.1 - "RPA '94" Current Liability and Additional Information for Form 5500 Schedule MB

Measurement Date	10/1/2020	10/1/2019
Current Liability Interest Rate	2.55%	3.02%
A. Number of Participants		
1. Retired Participants and Beneficiaries	169	181
2. Inactive Vested Participants	18	23
3. Active Participants		
a. Non-Vested Benefits	0	1
b. Vested Benefits	4	2
c. Total Active	4	3
4. Total	191	207
B. Current Liability Normal Cost		
1. Cost of Benefit Accruals	\$ 15,218	\$ 8,210
2. Assumed Operating Expenses	141,776	141,591
3. Total	\$ 156,994	\$ 149,801
C. Current Liability		
1. Retired Participants and Beneficiaries	\$ 7,202,597	\$ 7,777,079
2. Inactive Vested Participants	1,423,274	1,448,671
3. Active Participants		
a. Non-Vested Benefits	\$ 19,975	\$ 518
b. Vested Benefits	204,579	122,289
c. Total Active	\$ 224,554	\$ 122,807
4. Total	\$ 8,850,425	\$ 9,348,557
D. Current Liability Expected Benefit Payments	\$ 779,291	\$ 821,182
E. Additional Information for Form 5500 Schedule MB		
1. Current Liability Normal Cost [Sch. MB Line 1d(2)(b)]	\$ 156,994	\$ 149,801
2. Expected Release [Sch. MB Line 1d(2)(c)]	934,618	979,449
3. Expected Disbursements [Sch. MB Line 1d(3)]	909,295	950,367

The primary use for current liability is to determine the amount of the maximum tax-deductible contribution for the Plan Year. Current liability is also reported on the Schedule MB to the Form 5500; however, it rarely affects the determination of the ERISA minimum required contribution.

Current liability is calculated similarly to the actuarial accrued liability under the unit credit cost method, but based on interest and mortality assumptions that are mandated by the Internal Revenue Service (IRS). The current liability interest rate assumption is based on corporate bond yields and does not reflect the assumed return on Plan assets.

Current liability and the expected increase in current liability attributable to benefits accruing during the Plan Year are shown above, as of the valuation date. Also shown above are the expected benefit payments for the Plan Year, based the same actuarial assumptions used to measure current liability.

Appendix E: Glossary

Actuarial Accrued Liability: This is computed differently under different actuarial cost methods. The Actuarial Accrued Liability generally represents the portion of the cost of the participants' anticipated retirement, termination, death and disability benefits allocated to the years before the current Plan Year.

Actuarial Cost: This is the contribution required for a Plan Year in accordance with the suggested funding policy. It consists of the Normal Cost plus an amortization payment to pay interest on and amortize the Unfunded Actuarial Accrued Liability based on the amortization schedule adopted by the Trustees.

Actuarial Gain or Loss: From one Plan Year to the next, if the experience of the Plan differs from that anticipated using the actuarial assumptions, an actuarial gain or loss occurs. For example, an actuarial gain would occur if the assets in the trust earned 12% for the year while the assumed rate of return used in the valuation was 3.00%.

Actuarial Value of Assets: This is the value of cash, investments and other property belonging to a pension plan, as used by the actuary for the purposes of an actuarial valuation. It may be equal to the market value, or a smoothed value that recognizes changes in market value systematically over time.

Credit Balance: The Credit Balance represents the historical excess of actual contributions over the minimum required contributions under ERISA. The Credit Balance is also equal to the cumulative excess of credits over charges to the Funding Standard Account.

Current Liability: This is computed the same as the Present Value of Accumulated Benefits, but using interest rate and mortality assumptions specified by the IRS. This quantity is used in the calculation to determine the maximum tax deductible contribution to the Plan for the year.

Funding Standard Account: This is the account which a plan is required to maintain in compliance with the minimum funding standards under ERISA. It consists of annual charges and credits needed to fund the Normal Cost and amortize the cost of plan amendments, actuarial method and assumption changes, and experience gains and losses.

Normal Cost: The Normal Cost is computed differently under different actuarial cost methods. The Normal Cost generally represents the portion of the cost of the participants' anticipated retirement, termination, death and disability benefits allocated to the current Plan Year. Normal Cost generally also includes the cost of anticipated operating expenses.

Present Value of Accumulated Benefits: The Present Value of Accumulated Benefits is computed in accordance with ASC 960. This quantity is determined independently from the Plan's actuarial cost method. This is the present value of a participant's accrued benefit as of the valuation date, assuming the participant will earn no more credited service and will receive no future salary.

Present Value of Future Benefits: This is computed by projecting the total future benefit cash flow from the Plan, using actuarial assumptions, and then discounting the cash flow to the valuation date.

Present Value of Vested Benefits: This is the portion of the Present Value of Accumulated Benefits in which the employee would have a vested interest if the employee were to separate from service with the employer on the valuation date. It is also referred to as Vested Benefit Liability.

Unfunded Actuarial Accrued Liability: This is the amount by which the Actuarial Accrued Liability exceeds the Actuarial Value of Assets.

Withdrawal Liability: This is the amount an employer is required to pay upon certain types of withdrawal from a pension plan. It is an employer's allocated portion of the unfunded Present Value of Vested Benefits

Form 5500Department of the Treasury
Internal Revenue ServiceDepartment 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**2019****This Form is Open to Public Inspection****Part I Annual Report Identification Information**For calendar plan year 2019 or fiscal plan year beginning 10/01/2019 and ending 09/30/2020

- A** This return/report is for: a multiemployer plan a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- a single-employer plan a DFE (specify) _____
- B** This return/report is: the first return/report the final return/report
- an amended return/report a short plan year return/report (less than 12 months)
- C** If the plan is a collectively-bargained plan, check here.
- D** Check box if filing under: Form 5558 automatic extension the DFVC program
- special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan CEMENT MASONS LOCAL UNION 681 PENSION PLAN	1b Three-digit plan number (PN) ▶	001
	1c Effective date of plan	01/01/1996
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) CEMENT MASONS LOCAL #681 PENSION 8441 GULF FREEWAY, SUITE 304 HOUSTON, TX 77017-5000	2b Employer Identification Number (EIN)	74-6091787
	2c Plan Sponsor's telephone number	281-453-8309
	2d Business code (see instructions)	236200

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.	07/02/2021	MAURICIO ROBLES
	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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2019)
v. 190130

3a Plan administrator's name and address <input checked="" type="checkbox"/> 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	239
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1)	3
	6a(2)	4
	6b	105
	6c	27
	6d	136
	6e	59
	6f	195
	6g	
	6h	
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	4

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
1B

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)	9b Plan benefit arrangement (check all that apply)
(1) <input type="checkbox"/> Insurance	(1) <input type="checkbox"/> Insurance
(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts	(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts
(3) <input checked="" type="checkbox"/> Trust	(3) <input checked="" type="checkbox"/> Trust
(4) <input type="checkbox"/> General assets of the sponsor	(4) <input type="checkbox"/> 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) **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

b General Schedules

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

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2019 Form M-1 annual report. If the plan was not required to file the 2019 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 MB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	<small>OMB No. 1210-0110</small> 2019 This Form is Open to Public Inspection
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For calendar plan year 2019 or fiscal plan year beginning 10/01/2019 and ending 09/30/2020

- ▶ **Round off amounts to nearest dollar.**
▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>CEMENT MASONS LOCAL UNION 681 PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>CEMENT MASONS LOCAL #681 PENSION</u>	D Employer Identification Number (EIN) <u>74-6091787</u>

E Type of plan: (1) Multiemployer Defined Benefit (2) Money Purchase (see instructions)

1a Enter the valuation date: Month 10 Day 01 Year 2019

b Assets		
(1) Current value of assets	1b(1)	<u>127083</u>
(2) Actuarial value of assets for funding standard account	1b(2)	<u>132385</u>
c (1) Accrued liability for plan using immediate gain methods	1c(1)	<u>12252197</u>
(2) Information for plans using spread gain methods:		
(a) Unfunded liability for methods with bases	1c(2)(a)	
(b) Accrued liability under entry age normal method	1c(2)(b)	
(c) Normal cost under entry age normal method	1c(2)(c)	
(3) Accrued liability under unit credit cost method	1c(3)	<u>12252197</u>
d Information on current liabilities of the plan:		
(1) Amount excluded from current liability attributable to pre-participation service (see instructions)	1d(1)	
(2) "RPA '94" information:		
(a) Current liability	1d(2)(a)	<u>9348557</u>
(b) Expected increase in current liability due to benefits accruing during the plan year	1d(2)(b)	<u>149801</u>
(c) Expected release from "RPA '94" current liability for the plan year	1d(2)(c)	<u>979449</u>
(3) Expected plan disbursements for the plan year	1d(3)	<u>950367</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE <hr/> Signature of actuary <u>MARK STEWART</u> Type or print name of actuary <u>HORIZON ACTUARIAL SERVICES, LLC</u> Firm name <u>1040 CROWN POINTE PARKWAY, SUITE 56, ATLANTA, GA 30338</u> Address of the firm	<hr/> <u>07/02/2021</u> Date <hr/> <u>20-06075</u> Most recent enrollment number <hr/> <u>678-317-4104</u> Telephone number (including area code)
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If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

2 Operational information as of beginning of this plan year:

a Current value of assets (see instructions)	2a	127083
b "RPA '94" current liability/participant count breakdown:	(1) Number of participants	(2) Current liability
(1) For retired participants and beneficiaries receiving payment	181	7777079
(2) For terminated vested participants	23	1448671
(3) For active participants:		
(a) Non-vested benefits.....		518
(b) Vested benefits.....		122289
(c) Total active.....	3	122807
(4) Total	207	9348557
c If the percentage resulting from dividing line 2a by line 2b(4), column (2), is less than 70%, enter such percentage	2c	1.36%

3 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
	833867				
			Totals ▶	3(b)	833867 3(c)

4 Information on plan status:

a Funded percentage for monitoring plan's status (line 1b(2) divided by line 1c(3))	4a	1.1%
b Enter code to indicate plan's status (see instructions for attachment of supporting evidence of plan's status). If entered code is "N," go to line 5	4b	D
c Is the plan making the scheduled progress under any applicable funding improvement or rehabilitation plan?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
d If the plan is in critical status or critical and declining status, were any benefits reduced (see instructions)?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
e If line d is "Yes," enter the reduction in liability resulting from the reduction in benefits (see instructions), measured as of the valuation date	4e	
f If the rehabilitation plan projects emergence from critical status or critical and declining status, enter the plan year in which it is projected to emerge. If the rehabilitation plan is based on forestalling possible insolvency, enter the plan year in which insolvency is expected and check here	4f	2019

5 Actuarial cost method used as the basis for this plan year's funding standard account computations (check all that apply):

- a** Attained age normal
- b** Entry age normal
- c** Accrued benefit (unit credit)
- d** Aggregate
- e** Frozen initial liability
- f** Individual level premium
- g** Individual aggregate
- h** Shortfall
- i** Other (specify):

j If box h is checked, enter period of use of shortfall method	5j	
k Has a change been made in funding method for this plan year?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
l If line k is "Yes," was the change made pursuant to Revenue Procedure 2000-40 or other automatic approval?		<input type="checkbox"/> Yes <input type="checkbox"/> No
m If line k is "Yes," and line l is "No," enter the date (MM-DD-YYYY) of the ruling letter (individual or class) approving the change in funding method	5m	

6 Checklist of certain actuarial assumptions:

a Interest rate for "RPA '94" current liability.....			6a	3.02%
	Pre-retirement		Post-retirement	
b Rates specified in insurance or annuity contracts.....	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
c Mortality table code for valuation purposes:				
(1) Males	6c(1)	A		A
(2) Females	6c(2)	A		A
d Valuation liability interest rate	6d	3.00%		3.00%
e Expense loading	6e	1637.0%	<input type="checkbox"/> N/A	% <input checked="" type="checkbox"/> N/A
f Salary scale	6f	%	<input checked="" type="checkbox"/> N/A	
g Estimated investment return on actuarial value of assets for year ending on the valuation date	6g			-7.6%
h Estimated investment return on current value of assets for year ending on the valuation date	6h			%

7 New amortization bases established in the current plan year:

(1) Type of base	(2) Initial balance	(3) Amortization Charge/Credit
2	737724	59997

8 Miscellaneous information:

a If a waiver of a funding deficiency has been approved for this plan year, enter the date (MM-DD-YYYY) of the ruling letter granting the approval.....	8a	
b(1) Is the plan required to provide a projection of expected benefit payments? (See the instructions.) If "Yes," attach a schedule.....		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
b(2) Is the plan required to provide a Schedule of Active Participant Data? (See the instructions.) If "Yes," attach a schedule.....		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
c Are any of the plan's amortization bases operating under an extension of time under section 412(e) (as in effect prior to 2008) or section 431(d) of the Code?.....		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
d If line c is "Yes," provide the following additional information:		
(1) Was an extension granted automatic approval under section 431(d)(1) of the Code?.....		<input type="checkbox"/> Yes <input type="checkbox"/> No
(2) If line 8d(1) is "Yes," enter the number of years by which the amortization period was extended	8d(2)	
(3) Was an extension approved by the Internal Revenue Service under section 412(e) (as in effect prior to 2008) or 431(d)(2) of the Code?		<input type="checkbox"/> Yes <input type="checkbox"/> No
(4) If line 8d(3) is "Yes," enter number of years by which the amortization period was extended (not including the number of years in line (2)).....	8d(4)	
(5) If line 8d(3) is "Yes," enter the date of the ruling letter approving the extension	8d(5)	
(6) If line 8d(3) is "Yes," is the amortization base eligible for amortization using interest rates applicable under section 6621(b) of the Code for years beginning after 2007?		<input type="checkbox"/> Yes <input type="checkbox"/> No
e If box 5h is checked or line 8c is "Yes," enter the difference between the minimum required contribution for the year and the minimum that would have been required without using the shortfall method or extending the amortization base(s)	8e	

9 Funding standard account statement for this plan year:

Charges to funding standard account:

a Prior year funding deficiency, if any	9a	6157318
b Employer's normal cost for plan year as of valuation date.....	9b	149741
c Amortization charges as of valuation date:	Outstanding balance	
(1) All bases except funding waivers and certain bases for which the amortization period has been extended.....	9c(1)	7214895
(2) Funding waivers	9c(2)	
(3) Certain bases for which the amortization period has been extended	9c(3)	
d Interest as applicable on lines 9a, 9b, and 9c.....	9d	221392
e Total charges. Add lines 9a through 9d.....	9e	7601121

Credits to funding standard account:

f	Prior year credit balance, if any.....	9f	
g	Employer contributions. Total from column (b) of line 3.....	9g	833867
		Outstanding balance	
h	Amortization credits as of valuation date.....	9h	1252401
i	Interest as applicable to end of plan year on lines 9f, 9g, and 9h.....	9i	17079
j	Full funding limitation (FFL) and credits:		
(1)	ERISA FFL (accrued liability FFL).....	9j(1)	12643101
(2)	"RPA '94" override (90% current liability FFL).....	9j(2)	8767705
(3)	FFL credit.....	9j(3)	0
k	(1) Waived funding deficiency.....	9k(1)	0
	(2) Other credits.....	9k(2)	0
l	Total credits. Add lines 9f through 9i, 9j(3), 9k(1), and 9k(2).....	9l	1003296
m	Credit balance: If line 9l is greater than line 9e, enter the difference.....	9m	
n	Funding deficiency: If line 9e is greater than line 9l, enter the difference.....	9n	6597825
9o	Current year's accumulated reconciliation account:		
(1)	Due to waived funding deficiency accumulated prior to the 2019 plan year.....	9o(1)	
(2)	Due to amortization bases extended and amortized using the interest rate under section 6621(b) of the Code:		
(a)	Reconciliation outstanding balance as of valuation date.....	9o(2)(a)	
(b)	Reconciliation amount (line 9c(3) balance minus line 9o(2)(a)).....	9o(2)(b)	
(3)	Total as of valuation date.....	9o(3)	
10	Contribution necessary to avoid an accumulated funding deficiency. (See instructions.).....	10	6597825
11	Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions.....		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**SCHEDULE C
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Service Provider Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2019

This Form is Open to Public Inspection.

For calendar plan year 2019 or fiscal plan year beginning **10/01/2019** and ending **09/30/2020**

A Name of plan CEMENT MASONS LOCAL UNION 681 PENSION PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 CEMENT MASONS LOCAL #681 PENSION	D Employer Identification Number (EIN) 74-6091787	

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

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

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

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)

BENEFIT RESOURCE

8441 GULF FREEWAY 304
HOUSTON, TX 77017

76-0223606

(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	CONTRACT ADMINISTRATOR	66000	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

HORIZONTAL ACTUARIAL SERVICE

900 ASHWOOD PKWY 170
ATLANTA, GA 30338

26-1370698

(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?
11	ACTUARY	37488	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

HARPER & PEARSON COMPANY, P.C.

ONE RIVERWAY SUITE 1900
HOUSTON, TX 77056

74-1695589

(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	ACCOUNTANT	24000	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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)

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

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

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

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

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

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

2019

This Form is Open to Public Inspection

For calendar plan year 2019 or fiscal plan year beginning **10/01/2019** and ending **09/30/2020**

A Name of plan CEMENT MASONS LOCAL UNION 681 PENSION PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 CEMENT MASONS LOCAL #681 PENSION	D Employer Identification Number (EIN) 74-6091787	

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	122331	137035
b Receivables (less allowance for doubtful accounts):		
(1) Employer contributions.....	4377	4072
(2) Participant contributions.....		
(3) Other.....	6001	16161
c General investments:		
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....		
(2) U.S. Government securities		
(3) Corporate debt instruments (other than employer securities):		
(A) Preferred		
(B) All other.....		
(4) Corporate stocks (other than employer securities):		
(A) Preferred		
(B) Common.....		
(5) Partnership/joint venture interests		
(6) Real estate (other than employer real property).....		
(7) Loans (other than to participants)		
(8) Participant loans.....		
(9) Value of interest in common/collective trusts		
(10) Value of interest in pooled separate accounts		
(11) Value of interest in master trust investment accounts		
(12) Value of interest in 103-12 investment entities.....		
(13) Value of interest in registered investment companies (e.g., mutual funds).....		
(14) Value of funds held in insurance company general account (unallocated contracts).....		
(15) Other.....		

		(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	132709 157268
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	5626 17212
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	3002558 3926727
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	3008184 3943939
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	-2875475 -3786671

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.

		(a) Amount	(b) Total
Income			
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	65936
	(B) Participants	2a(1)(B)	
	(C) Others (including rollovers)	2a(1)(C)	
(2)	Noncash contributions	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A), (B), (C) , and line 2a(2)	2a(3)	65936
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		65936

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	676213	
(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)		676213
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense.....	2h		156238
i Administrative expenses: (1) Professional fees.....	2i(1)	61816	
(2) Contract administrator fees.....	2i(2)	66000	
(3) Investment advisory and management fees.....	2i(3)		
(4) Other	2i(4)	16865	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		144681
j Total expenses. Add all expense amounts in column (b) and enter total	2j		977132

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-911196
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) Qualified (3) Disclaimer (4) Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? Yes No

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

(1) Name: HARPER AND PEARSON, P.C.

(2) EIN: 74-1695589

d The opinion of an independent qualified public accountant is **not attached** because:

(1) This form is filed for a CCT, PSA, 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.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
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	X	
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	X	

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

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

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

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? Yes No Not determined
 If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4293600. (See instructions.)

**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

2019

This Form is Open to Public Inspection.

For calendar plan year 2019 or fiscal plan year beginning 10/01/2019 and ending 09/30/2020

A Name of plan
CEMENT MASONS LOCAL UNION 681 PENSION PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
CEMENT MASONS LOCAL #681 PENSION

D Employer Identification Number (EIN)
74-6091787

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): _____

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**

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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer W.S. BELLOWS

b EIN 74-1055900 **c** Dollar amount contributed by employer 47048

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 03 Day 21 Year 2021

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) 5.10

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer PAE

b EIN 54-1920428 **c** Dollar amount contributed by employer 8380

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 03 Day 21 Year 2021

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) 5.10

(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 participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a	The current year.....	14a
b	The plan year immediately preceding the current plan year.....	14b
c	The second preceding plan year.....	14c

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
b	The corresponding number for the second preceding plan year.....	15b

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) through (c)

a Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:

0-3 years 3-6 years 6-9 years 9-12 years 12-15 years 15-18 years 18-21 years 21 years or more

c What duration measure was used to calculate line 19(b)?

Effective duration Macaulay duration Modified duration Other (specify):

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 _____

**CEMENT MASONS LOCAL UNION NO. 681
PENSION FUND**

FINANCIAL STATEMENTS

SEPTEMBER 30, 2020 AND 2019

C O N T E N T S

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Cement Masons Local Union No. 681 Pension Fund
Houston, Texas

We have audited the accompanying statements of deficit in net assets available for benefits of the Cement Masons Local Union No. 681 Pension Fund (the Fund) as of September 30, 2020 and 2019 and the related statements of changes in deficit in net assets available for benefits for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund's preparation and fair presentation of the financial statements 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 Fund's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the deficit in net assets available for benefits of the Cement Masons Local Union No. 681 Pension Fund as of September 30, 2020 and 2019 and the changes in deficit in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States.

Going Concern

The aforementioned financial statements have been prepared assuming that the Fund will continue as a going concern which contemplates continuity in the operation of the Fund including the realization of assets and liquidation of liabilities in the ordinary course of administration. As discussed in Note E to the financial statements, the Fund became insolvent, lacking available resources to pay benefits, on August 1, 2016. The Pension Benefit Guarantee Corporation (PBGC) assumed responsibility for the Fund on August 1, 2016 at which time the PBGC began to operate the Fund. These conditions raise substantial doubt about the Fund's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to that matter.

Harper & Pearson Company, P.C.

HARPER & PEARSON COMPANY, P.C.

July 9, 2021
Houston, Texas

**CEMENT MASONS LOCAL UNION NO. 681 PENSION FUND
STATEMENTS OF DEFICIT IN NET ASSETS AVAILABLE FOR BENEFITS
SEPTEMBER 30, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
ASSETS		
RECEIVABLES		
Employers' contributions	\$ 4,072	\$ 4,377
Other	<u>16,161</u>	<u>6,001</u>
	20,233	10,378
CASH	<u>137,035</u>	<u>122,331</u>
TOTAL ASSETS	<u>157,268</u>	<u>132,709</u>
LIABILITIES		
Accounts payable	17,212	5,626
Interest payable	402,909	246,671
Promissory notes payable	<u>3,523,818</u>	<u>2,755,887</u>
TOTAL LIABILITIES	<u>3,943,939</u>	<u>3,008,184</u>
DEFICIT IN NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ (3,786,671)</u>	<u>\$ (2,875,475)</u>

See accompanying notes.

CEMENT MASONS LOCAL UNION NO. 681 PENSION FUND
STATEMENTS OF CHANGES IN DEFICIT IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CONTRIBUTIONS		
Employer contributions	\$ 65,936	\$ 31,867
TOTAL ADDITIONS	<u>65,936</u>	<u>31,867</u>
Benefits paid to participants	676,213	711,805
Administrative fees	66,000	66,000
Interest expense	156,238	141,147
Legal, consulting and auditing fees	61,816	42,845
Other expenses	<u>16,865</u>	<u>8,933</u>
TOTAL DEDUCTIONS FROM NET ASSETS	<u>977,132</u>	<u>970,730</u>
NET DECREASE	(911,196)	(938,863)
DEFICIT IN NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of period	<u>(2,875,475)</u>	<u>(1,936,612)</u>
End of period	<u>\$ (3,786,671)</u>	<u>\$ (2,875,475)</u>

**CEMENT MASONS LOCAL UNION NO. 681 PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020 AND 2019**

NOTE A FUND SUMMARY AND SIGNIFICANT ACCOUNTING POLICIES

Fund Summary – The Fund was organized effective October 1, 1966 pursuant to an agreement entered into by the Houston Chapter of Associated General Contractors of America, Inc., the Construction Employers Association of Texas, Inc., and the Cement Masons' Local Union Nos. 681 and 177, Operative Plasterers and Cement Masons International Association of Houston and Galveston, Texas in order to provide pension benefits for its employees. The Fund is a multi-employer defined benefit plan. Employers make contributions as described below on behalf of covered employees for the purpose of providing and maintaining pension benefits for qualified and eligible employees of such employers. Qualification and eligibility are subject to the determination of the Trustees.

Accounting Records – The accounting records of the Fund are maintained on the accrual basis for financial reporting purposes.

Employers' Contributions – Employers' contributions are payable to the Fund by employers who, under a collective bargaining agreement, have agreed to make contributions on behalf of covered employees. The contribution rate is \$5.10 per hour. During the year ended September 30, 2020 one employer's contributions amounted to approximately \$47,000 or 71% of total contributions. During the year ended September 30, 2019 one employer's contributions amounted to approximately \$30,000 or 94% of total contributions.

Eligibility and Benefits – Each employee becomes a member on the later of the effective date of the adoption of the Fund by the employer or the entry date which coincides with or next follows the date on which the employee is employed at least 300 hours in any Fund Year. An employee shall be credited with one year of eligibility service for each plan year during which the employee is entitled to be credited with not less than 1,200 hours of service. Normal retirement age shall mean the later of age 65 or the member's age on the fifth anniversary of the employee's commencement of participation in the Fund. Regular monthly pension benefits equal the member's pension credits multiplied by the applicable benefit credit rates.

Pension benefits are disbursed monthly to pensioners who have qualified under any of the following classifications; regular, early retirement, disability, or severance pension. The Fund also provides for a death benefit, a cash balance accrued benefit, a husband-and-wife pension and a 60 or 120 certain-payments option. The payment of all non-forfeitable basic benefits is guaranteed by the Pension Benefit Guaranty Corporation. A participant is 100% vested upon completion of three years of vesting service.

Contributions Receivable – Employers' contributions receivable arises from contributions for payroll periods prior to the fiscal year-end of the Fund not being received by the Fund until after fiscal year-end.

Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires the Trustees to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

The actuarial present value of accumulated benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term could be material to the financial statements.

CEMENT MASONS LOCAL UNION NO. 681 PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020 AND 2019

NOTE A FUND SUMMARY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impact of COVID-19 Pandemic – As a result of the COVID-19 pandemic occurring during September 30, 2020, economic uncertainties have arisen which are likely to negatively affect the Fund’s operations. However, the related financial impact and duration cannot be reasonably estimated at this time.

Subsequent Events – The Fund has evaluated subsequent events through July 9, 2021, which is the date its financial statements were available to be issued. During June 2021, the Fund submitted an application under the Special Financial Assistance Program of the American Rescue Plan Act of 2021. The final amount of the assistance is not known as of DATE XX, 2021. No other subsequent events occurred, which require adjustment or disclosure to the financial statements at September 30, 2020.

NOTE B ACTUARIAL DATA

Accumulated benefits are those future periodic payments, including lump-sum distributions that are attributable under the Fund’s provisions to the service employees have rendered. Consulting actuary, Horizon Actuarial Services LLC has served as a consultant to the Fund and performed the calculations of the present value of accumulated benefits at September 30, 2019 and 2018. The unit credit cost method was used in the 2019 and 2018 valuations.

The following is a summary of accumulated benefits at September 30, 2019 and 2018:

	2019	2018
Actuarial present value of accumulated benefits:		
Participants currently receiving payments	\$ 7,690,448	\$ 8,221,858
Other participants	1,558,680	1,506,846
Total actuarial present value of vested accumulated benefits	9,249,128	9,728,704
Actuarial present value of non-vested accumulated benefits	511	10,033
Actuarial present value of vested and non-vested accumulated benefits	9,249,639	9,738,737
Deficit in net assets available for benefits as reported on audited financial statements	(2,875,475)	(1,936,612)
Excess of actuarial present value of vested and non-vested accumulated benefits over (deficit in) net assets available for benefits	\$ (12,125,114)	\$ (11,675,349)

**CEMENT MASONS LOCAL UNION NO. 681 PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020 AND 2019**

NOTE B ACTUARIAL DATA (CONTINUED)

The changes in actuarial present value of vested and non-vested accumulated benefits for the years ended September 30, 2019 and 2018 are as follows:

	2019	2018
Actuarial present value of accumulated benefits beginning of year	\$ 9,738,737	\$ 10,490,911
Net benefits accumulated	(59,470)	(288,242)
Benefits paid	(711,805)	(768,772)
Increase due to the decrease in the discount period	282,177	304,840
Actuarial present value of accumulated benefits end of year	\$ 9,249,639	\$ 9,738,737

The significant assumptions used in the valuations as of September 30, 2019 and 2018 were as follows:

Interest rates:	Valuation - 3.00%
	Cash balance crediting rate - 3.50%
Administrative expenses:	3-year moving average of actual administrative expenses (administrative fees, legal fees, auditing fees and consulting fees), adjusted to the beginning of the plan year; this amount is \$141,591 for 2019.
Mortality:	Non-disabled participants, disabled participants, and beneficiaries - UP-94 Mortality table, sex-distinct, projected to 2029 with Scale AA.
Retirement:	Active participants - If a participant meets the age and service requirements for early retirement by age 62, retirement is assumed at age 62. Otherwise, retirement is assumed at age 65 or current age, if greater.
Incidence of disability:	Incidence of disability is based on the 1968 Social Security incidence rates.

**CEMENT MASONS LOCAL UNION NO. 681 PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020 AND 2019**

NOTE B ACTUARIAL DATA (CONTINUED)

Form of payment:

Annuity Benefits - Married participants are assumed to receive a joint and 50% survivor annuity and single participants are assumed to receive a life annuity.

Cash Balance Benefits - Participants are assumed to receive a life annuity the same time they commence their annuity benefit.

Marriage:

If the marital status is unknown, 70% of participants are assumed to be married. Husbands are assumed to be 3 years older than wives.

Hours worked:

Active participants are assumed to work the same number of hours in each future year as worked in the plan year ending on the validation date.

Contributions:

Contributions equal to the assumed hours worked times the employer's contribution rate of \$5.10 per hour for 2019 and 2018.

Missing data:

Participants missing a date of birth are assumed to have a date of birth equal to the average age of other participants. They are assumed to enter the plan at any entry age based on the average service of other participants. No participants were missing a date of birth.

**CEMENT MASONS LOCAL UNION NO. 681 PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020 AND 2019**

NOTE B ACTUARIAL DATA (CONTINUED)

Cost method:

The Unit Credit Cost Method is used in making the actuarial valuation described in this report. Under this method, an "accrued benefit" is calculated as of the beginning of the year and as of the end of the year for each benefit that may be payable in the future. The "accrued benefit" is based on the plan's accrual formula and upon service as of the beginning or end of the year. The actuarial accrued liability is the actuarial present value of the "accrued benefits" as of the beginning of the year for employed participants and is the actuarial present value of all benefits for other participants. The normal cost is the actuarial present value of the difference between the "accrued benefits" as of the beginning and end of the year.

Asset valuation method:

The actuarial value of assets is determined by adjusting the market value of assets to reflect the investment gains and losses (the difference between the actual investment return and the expected investment return) during each of the last 5 years at the rate of 20% per year. Expected investment return is calculated from the prior market value of assets, including receivable contributions, and weighted expected transactions. The actuarial value is subject to a restriction that it be not less than 80% or more than 120% of market value.

NOTE C ALLOCATION OF ASSETS UPON TERMINATION OF FUND

In the event of Fund termination, the net assets of the Fund will be allocated to provide the following benefits in the order indicated:

1. Pension Benefits
 - a. In the case of the pension of a participant or beneficiary who was in pay status as of the beginning of the three-year period ending on the termination of the Fund, the pension paid would be based on provisions of the Fund under which such pension would be the least. The lowest pension in pay status during the three-year period shall be considered the pension in pay status for such period.
 - b. In the case of pension of a participant or beneficiary who would have been in pay status as of the beginning of such three-year period if the participant had retired prior to the beginning of such period, each such pension would be used on the provision of the Fund under which the pension would be the least.
2. All other benefits of individuals under the Fund guaranteed under Title IV of ERISA.
3. All other vested benefits under the Fund.
4. All other benefits under the Fund.
5. ERISA Section 4022A(C) defines the amount of the guaranteed benefit to be 100% of the first \$5 of accrual rate plus 75% of the accrual rate over \$5 (up to \$15), multiplied by years of credited service. For this Fund, the result is a guaranteed monthly benefit based on an accrual of \$11 per year of credited service.

NOTE D FEDERAL INCOME TAXES

The Internal Revenue Service has ruled that the Fund qualifies under Section 501(a) of the Internal Revenue Service Code and is, therefore, not subject to tax under present income tax laws. The Fund received a favorable determination letter dated February 13, 2015 in which the Internal Revenue Service states that the Fund, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code.

The Fund believes that all significant tax positions utilized by the Fund will more likely than not be sustained upon examination. As of September 30, 2020, the tax years that remain subject to examination by the major tax jurisdictions under the statute of limitations are from the fiscal year 2017 forward (with limited exceptions). Tax penalties and interest, if any, would be accrued as incurred and would be classified as tax expense in the statements of changes in deficit in net assets available for benefits.

**CEMENT MASONS LOCAL UNION NO. 681 PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020 AND 2019**

NOTE E FUNDING STATUS

The accompanying financial statements have been prepared assuming the Fund will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of Fund administration. The Fund was certified as critical and declining on December 26, 2008 under the Pension Protection Act of 2006 ("PPA"). At that time, the Fund's normal cost for the 2008 Fund Year plus interest on the unfunded benefit liabilities under the Fund exceeded the present value of reasonably anticipated employer contributions for the 2008 Fund Year, the present value of non-forfeitable active participants' benefits was greater than the present value of non-forfeitable active participants' benefits, and the Fund was projected to have a funding deficiency in any of the four succeeding Fund Years after the 2008 Fund Year. On August 25, 2009, the Trustees adopted a Rehabilitation Plan for the Bargaining Parties' (contributing contractors) consideration. Once finalized by the Bargaining Parties the Rehabilitation Plan's provisions were incorporated into the Collective Bargaining Agreements and the Fund document and reflected in subsequent actuarial valuations. The Rehabilitation Plan, as adopted by the Trustees, did not permit the Fund to emerge from critical status and was only intended to forestall insolvency. The PPA zone status certification was last submitted to the Internal Revenue Service on December 20, 2020. The Fund was classified as critical and declining status (red zone status). The Fund became insolvent, lacking available resources to pay benefits, on August 1, 2016. The PBGC assumed responsibility for the Fund on August 1, 2016. The Fund's benefits were reduced to the PBGC Guaranteed Level. ERISA Section 4022A(C) defines the amount of the guaranteed benefit to be 100% of the first \$5 of accrual rate plus 75% of the accrual rate over \$5 (up to \$15), multiplied by years of credited service. For this Fund, the result is a guaranteed monthly benefit based on an accrual of \$11 per year of credited service. The Trustees must continue to administer the Fund in compliance with all applicable laws and regulations until it is terminated. Because of these events there is substantial doubt about the Fund's ability to continue as a going concern.

NOTE F PROMISSORY NOTES PAYABLE TO PENSION BENEFIT GUARANTY CORPORATION (PBGC)

Each quarter, the Fund requests financial assistance from the PBGC based on administrative expenses and benefits payable. In return, promissory notes for the principal amount funded are made to the PBGC for repayment should the Fund's financial condition improve to the degree that it has assets beyond those necessary to pay basic benefits. Principal and interest are payable on demand.

The notes are secured by a security agreement with the Fund's assets as collateral. Interest is based on the outstanding principal sum at the rate in effect under Section 6621(a)(2) of the Internal Revenue Code of 1986, compounded daily, which was approximately 3% for 2020 and 5% for 2019.

The Fund, as previously discussed, is insolvent and has no means of repaying the loans from the PBGC.

Schedule MB, Line 6
Summary of Plan Provisions

This Summary of provisions is not intended to be a comprehensive statement of all provisions in the plan.

Plan Name Cement Masons Local Union #681 Pension Plan

Plan Sponsor Board of Trustees of the Cement Masons Local Union #681 Pension Plan

EIN / PN 74-6091787/001

Effective Date and Most Recent Amendment The Plan was originally effective as of October 1, 1966.
The Plan, as amended and restated effective October 1, 2014 is reflected herein.

Plan Year The twelve-month period ending September 30.

Employers A participating Employer who is party to a collective bargaining agreement with the Union which requires contributions under the Plan or any employer (including a union) who otherwise agrees in writing to make contributions to the Trust Fund.

Participants Participation is automatic when an employee commences covered employment. An employee will remain a participant as long as he continues to be an employee without a permanent break-in-service and thereafter as long as he or his beneficiary retains any right to benefits under the Plan.

Schedule MB, Line 6 (cont.)
Summary of Plan Provisions

Credited Service

Past Service: An employee receives one year of past service credit for each calendar year during the continuous and unbroken period ending on January 1, 1967, during which he was an employee under the jurisdiction of the Union.

Future Service: Future service is based on 1,200 hours per year of employment for full credit. If an employee works between 300 and 1,200 hours, he will receive fractional credit determined by dividing the number of hours of service in covered employment by 1,200. No credit is given if employee works less than 300 hours in the year.

Future Service One is credited by the Plan for hours worked in calendar years in the period commencing January 1, 1967 and ending December 31, 1984.

Future Service Two is credited by the Plan for hours worked in calendar years in the period commencing January 1, 1985 and ending December 31, 1991.

Future Service Three is credited by the Plan for hours worked in the 1992 calendar year and for hours worked in each Plan Year commencing October 1, 1992 and thereafter. Hours of service credited during October, November, and December of 1992 are credited to both the 1992 calendar year and the Plan Year beginning October 1, 1992.

Effective October 1, 1996, Future Service Three will be adjusted for the purposes of determining a participant's accrued benefit and Cash Balance Account when the participant works a market recovery job.

Schedule MB, Line 6 (cont.) Summary of Plan Provisions

Vesting Service

Vesting Service is the sum of:

1. the participant's years of Past Service and,
 2. the participant's years of Future Service One as of January 1, 1976 and,
 3. one year, or fractional year during which the participant was credited at least 300 hours of service but less than 1,000 hours of service, for subsequent calendar years through December 31, 1992. Such fraction is determined by dividing the number of hours of service in covered employment by 1,000.
And,
 4. one year, or fractional year during which the participant was credited at least 300 hours of service but less than 1,000 hours of service, for subsequent Plan Years beginning October 1, 1992. Such fraction is determined by dividing the number of hours of service in covered employment by 1,000. Hours of service credited during October, November, and December of 1992 are credited to both the 1992 calendar year and the Plan Year beginning October 1, 1992.
-

Break-In-Service

A calendar year (prior to 1993) or a Plan Year (after October 1, 1992) during which an employee fails to complete 300 hours of service with an employer. An employee shall not incur a one-year break in service for the year he suffers a total and permanent disability. Solely for the purposes of determining a one-year break in service, hours of service shall be recognized for an "authorized leave of absence" and "maternity or paternity leave of absence".

Cash Balance Contribution Credits

Beginning in October 1, 1992 and continuing through September 30, 2008, a contribution credit in the amount of \$1.22 per hour of service, or such other amount as may be determined by the Trustees from time to time, was recognized as of the end of the Plan Year.

No further Contribution Credits recognized on or after October 1, 2008.

Cash Balance Account

The Cash Balance Account is the sum of Contribution Credits plus the Interest Credits accumulated from October 1, 1992 to the date of benefit commencement.

On and after October 1, 2008 the accumulation of Contribution Credits shall cease to the Cash Balance Account and no Cash Balance Account shall be established for any employee who becomes a participant on or after October 1, 2008.

Schedule MB, Line 6 (cont.)
Summary of Plan Provisions

Cash Balance Annuity The Cash Balance Annuity is a monthly annuity benefit that is actuarially equivalent to the Cash Balance Account.

Cash Balance Interest Credits The interest crediting rate was 5% per annum for Plan Years ending September 30, 1993 through September 30, 1997. Effective October 1, 1997, the interest crediting rate is determined annually as of the first day of the Plan Year and equals the sum of the yield on the one-year Treasury Constant Maturities and 100 basis points.

Distribution of Cash Balance Account The Cash Balance Account shall remain in the Plan receiving Interest Credits until the participant begins his annuity benefit.

Normal Retirement Age A participant attains Normal Retirement Age at the later of attaining age 65 or the fifth anniversary of participation in the Plan.

Normal Retirement-Eligibility A participant becomes eligible on the first day of the calendar month coincident with or following the date the participant attains Normal Retirement Age.

Schedule MB, Line 6 (cont.)
Summary of Plan Provisions

**Normal Retirement –
Amount of Benefit**

The accrued annuity benefit is the sum of the Cash Balance Annuity and the amount determined by multiplying the participant’s years of Credited Service by the applicable benefit rate in effect in the last year that the participant earned Credited Service. The applicable benefit rates are shown in the table below.

Date that last Credited Service was Earned	Past Service	Future Service One	Future Service Two	Future Service Three
Prior to July 1, 1983	\$11.81	\$26.00	N/A	N/A
July 1, 1983 to September 30, 1987	\$9.85	\$32.00	\$45.00	N/A
October 1, 1987 to December 31, 1988	\$22.05	\$32.00	\$45.00	N/A
January 1, 1989 to January 31, 1989	\$21.00	\$32.00	\$45.00	N/A
February 1, 1989 to September 30, 1992	\$20.00	\$32.00	\$45.00	N/A
October 1, 1992 to present	\$20.00	\$32.00	\$45.00	\$45.00

Late Retirement Benefit

The late retirement benefit shall be equal to the greater of his or her accrued benefit as of his or her late retirement date or the actuarial equivalent of his or her normal retirement benefit.

Early Retirement – Eligibility

Retirement prior to the participant’s normal retirement date with 10 years of Vesting Service and the sum of the participant’s age plus years of Vesting Service equals or exceeds 70.

Early Retirement – Amount of Benefit

The accrued annuity benefit payable at normal retirement shall be actuarially reduced for early commencement.

Schedule MB, Line 6 (cont.)
Summary of Plan Provisions

Disability Pension – Eligibility

- The disability is determined to be total and permanent disability. To be totally and permanently disabled, a participant must be prevented from engaging in any substantial gainful activity by reason of a medically determinable physical or mental impairment
- Disability does not result from intentional, self-inflicted injury or attempted suicide, injury or disease sustained after termination of covered employment, declared or undeclared war or any act thereof (except as required under USERRA), service in the armed forces of any country (except as required under USERRA), or participation in or in consequence of having participated in the committing of a felony
- The participant has at least 10 years of Vesting Service
- The participant earned at least 600 hours of service in covered employment within the eight calendar quarters immediately preceding the calendar quarter in which the disability occurred. This includes any time within such period during which participant was prevented from working in covered employment by sickness, injury, jury duty, or military service.

Approval or disapproval for Social Security Disability Award shall be taken into consideration but shall not be used as the sole criterion in determining disability.

Disability Pension – Amount of Benefit

Disability pension shall be computed in the same manner as the normal retirement benefits, actuarially reduced for early payment, commencing on the participant's disability retirement date.

Vested Benefit

A participant is 100% vested upon completion of three years of Vesting Service if the participant has an hour of service on or after January 1, 2010. If the participant had at least 10 years of Vesting Service, he may elect to begin his annuity on a reduced basis as described in the Early Retirement section above.

Pre-Retirement Death Benefit

If the participant is vested and married at the time of his death, then his surviving spouse will receive a monthly annuity for her lifetime equal to 50% of the Joint and Survivor benefit payable at the deceased participant's earliest retirement date and actuarially reduced for early payment.

Schedule MB, Line 6 (cont.)
Summary of Plan Provisions

Forms of Payment

Normal Form

- (a) For married participants, retirement benefits are paid in the form of a 50% Joint and Survivor Annuity unless this form is rejected by a participant and his or her spouse. If not rejected, the benefit amount otherwise payable is actuarially reduced to reflect the joint and survivor form.
- (b) If the 50% Joint and Survivor Annuity is rejected or if the participant is not married, benefits are payable as a Life Annuity.

Optional Forms

- (a) 75% Joint and Survivor Annuity

Actuarial Equivalence

Benefits under optional forms of payment and early commencement are converted from the amount payable under the Life Annuity based on assumptions of 7.5% interest and the RP-2000 Combined Healthy Mortality Table for males for participants and females for spouses or beneficiaries. The RP-2000 Disabled Male Mortality Table shall be used for participants entitled to a Disability Pension.

Changes in Plan Provisions

Effective October 1, 2019, there were no Plan changes that had an impact on the valuation results. The valuation results do not reflect the reduction in benefits to the PBGC guaranteed benefit amounts.

Schedule MB, Line 8b(2)
Schedule of Active Participant Data

Distribution of Active Participants

Measurement Date: October 1, 2019

[Form 5500 Sch. MB, Line 8b]

Years of Credited Service

Age	Under 1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 +	Total
Under 25	-	-	-	-	-	-	-	-	-	-	-
25 - 29	1	-	-	-	-	-	-	-	-	-	1
30 - 34	-	-	-	-	-	-	-	-	-	-	-
35 - 39	-	-	-	-	-	-	-	-	-	-	-
40 - 44	-	-	-	-	-	-	-	-	-	-	-
45 - 49	-	-	-	-	-	-	-	-	-	-	-
50 - 54	-	-	-	2	-	-	-	-	-	-	2
55 - 59	-	-	-	-	-	-	-	-	-	-	-
60 - 64	-	-	-	-	-	-	-	-	-	-	-
65 - 69	-	-	-	-	-	-	-	-	-	-	-
70 +	-	-	-	-	-	-	-	-	-	-	-
Total	1	-	-	2	-	-	-	-	-	-	3

Males	3
Females	0
Unknown	0
<u>Total</u>	<u>3</u>

Average Age	43.9
Average Credited Service	8.4
Number Fully Vested	2
Number Partially Vested	0

Schedule MB, Line 4b
Illustration Supporting Actuarial Certification of Status
For Plan Year Beginning October 1, 2019

Plan Name: Cement Masons Local Union #681 Pension Plan
EIN / PN: 74-6091787/ 001
Plan Sponsor: Trustees of the Cement Masons Local Union #681 Pension Plan
8441 Gulf Freeway, Suite 304 | Houston, TX 77017 | (713) 643-9300
Plan Year: Beginning October 1, 2019 and Ending September 30, 2020
Certification Results:

- Critical and Declining Status
- Not making scheduled progress toward Rehabilitation Plan

This is the annual certification by the Plan Actuary as required under section 432(b) of the Internal Revenue Code (the "Code") for the above-named multiemployer plan (the "Plan") and plan year (the "Plan Year"). For the Plan Year, the Plan is in critical and declining status.

This certification was performed based upon actuarial projections of assets and liabilities for the current and succeeding plan years, as described under section 432(b)(3)(B). These projections are based on reasonable actuarial estimates, assumptions, and methods that offer my best estimate of anticipated experience under the Plan. The projected present value of Plan liabilities as of the beginning of the Plan Year was determined based on a projection of the actuarial valuation of the Plan as of October 1, 2018. Plan assets reflect that the Plan became insolvent as of August 1, 2016 and is currently receiving financial assistance from the Pension Benefit Guaranty Corporation ("PBGC").

This certification is also based on projections of future industry activity and covered employment levels, which are based on information provided in good faith by the Plan Sponsor. This certification assumes that the current terms of the collective bargaining agreements under which contributions are made to the Plan will remain in effect for all succeeding plan years. This certification complies with the applicable Actuarial Standards of Practice.

In accordance with IRC Section 432(e)(4)(A), the Plan's Rehabilitation Period began on October 1, 2009. In accordance with IRC Section 432(e)(3)(A)(ii), the Plan's Rehabilitation Plan consisted of all reasonable measures to forestall insolvency. However, the plan will not emerge from critical and declining status during the Rehabilitation Period or a later time. The plan is insolvent and benefits have been reduced to the PBGC guaranteed benefit amounts as of August 1, 2016.

Certified by:



Mark Stewart, A.S.A.
Horizon Actuarial Services, LLC
1040 Crown Pointe Parkway, Suite 560
Atlanta, GA 30338

Phone Number: (678) 317-4104
Enrollment Number: 17-06075
Date: December 20, 2019

Schedule MB, Line 4b
Illustration Supporting Actuarial Certification of Status
For Plan Year Beginning October 1, 2020

Plan Name: Cement Masons Local Union #681 Pension Plan
EIN / PN: 74-6091787/ 001
Plan Sponsor: Trustees of the Cement Masons Local Union #681 Pension Plan
8441 Gulf Freeway, Suite 304 | Houston, TX 77017 | (713) 643-9300
Plan Year: Beginning October 1, 2020 and Ending September 30, 2021
Certification Results:

- Critical and Declining Status
- Not making scheduled progress toward Rehabilitation Plan

This is the annual certification by the Plan Actuary as required under section 432(b) of the Internal Revenue Code (the "Code") for the above-named multiemployer plan (the "Plan") and plan year (the "Plan Year"). For the Plan Year, the Plan is in critical and declining status.

This certification was performed based upon actuarial projections of assets and liabilities for the current and succeeding plan years, as described under section 432(b)(3)(B). These projections are based on reasonable actuarial estimates, assumptions, and methods that offer my best estimate of anticipated experience under the Plan. The projected present value of Plan liabilities as of the beginning of the Plan Year was determined based on a projection of the actuarial valuation of the Plan as of October 1, 2019. Plan assets reflect that the Plan became insolvent as of August 1, 2016 and is currently receiving financial assistance from the Pension Benefit Guaranty Corporation ("PBGC").

This certification is also based on projections of future industry activity and covered employment levels, which are based on information provided in good faith by the Plan Sponsor. This certification assumes that the current terms of the collective bargaining agreements under which contributions are made to the Plan will remain in effect for all succeeding plan years. This certification complies with the applicable Actuarial Standards of Practice.

In accordance with IRC Section 432(e)(4)(A), the Plan's Rehabilitation Period began on October 1, 2009. In accordance with IRC Section 432(e)(3)(A)(ii), the Plan's Rehabilitation Plan consisted of all reasonable measures to forestall insolvency. However, the plan will not emerge from critical and declining status during the Rehabilitation Period or a later time. The plan is insolvent and benefits have been reduced to the PBGC guaranteed benefit amounts as of August 1, 2016.

Certified by:



Mark Stewart, A.S.A.
Horizon Actuarial Services, LLC
1040 Crown Pointe Parkway, Suite 560
Atlanta, GA 30338

Phone Number: (678) 317-4104
Enrollment Number: 20-06075
Date: December 22, 2020

Schedule MB, Lines 9c and 9h
Schedule of Funding Standard Account Bases

Funding Standard Account Amortization Bases

Charges

[Schedule MB, Line 9c]

Type	Date	Initial	Initial	Outstanding at 10/1/2019		Annual
	Established	Period	Balance	Period	Balance	Payment
Assumption	10/1/1990	30.00	N/A	1.00	\$ 9,022	\$ 9,022
Assumption	10/1/1992	30.00	N/A	3.00	138,926	47,683
Amendment	10/1/1992	30.00	N/A	3.00	503,377	172,777
Assumption	10/1/1997	30.00	N/A	8.00	369,006	51,036
Amendment	10/1/1999	30.00	N/A	10.00	517,557	58,906
Exper Loss	10/1/2008	15.00	1,222,946	4.00	403,702	105,444
Exper Loss	10/1/2009	15.00	377,736	5.00	151,523	32,123
Exper Loss	10/1/2010	15.00	426,786	6.00	199,781	35,805
Amendment	10/1/2010	15.00	573	6.00	268	48
Assumption	10/1/2011	15.00	778,914	7.00	413,802	64,483
Exper Loss	10/1/2011	15.00	599,036	7.00	318,240	49,592
Assumption	10/1/2012	15.00	838,132	8.00	496,822	68,714
Exper Loss	10/1/2012	15.00	21,283	8.00	12,615	1,745
Assumption	10/1/2013	15.00	1,641,282	9.00	1,072,696	133,758
Assumption	10/1/2014	15.00	204,551	10.00	146,311	16,653
Assumption	10/1/2015	15.00	928,526	11.00	719,664	75,514
Assumption	10/1/2016	15.00	52,050	12.00	43,400	4,233
Exper Loss	10/1/2017	15.00	543,580	13.00	484,250	44,208
Exper Loss	10/1/2018	15.00	503,268	14.00	476,209	40,929
Exper Loss	10/1/2019	15.00	737,724	15.00	737,724	59,997
Total Charges					\$ 7,214,895	\$ 1,072,670

Credits

[Schedule MB, Line 9h]

Type	Date	Initial	Initial	Outstanding at 10/1/2019		Annual
	Established	Period	Balance	Period	Balance	Payment
Exper Gain	10/1/2007	15.00	\$ 5,524	3.00	\$ 1,406	\$ 483
Assumption	10/1/2009	15.00	40,968	5.00	16,435	3,484
Amendment	10/1/2009	15.00	314,867	5.00	126,306	26,776
Assumption	10/1/2010	15.00	25,518	6.00	11,945	2,141
Exper Gain	10/1/2013	15.00	477,083	9.00	311,809	38,880
Exper Gain	10/1/2014	15.00	218,412	10.00	156,227	17,781
Exper Gain	10/1/2015	15.00	266,388	11.00	206,467	21,664
Exper Gain	10/1/2016	15.00	505,876	12.00	421,806	41,141
Total Credits					\$ 1,252,401	\$ 152,350

Net Total

\$ 5,962,494 \$ 920,320

Schedule MB, Lines 9c and 9h Schedule of Funding Standard Account Bases

The table above shows the outstanding amortization bases in the funding standard account as of the valuation date. The amortization bases are grouped as charges, which represent increases in the unfunded actuarial liability, and credits, which represent decreases in the unfunded actuarial liability.

Different types of amortization bases are as follows:

Abbreviation	Description
Initial Liab	Initial unfunded actuarial accrued liability
Exper Loss	Actuarial experience loss (charge only)
Exper Gain	Actuarial experience gain (credit only)
ENIL (2008)	Eligible net investment loss under the Pension Relief Act of 2010
Amendment	Plan amendment
Assumption	Change in actuarial assumptions
Method	Change in the cost method, actuarial valuation method, or asset valuation method
Combined	Combined charge base or combined credit base
Offset	Combined and offset charge and credit bases

Schedule MB, Line 6

Statement of Actuarial Assumptions/Methods

While it is important that the overall assumptions be reasonable, we select each valuation assumption as reasonable in light of this Plan's provisions and characteristics. We have chosen the assumptions after reviewing recent Plan experience and anticipated Plan experience as described below.

Plan Name Cement Masons Local Union #681 Pension Plan

Plan Sponsor Board of Trustees of the Cement Masons Local Union #681 Pension Plan

EIN / PN 74-6091787/001

Interest Rates	Valuation	3.00%
	Cash Balance Crediting Rate	3.50%
	Cash Balance Annuity Conversion	4.00%

The interest rate assumption used for purposes of the ERISA funding valuation and ASC accounting reflects expected Plan termination rates.

RPA '94 Current Liability: the highest rate within the IRS allowable range for determining current liability which is 3.02% per annum as of October 1, 2019.

Retirement Age If an active or inactive vested participant meets the age and service requirements for early retirement by age 62, retirement is assumed at age 62 or current age, if greater. Otherwise, retirement is assumed at age 65 or current age, if greater.

The weighted average retirement age for active participants is 62. This average is based on the active population as of the valuation date. All decrements are considered when projecting the current population to retirement. The weighted average retirement age is the average age at which the lives that reach the retirement decrement retire.

Operating Expenses To allow for operating expenses, actual expenses averaged over the last three years and adjusted to the beginning of the year has been added to the Normal Cost. As of October 1, 2019, operating expenses are assumed to be \$141,591 (the total operating expenses payable monthly for the Plan Year beginning October 1, 2019 are assumed to be \$143,538).

Hours Worked For the purpose of projecting future benefit accruals and contributions, it is assumed that each active participant will work the same number of hours per year as worked during the Plan Year preceding the valuation date.

Schedule MB, Line 6 (cont.)
Statement of Actuarial Assumptions/Methods

Contribution Income Contributions are assumed to be \$5.10 per hour.

Active Participant For valuation purposes, an active participant is a participant who worked at least 300 hours in the prior Plan Year, and had not retired as of the valuation date.

Mortality The PBGC plan termination mortality table for the Plan Year. As of October 1, 2019, the mortality table is the UP-94 Mortality Table, sex distinct and projected to 2029 with Scale AA. No future improvement beyond 2029 was assumed.

The mortality assumption including future improvement was chosen based on a review of standard mortality tables and projection scales, historical and current demographic data, and reflecting anticipated future experience and professional judgement.

For the conversion of a Cash Balance Annuity, the table prescribed by Code Section 417 for the valuation year. For the October 1, 2019 valuation, the table used is the Unisex Optional Combined Mortality Table under PPA for 2019 with no future improvement beyond the published table.

For determining the RPA '94 current liability, the mortality tables prescribed by the Pension Protection Act of 2006 were used.

Disability The 1968 Social Security Incidence Rates. Illustrations of the annual rates of disablement per 100 active participants are shown in the table below for selected ages (the same rates are used for males and females):

Representative Disability Rates

Age	
20	0.0770
25	0.0756
30	0.0917
35	0.1150
40	0.2350
45	0.3650
50	0.6316
55	1.1400
60	1.5520
65	0.0000

Schedule MB, Line 6 (cont.)
Statement of Actuarial Assumptions/Methods

Withdrawal Illustrations of the annual rates of withdrawal (for reasons other than mortality or disablement) per 100 active participants are shown in the table below for selected ages (the same rates are used for males and females):

Representative Withdrawal Rates

Age	
20	19.08
25	17.80
30	11.40
35	6.60
40	3.20
45	0.80
50+	0.00

Reemployment It is assumed that participants will not be reemployed following a break in service.

Form of Payment For Annuity Benefits: Married participants are assumed to receive a joint and 50% survivor annuity and single participants are assumed to receive a life annuity.

For Cash Balance Benefits: Participants are assumed to receive a life annuity at the same time they commence their annuity benefit.

Marriage If the marital status is unknown, 70% of participants are assumed to be married.

Spouse Ages Husbands are assumed to be 3 years older than wives.

Cost Method The Unit Credit Cost Method is used to determine the normal cost and the actuarial accrued liability. The actuarial accrued liability is the present value of the accrued benefits as of the beginning of the year for active participants and is the present value of all benefits for other participants. The normal cost is the present value of the difference between the accrued benefits as of the beginning and end of the year. The normal cost and actuarial accrued liability for the Plan are the sums of the individually computed normal costs and actuarial accrued liabilities for all Plan Participants.

Schedule MB, Line 6 (cont.)
Statement of Actuarial Assumptions/Methods

Asset Valuation Method The actuarial value of assets is determined by adjusting the market value of assets to reflect the investment gains and losses (the difference between the actual investment return and the assumed investment return) during each of the last five years at the rate of 20% per year. Assumed investment return is calculated using the net market value of assets as of the beginning of the Plan Year and the benefit payments, employer contributions and operating expenses, weighted based on the timing of the transactions during the year. The actuarial value is subject to a restriction that it be not less than 80% nor more than 120% of the market value.

Participant Data Participant census data as of October 1, 2019 was provided by Benefit Resources, Inc.

Missing or Incomplete Participant Data Participants missing a date of birth are assumed to have a date of birth equal to the average age of other participants. They are assumed to enter the Plan at an entry age based on the average service of other participants. Participants missing gender are assumed to be male. This year, no participants were missing a date of birth or gender.

Financial Information Financial information was obtained from the audited financial statements from Harper & Pearson Company, P.C.

Nature of Actuarial Calculations The valuation results presented in this report are estimates. The results are based on data that may be imperfect and on assumptions made about future events. Certain Plan provisions may be approximated or deemed immaterial for the purposes of the valuation. Assumptions may be made about missing or incomplete participant census data or other factors. Reasonable efforts were made to ensure that significant items and factors are included in the valuation and treated appropriately. A range of results different from those presented in this report could also be considered reasonable.

The actuarial assumptions selected for this valuation – including the valuation interest rate – generally reflect average expectations over the long term. If overall future demographic or investment experience is less favorable than assumed, the relative level of Plan costs determined in this valuation will likely increase in future valuations. Investment returns and demographic factors may fluctuate significantly from year to year. The deterministic actuarial models used in this valuation do not take into consideration the possibility of such volatility.

Schedule MB, Line 6 (cont.)
Statement of Actuarial Assumptions/Methods

*Changes in
Assumptions*

No assumptions have been changed since the prior valuation.

**Cement Masons Local Union #681 Pension Plan
2019 Form 5500 – Schedule R Attachment**

Below is a brief description of information that is required for the 2019 Schedule R. Please review the Schedule R instructions for a complete description.

The following information should be used to complete items 4, 8, and 9 on the Form 5500 Schedule R attachment before submitting the package to the IRS:

- Item 4 on the Form 5500 Schedule R regarding the election under section 412(d)(2) for an amendment adopted after the end of the plan year should be answered “No.”
- Item 8 on the Form 5500 Schedule R regarding a change in funding method should be left blank.
- Item 9 on the Form 5500 Schedule R regarding any amendments adopted during this plan year that increased or decreased the value of benefits should be answered “No.”

Multiemployer defined benefit plans that are in Endangered Status or Critical Status must attach a summary of their Funding Improvement Plan or Rehabilitation Plan (as updated, if applicable) and also any update to a Funding Improvement Plan or Rehabilitation Plan.

The summary of any Funding Improvement Plan or Rehabilitation Plan must reflect the plan in effect at the end of the plan year (whether the original Funding Improvement Plan or Rehabilitation Plan or as updated) and must include a description of the various contribution and benefit schedules that are being provided to the bargaining parties and any other actions taken in connection with the Funding Improvement Plan or Rehabilitation Plan, such as use of the shortfall funding method or extension of an amortization period. The summary must also identify the first year and the last year of the Funding Improvement Period or the Rehabilitation Period.

The summary must also include a schedule of the expected annual progress for the funded percentage or other relevant factors under the Funding Improvement Plan or Rehabilitation Plan. If the sponsor of a multiemployer plan in Critical Status has determined that, based on reasonable actuarial assumptions and upon exhaustion of all reasonable measures, the plan cannot emerge from Critical Status by the end of the Rehabilitation Period as described in Code section 432(e)(3)(A)(ii), the summary must include an explanation of the alternatives considered, why the plan is not reasonably expected to emerge from Critical Status by the end of the Rehabilitation Period, and when, if ever, it is expected to emerge from Critical Status under the Rehabilitation Plan.

The plan sponsor is required to annually update a Funding Improvement Plan or Rehabilitation Plan that was adopted in a prior year. The update must be filed as an attachment to the Schedule R. The update attachment must identify the modifications made to the Funding Improvement Plan or Rehabilitation Plan during the plan year, including contribution increases, benefit reductions, or other actions.

The attachment described above must be labeled “Schedule R, Summary of Funding Improvement Plan,” “Schedule R, Summary of Rehabilitation Plan,” or “Schedule R, Explanation of Status,” as appropriate, and if applicable, “Schedule R, Update of Funding Improvement Plan

**Cement Masons Local Union #681 Pension Plan
2019 Form 5500 – Schedule R Attachment (cont.)**

or Rehabilitation Plan.” Each attachment must also include the plan name, the plan sponsor's name and EIN, and the plan number.

We have prepared sample language for the attachment “Schedule R – Update of Rehabilitation Plan” which follows.

The Cement Masons Local Union #681 Pension Plan first adopted a Rehabilitation Plan on August 25, 2009. The adopted Rehabilitation Plan was not sufficient to enable the Plan to cease to be in critical status by the end of the Rehabilitation Period, but did contain reasonable measures to forestall possible insolvency. The Trustees determined that the remedies necessary to emerge from critical status by the end of the Rehabilitation Period were unreasonable measures that would be untenable or counterproductive and adverse to the Plan and its participants. On April 26, 2016, the Board of Trustees of the Cement Masons Local Union #681 Pension Plan completed their annual review of the experience of the Pension Plan as required under Internal Revenue Code Section 432(d)(3)(B) for the purpose of updating the Rehabilitation Plan and any schedule of contributions. After review the Board of Trustees elected that the update of the Rehabilitation Plan and any schedule of contributions would not include any change to the Rehabilitation Plan or any increase to the contribution rate since they felt any changes or increases are not feasible at this time based upon the current work environment. The Cement Masons Local Union #681 Pension Plan became insolvent August 1, 2016.

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Schedule MB Attachments

Statement by the Enrolled Actuary

Plan Sponsor	Board of Trustees of the Cement Masons Local Union #681 Pension Plan
EIN / PN	74-6091787/001
Plan Year	Beginning October 1, 2019 and ending September 30, 2020
Plan Name	Cement Masons Local Union #681 Pension Plan (the "Plan")
Enrolled Actuary	Mark Stewart
Enrollment Number	20-06075

The actuarial assumptions and methods are individually reasonable and, in combination, represent the enrolled actuary's best estimate of anticipated experience under the plan.

The actuarial valuation, on which the information in this Schedule MB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the auditor. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years.

The amounts of contributions and dates paid shown in Line 3 of Schedule MB were listed in reliance on information as reported to Horizon Actuarial Services, LLC by Harper and Pearson Company, P.C. during the period October 1, 2019 to September 30, 2020. This amount includes the financial assistance received from the Pension Benefit Guaranty Corporation during the year.

The "Illustration Supporting Actuarial Certification of Status" to the Schedule MB are based on the information available at the time of the certification.

Attached as separate exhibits are:

1. A list of withdrawal liability payments included in contributions and the dates such amounts were contributed, as required under line 3.
2. A copy of the 2019 and 2020 actuarial certifications, as required under Line 4b.
3. Documentation regarding progress under the funding improvement or rehabilitation plan, as required under Line 4c.
4. An illustration of the Plan's cash flows, as required under line 4f.
5. A statement of actuarial assumptions and cost methods, as required under Line 6.
6. A summary of principal eligibility and benefit provisions, as required under Line 6, including a summary of changes in principal eligibility or benefit provisions.
7. A schedule of the active plan participant data used in the valuation for 2019 plan year, as required under Line 8b(2).
8. A schedule of amortization bases, as required under Lines 9c and 9h.

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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

2019

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2019 or fiscal plan year beginning **10/01/2019** and ending **09/30/2020**


- A** This return/report is for: a multiemployer plan a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instr.)
- 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
- D** Check box if filing under: Form 5558 automatic extension the DFVC program
 special extension (enter description)

Part II Basic Plan Information - enter all requested information

1a Name of plan CEMENT MASONS LOCAL UNION 681 PENSION PLAN		1b Three-digit plan number (PN) ▶	001
		1c Effective date of plan	01/01/1996
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) CEMENT MASONS LOCAL #681 PENSION 8441 GULF FREEWAY, SUITE 304 HOUSTON TX 77017		2b Employer Identification Number (EIN)	74-6091787
		2c Plan Sponsor's telephone number	281-453-8309
		2d Business code (see instructions)	236200

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		07-7-21	MAURICIO ROBLES
	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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2019)
v. 190130

**SCHEDULE MB
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

**Multiemployer Defined Benefit Plan and Certain
Money Purchase Plan Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2019

**This Form is Open to Public
Inspection**

For calendar plan year 2019 or fiscal plan year beginning 10/01/2019 and ending 09/30/2020

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan Cement Masons Local Union No. 681 Pension Plan		B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Board of Trustees of the Cement Masons Local Union 681		D Employer Identification Number (EIN) 74-6091787	

E Type of plan: (1) Multiemployer Defined Benefit (2) Money Purchase (see instructions)

1a Enter the valuation date: Month 10 Day 1 Year 2019

b Assets

(1) Current value of assets	1b(1)	127,083
(2) Actuarial value of assets for funding standard account.....	1b(2)	132,385

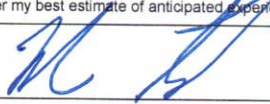
c (1) Accrued liability for plan using immediate gain methods	1c(1)	12,252,197
(2) Information for plans using spread gain methods:		
(a) Unfunded liability for methods with bases	1c(2)(a)	
(b) Accrued liability under entry age normal method.....	1c(2)(b)	
(c) Normal cost under entry age normal method	1c(2)(c)	
(3) Accrued liability under unit credit cost method	1c(3)	12,252,197

d Information on current liabilities of the plan:

(1) Amount excluded from current liability attributable to pre-participation service (see instructions)	1d(1)	
(2) "RPA '94" information:		
(a) Current liability.....	1d(2)(a)	9,348,557
(b) Expected increase in current liability due to benefits accruing during the plan year.....	1d(2)(b)	149,801
(c) Expected release from "RPA '94" current liability for the plan year.....	1d(2)(c)	979,449
(3) Expected plan disbursements for the plan year.....	1d(3)	950,367

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE		<u>7/2/2021</u>
	Signature of actuary	Date
Mark Stewart	Type or print name of actuary	20-06075
Horizon Actuarial Services, LLC	Firm name	Most recent enrollment number (678) 317-4104
1040 Crown Pointe Parkway Suite 560 Atlanta GA 30338	Address of the firm	Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

2 Operational information as of beginning of this plan year:

a Current value of assets (see instructions)	2a	127,083
b "RPA '94" current liability/participant count breakdown:	(1) Number of participants	(2) Current liability
(1) For retired participants and beneficiaries receiving payment	181	7,777,079
(2) For terminated vested participants	23	1,448,671
(3) For active participants:		
(a) Non-vested benefits		518
(b) Vested benefits		122,289
(c) Total active	3	122,807
(4) Total	207	9,348,557
c If the percentage resulting from dividing line 2a by line 2b(4), column (2), is less than 70%, enter such percentage	2c	1.36%

3 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
	833,867				
Totals ▶			3(b)	833,867	3(c)
					0

4 Information on plan status:

a Funded percentage for monitoring plan's status (line 1b(2) divided by line 1c(3))	4a	1.1%
b Enter code to indicate plan's status (see instructions for attachment of supporting evidence of plan's status). If entered code is "N," go to line 5	4b	D
c Is the plan making the scheduled progress under any applicable funding improvement or rehabilitation plan?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
d If the plan is in critical status or critical and declining status, were any benefits reduced (see instructions)?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
e If line d is "Yes," enter the reduction in liability resulting from the reduction in benefits (see instructions), measured as of the valuation date	4e	
f If the rehabilitation plan projects emergence from critical status or critical and declining status, enter the plan year in which it is projected to emerge. If the rehabilitation plan is based on forestalling possible insolvency, enter the plan year in which insolvency is expected and check here	4f	2016

5 Actuarial cost method used as the basis for this plan year's funding standard account computations (check all that apply):

- a** Attained age normal
 b Entry age normal
 c Accrued benefit (unit credit)
 d Aggregate
e Frozen initial liability
 f Individual level premium
 g Individual aggregate
 h Shortfall
i Other (specify):

j If box h is checked, enter period of use of shortfall method	5j	
k Has a change been made in funding method for this plan year?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
l If line k is "Yes," was the change made pursuant to Revenue Procedure 2000-40 or other automatic approval?		<input type="checkbox"/> Yes <input type="checkbox"/> No
m If line k is "Yes," and line l is "No," enter the date (MM-DD-YYYY) of the ruling letter (individual or class) approving the change in funding method	5m	

EIN/PN: 74-6091787 / 001 | Line 3(b) contributions paid throughout the year.

6 Checklist of certain actuarial assumptions:

a Interest rate for "RPA '94" current liability.....	6a	3.02 %
b Rates specified in insurance or annuity contracts.....	Pre-retirement	
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
c Mortality table code for valuation purposes:	Post-retirement	
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
(1) Males	6c(1)	8P29
(2) Females	6c(2)	8FP29
d Valuation liability interest rate	6d	3.00 %
e Expense loading	6e	1,637.0 % <input type="checkbox"/> N/A <input checked="" type="checkbox"/> N/A
f Salary scale	6f	% <input checked="" type="checkbox"/> N/A
g Estimated investment return on actuarial value of assets for year ending on the valuation date	6g	-7.6 %
h Estimated investment return on current value of assets for year ending on the valuation date	6h	0.0 %

7 New amortization bases established in the current plan year:

(1) Type of base	(2) Initial balance	(3) Amortization Charge/Credit
1	737,724	59,997

8 Miscellaneous information:

a If a waiver of a funding deficiency has been approved for this plan year, enter the date (MM-DD-YYYY) of the ruling letter granting the approval.....	8a	
b(1) Is the plan required to provide a projection of expected benefit payments? (See the instructions.) If "Yes," attach a schedule.....		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
b(2) Is the plan required to provide a Schedule of Active Participant Data? (See the instructions.) If "Yes," attach a schedule.....		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
c Are any of the plan's amortization bases operating under an extension of time under section 412(e) (as in effect prior to 2008) or section 431(d) of the Code?.....		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
d If line c is "Yes," provide the following additional information:		
(1) Was an extension granted automatic approval under section 431(d)(1) of the Code?.....		<input type="checkbox"/> Yes <input type="checkbox"/> No
(2) If line 8d(1) is "Yes," enter the number of years by which the amortization period was extended	8d(2)	
(3) Was an extension approved by the Internal Revenue Service under section 412(e) (as in effect prior to 2008) or 431(d)(2) of the Code?.....		<input type="checkbox"/> Yes <input type="checkbox"/> No
(4) If line 8d(3) is "Yes," enter number of years by which the amortization period was extended (not including the number of years in line (2)).....	8d(4)	
(5) If line 8d(3) is "Yes," enter the date of the ruling letter approving the extension	8d(5)	
(6) If line 8d(3) is "Yes," is the amortization base eligible for amortization using interest rates applicable under section 6621(b) of the Code for years beginning after 2007?		<input type="checkbox"/> Yes <input type="checkbox"/> No
e If box 5h is checked or line 8c is "Yes," enter the difference between the minimum required contribution for the year and the minimum that would have been required without using the shortfall method or extending the amortization base(s)	8e	

9 Funding standard account statement for this plan year:

Charges to funding standard account:

a Prior year funding deficiency, if any	9a	6,157,318
b Employer's normal cost for plan year as of valuation date.....	9b	149,741
c Amortization charges as of valuation date:	Outstanding balance	
(1) All bases except funding waivers and certain bases for which the amortization period has been extended	9c(1)	7,214,895
(2) Funding waivers	9c(2)	
(3) Certain bases for which the amortization period has been extended	9c(3)	1,072,670
d Interest as applicable on lines 9a, 9b, and 9c.....	9d	221,392
e Total charges. Add lines 9a through 9d.....	9e	7,601,121

Credits to funding standard account:

f Prior year credit balance, if any.....	9f		0
g Employer contributions. Total from column (b) of line 3.....	9g		833,867
		Outstanding balance	
h Amortization credits as of valuation date.....	9h	1,252,401	152,350
i Interest as applicable to end of plan year on lines 9f, 9g, and 9h.....	9i		17,079
j Full funding limitation (FFL) and credits:			
(1) ERISA FFL (accrued liability FFL).....	9j(1)	12,643,101	
(2) "RPA '94" override (90% current liability FFL).....	9j(2)	8,767,705	
(3) FFL credit.....	9j(3)		0
k (1) Waived funding deficiency.....			
	9k(1)		0
(2) Other credits.....			
	9k(2)		0
l Total credits. Add lines 9f through 9i, 9j(3), 9k(1), and 9k(2).....	9l		1,003,296
m Credit balance: If line 9l is greater than line 9e, enter the difference.....	9m		
n Funding deficiency: If line 9e is greater than line 9l, enter the difference.....	9n		6,597,825

9 o Current year's accumulated reconciliation account:

(1) Due to waived funding deficiency accumulated prior to the 2019 plan year.....	9o(1)		
(2) Due to amortization bases extended and amortized using the interest rate under section 6621(b) of the Code:			
(a) Reconciliation outstanding balance as of valuation date.....	9o(2)(a)		
(b) Reconciliation amount (line 9c(3) balance minus line 9o(2)(a)).....	9o(2)(b)		0
(3) Total as of valuation date.....	9o(3)		0

10 Contribution necessary to avoid an accumulated funding deficiency. (See instructions.)..... **10** 6,597,825

11 Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions. Yes No



Horizon Actuarial Services, LLC
1040 Crown Pointe Pkwy., Suite 560
Atlanta, GA 30338
Phone/Fax: 678.317.4100
www.horizonactuarial.com

December 22, 2020

Trustees of the Cement Masons Local Union #681 Pension Plan
c/o Mr. Mark Crandell
Benefit Resources, Inc.
8441 Gulf Freeway, Suite 304
Houston, TX 77017

Subject: Annual Certification and Report for the Cement Masons Local Union #681 Pension Plan - 2020 Plan Year

Trustees:

We have prepared and are enclosing a signed copy of the annual certification of plan status by the Plan Actuary as required under §432 of the Internal Revenue Code ("IRC") for the Cement Masons Local Union #681 Pension Plan ("Plan").

The Plan **remains in critical status** (i.e., the Plan is in the "red zone") for the plan year beginning October 1, 2020 ("2020 Plan Year"). Additionally, the Plan remains in **critical and declining** status for the 2020 Plan Year. As such, the Trustees are required to provide notification of the Plan's status to participants and beneficiaries, bargaining parties, the Pension Benefit Guaranty Corporation, and the Secretary of the Labor **within thirty days following the date of this certification** (by no later than January 21, 2021). We will work with Fund Counsel and the Administrator to prepare this notice.

Since the Plan entered into the Rehabilitation Period as of October 1, 2009, we are required to certify as to whether or not the Plan is making progress in meeting the requirements of the Rehabilitation Plan. The Plan became insolvent as of August 1, 2016. Therefore, we are certifying that the Plan is not making scheduled progress in meeting the requirements of its Rehabilitation Plan. This is the fifth consecutive year that we are certifying that the Plan is not making scheduled progress. Under Internal Revenue Service Code (IRC) Section 4971(g), if the Plan is certified as not making scheduled progress for three consecutive years, the Plan will be treated as having an accumulated funding deficiency. As such there may be taxes due under IRC Sections 4971(a) and (b) as of the end of the third consecutive year.

The IRC states that as the "Plan Actuary", we are required to provide this annual certification directly to the Secretary of the Treasury. We have sent a copy of the certification to the Secretary of the Treasury.

Mr. Mark Crandell
December 22, 2020
Page 2 of 2

Please review these materials thoroughly and let us know if any of the items presented herein warrant further discussion. Penalties are imposed directly against the Trustees for failing to comply with the rules or missing deadlines.

Please call us with any questions you may have.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Stewart".

Mark Stewart, ASA
Senior Consulting Actuary

Enclosures

cc: Doug Selwyn, w/encl.
Mark Crandell, w/encl.
Kevin Bienvenu, w/encl.

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Actuarial Certification of Plan Status

Plan Name: Cement Masons Local Union #681 Pension Plan
EIN / PN: 74-6091787/ 001
Plan Sponsor: Trustees of the Cement Masons Local Union #681 Pension Plan
8441 Gulf Freeway, Suite 304 | Houston, TX 77017 | (713) 643-9300
Plan Year: Beginning October 1, 2020 and Ending September 30, 2021
Certification Results:

- Critical and Declining Status
- Not making scheduled progress toward Rehabilitation Plan

This is the annual certification by the Plan Actuary as required under section 432(b) of the Internal Revenue Code (the "Code") for the above-named multiemployer plan (the "Plan") and plan year (the "Plan Year"). For the Plan Year, the Plan is in critical and declining status.

This certification was performed based upon actuarial projections of assets and liabilities for the current and succeeding plan years, as described under section 432(b)(3)(B). These projections are based on reasonable actuarial estimates, assumptions, and methods that offer my best estimate of anticipated experience under the Plan. The projected present value of Plan liabilities as of the beginning of the Plan Year was determined based on a projection of the actuarial valuation of the Plan as of October 1, 2019. Plan assets reflect that the Plan became insolvent as of August 1, 2016 and is currently receiving financial assistance from the Pension Benefit Guaranty Corporation ("PBGC").

This certification is also based on projections of future industry activity and covered employment levels, which are based on information provided in good faith by the Plan Sponsor. This certification assumes that the current terms of the collective bargaining agreements under which contributions are made to the Plan will remain in effect for all succeeding plan years. This certification complies with the applicable Actuarial Standards of Practice.

In accordance with IRC Section 432(e)(4)(A), the Plan's Rehabilitation Period began on October 1, 2009. In accordance with IRC Section 432(e)(3)(A)(ii), the Plan's Rehabilitation Plan consisted of all reasonable measures to forestall insolvency. However, the plan will not emerge from critical and declining status during the Rehabilitation Period or a later time. The plan is insolvent and benefits have been reduced to the PBGC guaranteed benefit amounts as of August 1, 2016.

Certified by:



Mark Stewart, A.S.A.
Horizon Actuarial Services, LLC
1040 Crown Pointe Parkway, Suite 560
Atlanta, GA 30338

Phone Number: (678) 317-4104
Enrollment Number: 20-06075
Date: December 22, 2020



Horizon Actuarial Services, LLC
1040 Crown Pointe Pkwy., Suite 560
Atlanta, GA 30338
Phone/Fax: 678.317.4100
www.horizonactuarial.com

December 28, 2021

Trustees of the Cement Masons Local Union #681 Pension Plan
c/o Mr. Mark Crandell
Benefit Resources, Inc.
8441 Gulf Freeway, Suite 304
Houston, TX 77017

Subject: Annual Certification and Report for the Cement Masons Local Union #681 Pension Plan - 2021 Plan Year

Trustees:

We have prepared and are enclosing a signed copy of the annual certification of plan status by the Plan Actuary as required under §432 of the Internal Revenue Code ("IRC") for the Cement Masons Local Union #681 Pension Plan ("Plan").

The Plan **remains in critical status** (i.e., the Plan is in the "red zone") for the plan year beginning October 1, 2021 ("2021 Plan Year"). Additionally, the Plan remains in **critical and declining** status for the 2021 Plan Year. As such, the Trustees are required to provide notification of the Plan's status to participants and beneficiaries, bargaining parties, the Pension Benefit Guaranty Corporation, and the Secretary of the Labor **within thirty days following the date of this certification** (by no later than January 27, 2022). We will work with Fund Counsel and the Administrator to prepare this notice.

Since the Plan entered into the Rehabilitation Period as of October 1, 2009, we are required to certify as to whether or not the Plan is making progress in meeting the requirements of the Rehabilitation Plan. The Plan became insolvent as of August 1, 2016. Therefore, we are certifying that the Plan is not making scheduled progress in meeting the requirements of its Rehabilitation Plan. This is the sixth consecutive year that we are certifying that the Plan is not making scheduled progress. Under Internal Revenue Service Code (IRC) Section 4971(g), if the Plan is certified as not making scheduled progress for three consecutive years, the Plan will be treated as having an accumulated funding deficiency. As such there may be taxes due under IRC Sections 4971(a) and (b) as of the end of the third consecutive year.

The IRC states that as the "Plan Actuary", we are required to provide this annual certification directly to the Secretary of the Treasury. We have sent a copy of the certification to the Secretary of the Treasury.

Mr. Mark Crandell
December 28, 2021
Page 2 of 2

Please review these materials thoroughly and let us know if any of the items presented herein warrant further discussion. Penalties are imposed directly against the Trustees for failing to comply with the rules or missing deadlines.

Please call us with any questions you may have.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Stewart".

Mark Stewart, ASA
Senior Consulting Actuary

Enclosures

cc: Doug Selwyn, w/encl.
Mark Crandell, w/encl.
Kevin Bienvenu, w/encl.

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Actuarial Certification of Plan Status

Plan Name: Cement Masons Local Union #681 Pension Plan
EIN / PN: 74-6091787/ 001
Plan Sponsor: Trustees of the Cement Masons Local Union #681 Pension Plan
8441 Gulf Freeway, Suite 304 | Houston, TX 77017 | (713) 643-9300
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- Critical and Declining Status
- Not making scheduled progress toward Rehabilitation Plan

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This certification was performed based upon actuarial projections of assets and liabilities for the current and succeeding plan years, as described under section 432(b)(3)(B). These projections are based on reasonable actuarial estimates, assumptions, and methods that offer my best estimate of anticipated experience under the Plan. The projected present value of Plan liabilities as of the beginning of the Plan Year was determined based on a projection of the actuarial valuation of the Plan as of October 1, 2020. Plan assets reflect that the Plan became insolvent as of August 1, 2016 and is currently receiving financial assistance from the Pension Benefit Guaranty Corporation ("PBGC").

This certification is also based on projections of future industry activity and covered employment levels, which are based on information provided in good faith by the Plan Sponsor. This certification assumes that the current terms of the collective bargaining agreements under which contributions are made to the Plan will remain in effect for all succeeding plan years. This certification complies with the applicable Actuarial Standards of Practice.

In accordance with IRC Section 432(e)(4)(A), the Plan's Rehabilitation Period began on October 1, 2009. In accordance with IRC Section 432(e)(3)(A)(ii), the Plan's Rehabilitation Plan consisted of all reasonable measures to forestall insolvency. However, the plan will not emerge from critical and declining status during the Rehabilitation Period or a later time. The plan is insolvent and benefits have been reduced to the PBGC guaranteed benefit amounts as of August 1, 2016.

Certified by:



Mark Stewart, A.S.A.
Horizon Actuarial Services, LLC
1040 Crown Pointe Parkway, Suite 560
Atlanta, GA 30338

Phone Number: (678) 317-4104
Enrollment Number: 20-06075
Date: December 28, 2021

**AMENDMENT ONE TO
CEMENT MASONS LOCAL UNION NO. 681 PENSION PLAN**

THIS AGREEMENT made and entered into by and among the Board of Trustees of the Cement Masons Local Union No. 681 Pension Plan (hereinafter called "Trustees"),

WITNESSETH

WHEREAS, effective October 1, 2014, the Trustees executed the Amended and Restated Cement Masons Local Union No. 681 Pension Plan (hereinafter called the "Plan"); and

WHEREAS, in Article 7, Section 7.01 of the Plan the Trustees retained the right to amend the Plan at any time; and

WHEREAS, the Trustees have determined that the Plan should be amended in the manner hereinafter set forth;

NOW, THEREFORE, the parties hereto agree that the Plan is hereby amended effective September 30, 2021 as follows:

A. A new Subsection 7.04 is inserted as follows:

"Beginning as of September 30, 2021 and ending as of September 30, 2051, 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."

B. A new Subsection 7.05 is inserted if Subsection 7.04 is made effective, as follows:

"Within 90 days of payment of special financial assistance by the PBGC, the Plan shall pay, in a one-time lump sum payment, the difference between the total amount of benefits that would have been paid without a benefit reduction under IRC Section 418(e) and the amount actually received after reductions under IRC Section 418(e) since August 2016. These payments shall only be made to current participants and beneficiaries who are receiving monthly benefits as of the date the Plan receives the special financial assistance."

IN WITNESS WHEREOF, the Trustees have caused this Agreement to be executed through their Chairman and Secretary on this 28th day of December 2021, to be effective as stated herein.

**BOARD OF TRUSTEES, CEMENT MASONS
LOCAL UNION NO. 681 PENSION PLAN**

By: 
Chairman

By: Paul Oliver
Secretary

CEMENT MASONS LOCAL UNION NO. 681 PENSION PLAN

CERTIFIED RESOLUTIONS

RESOLVED, that the Board of Trustees hereby adopts and approves Amendment One to the Cement Masons Local Union No. 691 Pension Plan, as Amended and Restated effective October 1, 2014 (the "Plan"), all as set forth in that instrument entitled "Amendment One to the Cement Masons Local Union No. 681 Pension Plan," a copy of which has been inspected by the Board of Trustees, effective as specified therein; and

RESOLVED FURTHER, that the Chairman and Secretary of the Board of Trustees are hereby authorized and directed to execute Amendment One as hereinabove approved, and to execute such other documents and to do such other things as may be necessary or appropriate to make such amendment effective, and to execute any further amendments to the Plan or its related Trust Agreement required in order to continue and maintain the qualified and exempt status of the Plan and its related Fund, any such required amendments being hereby approved.

CERTIFICATE

The undersigned, Secretary of the Board of Trustees of the Cement Masons Local Union No. 681 Pension Plan (the "Board of Trustees"), hereby certifies that the foregoing is a true and correct copy of resolutions that were adopted by the Board of Trustees on the 28th day of December 2021 and that the resolutions have not been amended, rescinded, or revoked, and are in full force and effect as of the date hereof.

Witness my hand, this 28th day of December 2021.

Paul Oliver
Secretary

Management Report

Cement Masons 681 Pension Plan

For the period ended September 30, 2021

Prepared on

December 6, 2021

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Profit and Loss

October 2020 - September 2021

	Oct 2020 - Sep 2021	Oct 2, 2019 - Sep 30, 2020 (PP)	Total Oct 2019 - Sep 2020 (PY)
INCOME			
Contributions	34,755.10	82,714.37	82,714.37
PBGC Funding	768,400.00	761,000.00	761,000.00
Pension Reimbursement	1,181.07	499.63	499.63
Total Income	804,336.17	844,214.00	844,214.00
GROSS PROFIT	804,336.17	844,214.00	844,214.00
EXPENSES			
Annuity	5,426.50	4,266.53	4,266.53
Audit Fees	20,500.00	19,000.00	19,000.00
Bank Service Charges	973.15	642.11	642.11
Dues- Apprenticeship	4,436.26	5,035.01	5,035.01
Dues- Union	8,839.24	11,437.08	11,437.08
Federal Withholding Tax	12,177.00	12,867.00	12,867.00
Fiduciary Insurance	7,371.00	7,419.00	7,419.00
Health & Welfare	5,566.82	5,893.32	5,893.32
Office Supplies		190.99	190.99
Pension Benefits Paid-ACH	636,861.83	649,071.09	649,071.09
Pension Benefits Paid- Checks	14,559.44	14,774.44	14,774.44
Postage and Delivery	243.83	74.05	74.05
Professional Fees			
Administrative Fees	66,000.00	66,000.00	66,000.00
Consulting & Actuarial Fees	39,875.00	30,907.49	30,907.49
Legal Fees	1,702.00	328.50	328.50
Total Professional Fees	107,577.00	97,235.99	97,235.99
Programming Fees		91.87	91.87
Storage Facility	1,386.00	1,512.00	1,512.00
Total Expenses	825,918.07	829,510.48	829,510.48
NET OPERATING INCOME	-21,581.90	14,703.52	14,703.52
NET INCOME	\$ -21,581.90	\$14,703.52	\$14,703.52

Balance Sheet

As of September 30, 2021

	As of Sep 30, 2021	As of Sep 30, 2020 (PP)	As of Sep 30, 2020 (PY)	Total
ASSETS				
Current Assets				
Bank Accounts				
Frost Bank - Operating	115,452.87	137,034.77	137,034.77	
Total Bank Accounts	115,452.87	137,034.77	137,034.77	
Accounts Receivable				
Interest Receivable	11,122.91	11,122.91	11,122.91	
Total Accounts Receivable	11,122.91	11,122.91	11,122.91	
Other Current Assets				
MSSB Investment	3.56	3.56	3.56	
Total Other Current Assets	3.56	3.56	3.56	
Total Current Assets	126,579.34	148,161.24	148,161.24	
TOTAL ASSETS	\$126,579.34	\$148,161.24	\$148,161.24	
LIABILITIES AND EQUITY				
Liabilities				
Current Liabilities				
Other Current Liabilities				
Accounts Payable	10,774.47	10,774.47	10,774.47	
Total Other Current Liabilities	10,774.47	10,774.47	10,774.47	
Total Current Liabilities	10,774.47	10,774.47	10,774.47	
Total Liabilities	10,774.47	10,774.47	10,774.47	
Equity				
Fund Balance	-22,610.36	-22,610.36	-22,610.36	
Opening Bal Equity	11,123,174.18	11,123,174.18	11,123,174.18	
Retained Earnings	-10,963,177.05	-10,963,177.05	-10,977,880.57	
Net Income	-21,581.90		14,703.52	
Total Equity	115,804.87	137,386.77	137,386.77	
TOTAL LIABILITIES AND EQUITY	\$126,579.34	\$148,161.24	\$148,161.24	

Profit and Loss by Month

October 2020 - September 2021

	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Total
INCOME													
Contributions	5,385.23	2,970.75	2,146.23	2,204.50		3,332.75	8,775.14	2,605.87	1,922.37	2,071.68	2,222.69	1,117.89	34,755.10
PBGC Funding	186,200.00			187,700.00			196,000.00			198,500.00			768,400.00
Pension Reimbursement			475.62	265.73		389.72			50.00				1,181.07
Total Income	191,585.23	2,970.75	2,621.85	190,170.23	0.00	3,722.47	204,775.14	2,605.87	1,972.37	200,571.68	2,222.69	1,117.89	804,336.17
GROSS PROFIT	191,585.23	2,970.75	2,621.85	190,170.23	0.00	3,722.47	204,775.14	2,605.87	1,972.37	200,571.68	2,222.69	1,117.89	804,336.17
EXPENSES													
Annuity								2,729.50	568.56	1,223.64		904.80	5,426.50
Audit Fees		1,000.00						4,500.00			15,000.00		20,500.00
Bank Service Charges	86.65	86.51	81.50	93.60	76.31	72.26	73.93	88.43	78.77	78.44	78.47	78.28	973.15
Dues- Apprenticeship	1,398.50	399.25	218.90	157.35	161.00	531.27	155.00	436.00	260.00	289.50		429.49	4,436.26
Dues- Union	2,735.91	913.63	519.07	383.91	401.30		376.78	1,115.55	642.77	705.73		1,044.59	8,839.24
Federal Withholding Tax	1,072.25	1,072.25	1,072.25	1,072.25	1,072.25	1,062.25	1,017.25	947.25	947.25	947.25	947.25	947.25	12,177.00
Fiduciary Insurance			7,371.00										7,371.00
Health & Welfare								2,782.50	579.60	1,247.40		957.32	5,566.82
Pension Benefits Paid-ACH	52,924.88	52,687.07	52,185.70	53,295.10	51,738.06	52,129.51	54,676.01	53,032.42	53,733.92	53,577.72	53,440.72	53,440.72	636,861.83
Pension Benefits Paid-Checks	1,096.37	1,096.37	1,096.37	1,096.37	1,096.37	1,096.37	1,096.37	2,499.37	1,096.37	1,096.37	1,096.37	1,096.37	14,559.44
Postage and Delivery	4.65	7.60	5.30	3.50	94.75	101.18	4.59	6.99	6.52	2.55	2.55	3.65	243.83
Professional Fees													0.00
Administrative Fees	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	66,000.00
Consulting & Actuarial Fees	3,650.00	7,931.25	225.00	1,265.00	362.50	3,227.50	-125.00	2,652.50	2,570.00	2,258.75	8,767.50	7,090.00	39,875.00
Legal Fees				182.50	205.50			657.00				657.00	1,702.00
Total Professional Fees	9,150.00	13,431.25	5,725.00	6,947.50	6,068.00	8,727.50	5,375.00	8,809.50	8,070.00	7,758.75	14,267.50	13,247.00	107,577.00
Storage Facility	126.00		126.00	126.00	126.00	126.00	126.00	126.00	126.00	126.00	126.00	126.00	1,386.00
Total Expenses	68,595.21	70,693.93	68,401.09	63,175.58	60,834.04	63,846.34	62,900.93	77,073.51	66,109.76	67,053.35	84,958.86	72,275.47	825,918.07
NET OPERATING INCOME	122,990.02	-67,723.18	-65,779.24	126,994.65	-60,834.04	-60,123.87	141,874.21	-74,467.64	-64,137.39	133,518.33	-82,736.17	-71,157.58	-21,581.90
NET INCOME	\$122,990.02	\$ -67,723.18	\$ -65,779.24	\$126,994.65	\$ -60,834.04	\$ -60,123.87	\$141,874.21	\$ -74,467.64	\$ -64,137.39	\$133,518.33	\$ -82,736.17	\$ -71,157.58	\$ -21,581.90

**CEMENT MASONS LOCAL UNION #681
PENSION PLAN AND TRUST**

Amended and Restated Effective

October 1, 2014

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CEMENT MASONS LOCAL UNION #681 PENSION PLAN

Amended and Restated Effective October 1, 2014

INTRODUCTION

The Cement Masons Local Union #681 Pension Plan (hereinafter referred to as the “Prior Plan”) was established October 1, 1966 and amended from time to time.

Effective October 1, 1976, the Trustees amended and restated the Prior Plan in its entirety in order to comply with technical requirements of the Employee Retirement Income Security Act of 1974, as amended (ERISA) and the regulations and other guidance issued thereunder, and formed the Cement Masons Local Union #681 Pension Plan (Plan).

The purpose of this Plan is to provide for the retirement of Employees of the Employers who become Participants of the Plan, benefits for Totally and Permanently Disabled Participants and Death Benefits for beneficiaries of deceased Participants, but limited to those who qualify herein in accordance with the terms and conditions hereinafter set forth.

It is intended that this revised Plan shall be submitted to the Internal Revenue Service for a determination that it satisfies the requirements of Internal Revenue Code (Code), §401(a) so (i) each Employer may deduct for federal income tax purposes the amounts of its contributions to the Trust; (ii) the contributions so made and the income of the Trust Fund will not be taxable to Participants as income until such funds are distributed to the individual; and (iii) the income of the Trust Fund shall continue to be exempt from federal income taxes; and (iv) that the Plan meet the requirements of ERISA and the Code, as described below.

The Plan has previously been amended to cover the following laws: ERISA, the Code, the Tax Equity and Fiscal Responsibility Act of 1982, the Tax Reform Act of 1984 and the Retirement Equity Act of 1984, the Omnibus Reconciliation Act of 1986, the Tax Reform Act of 1986, the Omnibus Budget Reconciliation Act of 1987, the Technical and Miscellaneous Revenue Act of 1988, the Unemployment Compensation Amendments of 1992 and the Omnibus Budget Reconciliation Act of 1993; the Multi-employer Pension Plan Amendments Act of 1980, the Tax Equity and Fiscal Responsibility Act of 1982, the Tax Reform Act of 1984, the Retirement Equity Act of 1984, Omnibus Reconciliation Act of 1986, Age Discrimination in Employment Act Amendments of 1986, the Tax Reform Act of 1986, the Omnibus Budget Reconciliation Act of 1987, Technical and Miscellaneous Revenue Act of 1988, Omnibus Budget Reconciliation Act of 1989, Older Workers Protection Act of 1990, the Omnibus Budget Reconciliation Act of 1990, the Unemployment Compensation Amendments of 1992, the Omnibus Budget Reconciliation Act of 1993; the Uruguay Round Agreements Act (GATT), The Uniformed Armed Services Employment and Reemployment Rights Act of 1994 (USERRA), The Small Business Job Protection Act of 1996 (SBJPA), The Taxpayer Relief Act of 1997 (TRA '97), and The Restructuring and Reform Act of 1998 (RRA '98, collectively GUST); the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA), the Job Creation and Worker Assistance Act of 2002 (JCWAA), the Pension Funding Equity Act of 2004 (PFEA), the American Jobs Creation Act of 2004 (AJCA), the Katrina Emergency Tax Relief Act of 2005 (KETRA), the Gulf Opportunity Zone Act of 2005 (GOZA), the Pension Protection Act of 2006

(PPA), the Heroes Earnings Assistance and Relief Tax Act of 2008 (HEART), and the Worker, Retiree, and Employer Recovery Act of 2008 (WRERA), and to incorporate certain other changes approved by the Trustees. The Plan shall be interpreted, wherever possible, to comply with the terms of these Acts and the Code and any applicable regulations and rulings issued under these Acts and the Code.

Contributions to this Plan are made solely by the participating Employers in accordance with the various collective bargaining agreements that have been, are, and will be in effect from time to time, governing this Plan. From its inception to the present time, rates of contribution have been as follows:

April 1, 1976 to August 31, 1977	\$0.42 per hour
September 1, 1977 to March 31, 1978	\$0.55 per hour
April 1, 1978 to March 31, 1979	\$0.58 per hour
April 1, 1979 to March 31, 1980	\$0.72 per hour
April 1, 1980 to March 31, 1981	\$0.97 per hour
April 1, 1981 to March 31, 1982	\$1.07 per hour
April 1, 1982 to March 31, 1991	\$1.17 per hour
April 1, 1991 to September 30, 1992	\$1.22 per hour
October 1, 1992 to September 30, 2003	\$2.44 per hour
October 1, 2003 to September 30, 2005	\$2.77 per hour
October 1, 2005 to September 30, 2008	\$2.90 per hour
October 1, 2008 to March 31, 2009	\$4.88 per hour
April 1, 2009 Forward	\$5.10 per hour

ARTICLE 1 - DEFINITIONS

As used herein, unless otherwise defined or required by the context, the following words and phrases shall have the meanings indicated. Some of the words and phrases used in the Plan may not be defined in this Article 1, but, for convenience, are defined as they are introduced into the text.

- 1.01 **Accrued Benefit:** as of the date of determination, the amount of monthly retirement income payable in the form of a Single Life Annuity commencing on the Participant's Normal Retirement Date and shall be an amount equal to the sum of the Participant's Cash Balance Accrued Benefit plus the sum of:
- A. the Participant's years of Past Service times the applicable Past Service Benefit Rate; plus
 - B. the Participant's years of Future Service One times the applicable Future Service One Benefit Rate, plus
 - C. the Participant's years of Future Service Two times the applicable Future Service Two Benefit Rate, plus
 - D. the Participant's years of Future Service Three times the applicable Future Service Three Benefit Rate.
 - E. The applicable Benefit Rates are defined in Plan Section 1.10. The resulting final benefit amount shall be rounded up to the next highest multiple of \$0.50.
 - F. Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code §414(u), which is incorporated herein by reference.
- 1.02 **Actuarial Equivalent:** a benefit of equivalent value, of all benefits under the Plan beginning on July 1, 2009, calculated by using the following mortality and interest rate assumptions:
- A. The Plan's interest rate for these calculations shall be 7.5%, compounded annually.
 - B. The mortality assumptions for Employees shall be based upon the RP-2000 Combined Healthy Mortality Table for males and the mortality assumptions for Spouses and Beneficiaries shall be based upon the RP-2000 Combined Healthy Mortality Table for females, except that the RP-2000 Disabled Male Mortality Table shall be used for Participants entitled to a Disability Benefit.
 - C. The Plan shall comply with the requirements of Code §417, which is hereby incorporated by reference.
- 1.03 **Actuary or Enrolled Actuary:** an Actuary (or a firm of Actuaries) who is enrolled under ERISA §3041, et seq., and selected by the Trustees.
- 1.04 **Amendment Date:** October 1, 2014, is the effective date of the amended and restated Plan.

- 1.05 **Annuity Starting Date:** the first day of the first period for which an amount is payable as an annuity, or in the case of a benefit not payable in the form of an annuity, the first day on which all events have occurred which entitles the Participant to such benefit.
- 1.06 **Applicable Interest Rate:** the adjusted first, second, and third segment rates as defined in Code §417(e)(3) for the fifth full calendar month immediately preceding the first day of the Plan Year in which the distribution occurs, as specified by the Commissioner for that month in revenue rulings, notices or other guidance published in the Internal Revenue Bulletin.
- 1.07 **Applicable Mortality Table:** the applicable mortality table described in Code §417(e)(3) for the Plan Year in which the Annuity Starting Date occurs.
- 1.08 **Association:** the Houston Chapter, Associated General Contractors of America, Inc. or any other such Association of Employers which may subscribe to the Plan and Trust with the consent of the original grantors.
- 1.09 **Beneficiary:** the person(s), estate or other legal entity designated by the Participant in accordance with the Plan who is entitled to receive benefits upon the death of a Participant. Except, however, for a married Participant, the Beneficiary shall automatically be the Spouse of the Participant unless the Participant has selected an alternate Beneficiary with the express written consent of the Spouse under the provisions of the Plan, such consent being witnessed by a Plan Fiduciary or a Notary Public.
- 1.10 **Benefit Rate:** the rate of monthly retirement benefit in effect on the last day that the Participant earned Benefit Service. The applicable Benefit Rates shall be determined in accordance with the following schedules:

Effective Date	Benefit Rate Applicable to:			
	Past Service	Future Service One	Future Service Two	Future Service Three
Prior to July 1, 1983	\$11.81	\$26.00	N/A	N/A
July 1, 1983 to September 30, 1987	\$9.85	\$32.00	\$45.00	N/A
October 1, 1987 to December 31, 1988	\$22.05	\$32.00	\$45.00	N/A
January 1, 1989 to January 31, 1989	\$21.00	\$32.00	\$45.00	N/A
February 1, 1989 to September 30, 1992	\$20.00	\$32.00	\$45.00	N/A
October 1, 1992 to Present	\$20.00	\$32.00	\$45.00	\$45.00

The Trustees, after consultation with the Plan Actuary, may amend the Plan to increase or decrease the Benefit Rate. Any such increase may be applied to Active Participants, Beneficiaries, Alternate Payees, Deferred Vested Participants, Retired Participants, or to any combination of these groups. Any decrease in the Benefit Rate shall be subject to the limitations contained in Code §412(c)(8) (for Plan Years beginning on or before

December 31, 2007) or Code §412(d)(2) (for Plan Years beginning after December 31, 2007). If the Plan is in a status of reorganization pursuant to Code §418 and/or ERISA §4241, the Trustees may, notwithstanding any provision of this Plan to the contrary, reduce Plan benefits and shall suspend the payment of any non-basic benefits (as defined in ERISA §4001(a)(7)) to the extent permitted and/or required by Code §418 and/or ERISA §4281.

1.11 Benefit Service:

- A. Past Service, Future Service One, Future Service Two and Future Service Three which are the years of a Participant's Covered Employment which are recognized for purposes of computing benefits under this Plan. Effective October 1, 1992, the accrual computation period changed from a calendar year to a Plan Year measurement period. The Hours of Service credited in the months of October, November and December of 1992 were credited in both the 1992 calendar year accrual computation period and the 1992-93 Plan Year accrual computation period, instead of having a partial accrued computation period.
- B. On or prior to September 30, 1997, if a Participant incurs a Permanent Break in Service with less than 10 years of Vesting Service, his years of Benefit Service as of his Termination of Covered Employment shall be disregarded hereunder.
- C. Effective October 1, 1997, if a Participant incurs a Permanent Break in Service with less than five years of Vesting Service, his years of Benefit Service as of his Termination of Covered Employment shall be disregarded hereunder.
- D. Effective January 1, 2010, if a Participant incurs a Permanent Break in Service with less than three years of Vesting Service, his years of Benefit Service as of his Termination of Covered Employment shall be disregarded hereunder.
- E. No Benefit Service shall be credited for any Plan Year of reemployment in which a Retired Participant is credited with less than 1,000 Hours of Service.

1.12 Permanent Break in Service: a termination of Hours of Service followed by a series of One-Year Breaks in Service, but in no event less than five, that equals or exceed his years of Vesting Service as of his Termination of Covered Employment.

1.13 Cash Balance Account: an accumulation of \$1.22 per Hour of Service, or such other amount per Hour of Service as may be determined by the Trustees from time to time, during the period October 1, 1992 through September 30, 2008. On and after October 1, 2008, such accumulation shall cease to the Cash Balance Account and no Cash Balance Account shall be established for any Employee who becomes a Participant on or after October 1, 2008. At the end of each Plan Year, including Plan Years after September 30, 2008, if the Cash Balance Account has not been distributed due to termination of employment, the Cash Balance Account at the beginning of the Plan Year will be credited with interest based on the Cash Balance Interest Rate.

1.14 Cash Balance Accrued Benefit: a monthly benefit equal to the Actuarial Equivalent of the Cash Balance Account. No Employee who becomes a Participant on or after October 1, 2008, shall have a Cash Balance Accrued Benefit.

- 1.15 **Cash Balance Interest Rate:** 5% interest per annum for Plan Years ending September 30, 1993, through September 30, 1997. Effective October 1, 1997, the Cash Balance Interest Rate shall be the yield on the 1-year Treasury Constant Maturities plus 100 basis points, determined as of the first day of each Plan Year.
- 1.16 **Code:** the Internal Revenue Code of 1986, as amended, and the regulations and other guidance related thereto.
- 1.17 **Collective Bargaining Agreement or Labor Agreement:** the basic agreements and any other labor contract between an Employer association or one or more Employers and the Union which provides for contributions to the Trust Fund for this Plan, together with any renewals, modification or amendment thereof or successor agreement thereto.
- 1.18 **Covered Employment:** employment of an Employee by an Employer in a job classification for which contributions to the Trust Fund are required pursuant to a Collective Bargaining Agreement or employment as an Employee of the Union.
- 1.19 **Employee:** any person who is employed in a job classification covered by a Labor Agreement, or other signatory Employer, and on whose behalf payments are required to be made to the Trust Fund by an Employer; and, any bona fide employee customarily employed by the Union and on whose behalf payments are required to be made to the Trust Fund by the Union.
- 1.20 **Employer:** any Employer who is a party to a Collective Bargaining Agreement with the Union which requires contributions under the Plan or any Employer (including a Union) who otherwise agrees in writing to make contributions to the Trust Fund.
- 1.21 **ERISA:** the Employee Retirement Income Security Act of 1974, as amended.
- 1.22 **Fiduciary:** a party named as a fiduciary in Article 8, herein. Any party shall be considered a fiduciary of the Plan only to the extent of the powers and duties specifically allocated to such party under the Plan.
- 1.23 **Fund or Trust Fund:** the total assets of the Trust Fund created in accordance with the Trust.
- 1.24 **Future Service One:** service that is attributable to Covered Employment during each calendar year beginning in 1967 and ending in 1984. A Participant shall receive one year of Future Service One for each calendar year in which the Participant is credited with at least 1,200 Hours of Service and a fractional year of Future Service One for each calendar year in which the Participant is credited with at least 300 Hours of Service but less than 1,200, with such fraction determined by dividing the number of Hours of Service in Covered Employment by 1,200. No Future Service One shall be granted for any calendar year in which the Participant received credit for less than 300 Hours of Service.
- 1.25 **Future Service Two:** service that is attributable to Covered Employment during each calendar year beginning in 1985 and ending in 1991. A Participant shall receive one year

of Future Service Two for each calendar year in which the Participant is credited with at least 1,200 Hours of Service and a fractional year of Future Service Two for each calendar year in which the Participant is credited with at least 300 Hours of Service but less than one thousand 1,200, with such fraction determined by dividing the number of Hours of Service in Covered Employment by 1,200. No Future Service Two shall be granted for any calendar year in which the Participant received credit for less than 300 Hours of Service.

1.26 **Future Service Three:** service that is attributable to Covered Employment during the 1992 calendar year and each Plan Year beginning on or after October 1, 1992.

A. A Participant shall receive one year of Future Service Three for the 1992 calendar year and for each Plan Year in which the Participant is credited with at least 1,200 Hours of Service and a fractional year of Future Service Three for each Plan Year in which the Participant is credited with at least 300 Hours of Service but less than 1,200, with such fraction determined by dividing the number of Hours of Service in Covered Employment by 1,200. Hours of Service credited during October, November and December of 1992 are credited to both the 1992 calendar Year and the Plan Year beginning October 1, 1992. No Future Service Three shall be granted for the 1992 calendar year or any Plan Year in which the Participant received credit for less than 300 Hours of Service.

B. Effective October 1, 1996, Future Service Three will be adjusted for purposes of determining a Participant's Accrued Benefit and Cash Balance Account when the Participant works a market recovery job where the pension contribution rate per hour is less than the current required contribution rate per hour as stated in the Plan's Introduction. The number of Hours of Service credited in each Plan Year will be adjusted by multiplying the number of market recovery Hours of Service credited in each Plan Year by a ratio equal to the actual market recovery hourly contribution rate divided by the current required contribution rate. The adjusted Hours of Service credited during a market recovery job will be added to the Hours of Service credited during the same Plan Year where contributions were made at the full current contribution rate to determine Future Service Three for that Plan Year.

1.27 **Hour of Service:** each hour for which an Employee is paid, or entitled to payment, by an Employer and which is reported to the Trustees by reason of the performance of duties, the nonperformance of duties, or a back pay award or agreement with the Employer, irrespective of mitigation of damages. No more than 301 Hours of Service shall be credited to an Employee for any single continuous period during which such Employee performs no duties (as described in this Section 1.27 and in Section 1.29, herein). Crediting Hours of Service to the applicable computation period as well as calculating Hours of Service for the nonperformance of duties shall be effectuated pursuant to Department of Labor Regulations §2530.200b-2(b) and (c) (as presently constituted and as amended from time to time) which are herein incorporated by reference. The term Hour of Service shall also include a Participant's (1) employment as a paid elected official of the Union, and/or (2) any period during which the Participant is on a military

leave of absence for service in the U.S. Armed Forces in accordance with Code §414(u), provided the Participant's reemployment rights are guaranteed by federal law during any such military leave and the Participant is reemployed after the expiration of such military leave within the time prescribed by law. For any such Union employment and/or military leave the Participant shall receive credit for 45 Hours of Service per week. "Authorized Leave of absence" means an unpaid, temporary cessation from Covered Employment due to military service, provided the Employee returns to work with an Employer as provided by law, and/or leave granted pursuant to the Family and Medical Leave Act of 1993.

- 1.28 **Limitation Year:** any 12 month period beginning on October 1 and ending the following September 30.
- 1.29 **One-Year Break in Service:** a calendar year (prior to 1993) or a Plan Year (after October 1, 1992) during which an Employee fails to complete 300 Hours of Service with an Employer. An Employee shall not incur a One-Year Break in Service for the year in which a Total and Permanent Disability is incurred as described in Section 3.03, herein. Further, solely for the purpose of determining whether a Participant has incurred a One-Year Break in Service, Hours of Service shall be recognized for an "authorized leave of absence" and "maternity or paternity leave of absence." Such Hours of Service shall be credited to the Plan Year in which the absence begins only to the extent that such credit is necessary to avoid a One-Year Break in Service; otherwise, credit shall be given in the immediately following Plan Year.
- A. "Authorized leave of absence" means an unpaid, temporary cessation from Covered Employment due to military service, provided the Employee returns to work with an Employer as provided by law.
 - B. A "maternity or paternity leave of absence" shall mean an absence from work for any period by reason of the Employee's pregnancy, birth of the Employee's child, placement of the child with the Employee in connection with the adoption of such child, or any absence for the purpose of caring for such child for a period immediately following such birth or placement.
 - C. For the purpose described herein, Hours of Service shall be credited for the computation period in which the absence of work begins, only if credit therefore is necessary to prevent the Employee from incurring a One-Year Break in Service, or, in any other case, in the immediately following computation period. The Hours of Service credited for a "maternity or paternity leave of absence" shall be those which would normally have been credited but for such absence, or, in any case in which the Administrator is unable to determine such hours normally credited, eight Hours of Service per day. The total Hours of Service required to be credited for a "maternity or paternity leave of absence" shall not exceed 301 hours.
 - D. No credit shall be given hereunder unless the Employee timely provides such information as is reasonably required to establish that the absence is for a reason described herein and the number of days of absence attributable to such reason.

- 1.30 **Participant:** any Employee, retiree, or a vested former Employee covered by the Plan in accordance with the terms of Article 2 hereof, and shall include a Beneficiary or Alternate Payee who is eligible for, or receiving, benefits under the Plan, to the extent of receiving notices and making benefit elections under the Plan.
- 1.31 **Past Service:** service which is attributable to Covered Employment performed prior to January 1, 1967. Each Employee shall be credited with one year of Past Service for each calendar year during the continuous and unbroken period ending on January 1, 1967 during which he was dependent for his livelihood upon his employment in the cement masonry industry within the territorial jurisdiction of the local union in a job classification covered by a Labor Agreement. In determining Past Service the Board of Trustees may rely upon any relevant or material evidence of employment under a Collective Bargaining Agreement, including, but not limited to, records of union membership, payroll records, statements of Employers and records of the Social Security Administration.
- 1.32 **Plan:** the Cement Masons Local Union #681 Pension Plan, the terms of which are set forth herein, and all amendments hereto which may hereafter be made.
- 1.33 **Plan Administrator or Administrator:** the Trustees who are hereby designated as the "Administrator" of the Plan within the meaning of ERISA §3(16) and as the agent for the service of legal process for purposes of ERISA §102(b).
- 1.34 **Plan Year:** any 12 month period beginning on October 1st and ending on the last day of September.
- 1.35 **Prior Plan:** the Cement Masons Locals Nos. 681 and 177 Pension Plan as it was in effect on September 30, 1976.
- 1.36 **Retired Participant:** a Participant who has qualified for retirement and who is receiving benefits from the Trust Fund by direction of the Trustees.
- 1.37 **Spouse:** as of any applicable date, the married dependent of the Participant, who was recognized as being married to the Participant under the laws of the state where the marriage was established, except as described in paragraph 9.03, and if and to the extent provided in a Qualified Domestic Relations Order under ERISA §206(d) and Code §414(p), a Participant's former Spouse.
- 1.38 **Termination of Covered Employment:** in the case of any Participant who has qualified for benefits under this Plan, the severance of his employment relationship with all Employers. For a Participant who is not vested in the Plan, Termination of Covered Employment means the last day of the Plan Year immediately preceding the Plan Year in which the Participant fails to accrue at least 300 Hours of Service.
- 1.39 **Trust or Trust Agreement:** the agreement of trust between the Employer Trustees and the Union Trustees as contained herein and forming a part of the Plan, which governs the continuation and maintenance of the trust fund, and all amendments thereto which may hereafter be made.

- 1.40 **Trustee or Board of Trustees:** the individual Employer and Union Trustees named herein, or any Joint substitute or successor Trustee, and the Trustees are collectively considered the Administrator.
- 1.41 **Union:** Cement Masons Local Union No. 681 of Houston, Texas, or any other such local union that may subscribe to the Plan and Trust with the consent of the parties to the Collective Bargaining Agreement.
- 1.42 **Vesting Service:** the sum of Past Service and Future Vesting Service, unless a Permanent Break in Service occurs.
- A. "Future Vesting Service" shall be the sum of the Participant's Future Service One as of January 1, 1976, plus
 - B. One year, or a fractional year during which the Participant completes at least 300 Hours of Service but less than 1,000 Hours of Service, for each subsequent calendar year through December 31, 1992. Such fraction is determined by dividing the number of Hours of Service in Covered Employment by 1,000; plus
 - C. One year, or similar fractional year, from October 1, 1992, through September 30, 1993, and each Plan year thereafter. Hours of Service credited during October, November and December of 1992 are credited to both the 1992 calendar year and the Plan Year beginning October 1, 1992.
 - D. A Participant's years of Vesting Service will be permanently protected, unless a Permanent Break in Service, as described in Section 1.12, herein, occurs.

ARTICLE 2 - ELIGIBILITY AND PARTICIPATION

- 2.01 **ELIGIBILITY.** Each Employee of an Employer shall be eligible to participate in the Plan, except those Employees who would be classified as key employees under Code §416, which is incorporated herein by reference.
- 2.02 **PARTICIPATION**
- A. Each Employee shall automatically become a Participant on the date of commencement of Covered Employment.
 - B. Once an Employee has become a Participant, Participant status will continue as long as the Employee, or former Employee, does not incur a Permanent Break in Service. For a Vested Participant, the Participant's Beneficiary retains Participant status for as long as the individual has any right to benefits under the Plan.
 - C. Anything herein to the contrary notwithstanding, any individual who is reemployed after a Permanent Break in Service shall again become a Participant on the date of resumption of Covered Employment.
 - D. A Participant shall become a Retired Participant when employment is terminated by retirement or the individual otherwise retires. An Active Participant is an individual who is employed in Covered Employment, including individuals covered under Sections 1.27 and 1.29, herein. An Active Vested Participant is an

Active Participant who would be entitled to a percentage of his Accrued Benefit in accordance with Section 3.05 if he terminated Covered Employment, and his Vested Benefit is the benefit to which he is or would be entitled upon retirement. A Deferred Vested Participant is no longer employed in Covered Employment but is entitled to a percentage of his Accrued Benefit in accordance with Section 3.05. A Vested Participant is an Active Vested Participant or a Deferred Vested Participant.

ARTICLE 3 - RETIREMENT DATES AND BENEFITS

3.01 **NORMAL RETIREMENT.** Normal retirement under the Plan is retirement of a Vested Participant from the Covered Employment of an Employer on Normal Retirement Date. In the event of normal retirement, payment of retirement income shall be governed by the following provisions.

- A. **Normal Retirement Date:** The Normal Retirement Date of a Vested Participant shall be the first day of the calendar month coincident with or next following the date of attainment of Normal Retirement Age, but subject to Section 5.01. Normal Retirement Age shall be determined as of the latter of the Participant's 65th birthday or the fifth anniversary of participation in the Plan. With respect to determining the commencement of Covered Employment for purposes of this Section 3.01, any employment prior to a Permanent Break-in-Service shall be disregarded. A Participant in Covered Employment at Normal Retirement Age shall have a non-forfeitable right to a retirement benefit on the attainment of Normal Retirement Date.
- B. **Amount of Retirement Income:** The amount of monthly retirement income shall be the monthly Accrued Benefit, adjusted for the form of payment elected in accordance with Article 5.
- C. **Payment of Retirement Benefit:** The retirement income payable in the event of retirement shall be payable on the first day of each month. The first payment shall be made on the first day of the month coincident with or next following the Vested Participant's application for benefits under Section 5.01 at his Normal Retirement Date or date of retirement, whichever is later, and the last payment shall be the payment due in accordance with Article 5 under the Option in effect.

3.02 **EARLY RETIREMENT**

- A. Early retirement under the Plan is retirement by the Vested Participant from Covered Employment prior to his Normal Retirement Date but after the Participant has completed at least 10 years of Vesting Service and the sum of his age plus his Vesting Service equals or exceeds 70. In the event of early retirement, payment of retirement income shall be governed by the provisions of this Section 3.02; however, in lieu of the retirement income provided herein, the Participant may elect to receive a deferred retirement income as provided in accordance with Section 3.05, herein.

- B. Early Retirement Date: The Early Retirement Date of a Vested Participant shall be the first day of the month coincident with or next following the date he satisfies the requirements of Section 3.02(A), makes application for benefits under Section 5.01, and commences benefit payments.
- C. Amount of Retirement Income: The amount of monthly retirement income for a Vested Participant who retires early under the provisions of Article 3 shall be equal to his monthly Accrued Benefit, actuarially reduced for each month by which his Early Retirement Date precedes his Normal Retirement Date and adjusted for the form of payment elected in accordance with Article 5.
- D. Payment of Retirement Income: The retirement income payable in the event of early retirement shall be payable on the first day of each month. The first payment shall be made after the Participant's application for benefits under Section 5.01 and as of the Participant's Early Retirement Date, and the last payment shall be the payment due in accordance with Article 5 under the Option in effect.

3.03 DISABILITY RETIREMENT

- A. In the event an Active Vested Participant becomes totally disabled as defined herein, to be eligible for any disability retirement benefits hereunder, the Participant must have been actively employed at the time the disability began, have completed at least 10 years or more of Vesting Service, and be credited with at least 600 Hours of Service in Covered Employment within the 8 calendar quarters immediately preceding the calendar quarter in which his disability occurred including allowance (for this purpose only) for any time within such period during which he was prevented from working in Covered Employment by sickness, injury, jury duty, or military service. An individual who meets the requirements of this Section is considered a Disabled Participant.
- B. Disability Retirement Date: If a Participant qualifies for disability insurance benefits under Title II of the Federal Social Security Act, for Plan purposes the Disability Retirement Date shall be retroactive to the first day of the month coincident with or immediately following the date the Disabled Participant ceased all work in Covered Employment due to Disability, provided application for disability payments from the Plan are made within 90 days of the date the Federal Social Security Disability Income benefits are awarded. Otherwise, a Participant's Disability Retirement Date shall be the first day of the month following the date of application to the Plan if the application is approved by the Board of Trustees. For the purposes herein, the Disability Retirement Date shall relate to the Active Participant's last day of work in Covered Employment.
- C. Total Disability: An Active Participant shall be considered totally disabled if, in the opinion of the Trustees, the Participant is wholly prevented from engaging in any substantial gainful activity by reason of a medically determinable physical or mental impairment from a cause other than specified in Section 3.03(D) below, which can be expected to result in death or to be of long continued and indefinite duration. Approval or disapproval for a Federal Social Security Disability Income

Award shall be taken into consideration by the Trustees but shall not necessarily be the sole criterion in determining if a Participant is disabled. The decision of the Trustees on these questions shall be final and binding.

- D. **Non-admissible Causes of Disability:** A Participant shall not be entitled to receive any disability retirement income if the disability is a result of any of the following:
1. Intentional, self-inflicted injury or attempted suicide.
 2. Injury or disease sustained by the Participant after cessation of Covered Employment.
 3. Declared or undeclared war or any act thereof, except as required under USERRA.
 4. Service in the Armed Forces of any country, except as required under USERRA.
 5. Participation in or in consequence of having participated in the committing of a felony, as determined by the Trustees.
- E. **Proof of Disability:** The Trustees, before approving the payment of any disability retirement benefit, shall require proof that the Participant was disabled as provided herein, is eligible to receive or is receiving Social Security Disability Income Benefits because of his disability and/or such other proof as may be needed, including a certification by one or more duly licensed physicians selected by the Trustees that the Participant is totally disabled on his Disability Retirement Date within the definition of disability under Section 3.03(C), herein. Failure to provide the Trustees with proof of disability, which may not only include necessary medical information but also any Trustee-requested earnings information pursuant to the determination of the Participant's ability to engage in any substantial gainful activity, shall preclude a Participant from being eligible for, or continuing to qualify for, any disability benefits hereunder. The determination of such disability shall be applied uniformly to all Participants.
- F. **Amount of Disability Retirement Income:** An Active Participant who becomes totally disabled in accordance with this Section 3.03 and satisfies the requirements of Section 3.03(A) shall be entitled to a monthly retirement income, commencing on his Disability Retirement Date, equal to his monthly Accrued Benefit, with Benefit Service and the Benefit Rate determined as of his Termination of Covered Employment due to Total Disability, actuarially reduced for each month by which his Disability Retirement Date precedes his Normal Retirement Date and adjusted for the form of payment elected in accordance with Article 5.
- G. **Payment of Disability Retirement Benefit:** The retirement income payable in the event of a disability retirement shall be payable on the first day of each month. The first payment shall be made as of the Disabled Participant's Disability Retirement Date and shall continue thereafter for so long as such disability continues, except that upon attainment of age 65, a Disabled Participant shall have his retirement income continue regardless of whether or not the total disability continues.

- H. Reemployment of a former Disabled Participant: If a Disabled Participant recovers from disability prior to Normal Retirement Date and returns to Covered Employment within a reasonable period of time after his recovery, his prior years of Vesting Service and Benefit Service shall be recognized for all purposes under this Plan. If a former Disabled Participant does not return to Covered Employment within a reasonable period of time he shall be deemed to have terminated Covered Employment as of his Disability Retirement Date and the future benefits, if any, to which he is entitled under Section 3.05, herein, shall be calculated based on the Benefit Rates used previously in calculating his disability retirement benefit.

3.04 LATE RETIREMENT

- A. Late retirement under the Plan is retirement of the Vested Participant from Covered Employment after reaching his Normal Retirement Date. In the event of late retirement, payment of retirement income shall be governed by the following provisions of this Section.
- B. Late Retirement Date: The Late Retirement Date of a Participant shall be the first day of the month coincident with or next following the date of receiving a written application for retirement, and the Participant retires from Covered Employment after his Normal Retirement Date, for any reason other than death.
- C. Amount of Retirement Income: The amount of monthly retirement income to a Participant who retires under these provisions shall be equal to the greater of his monthly Accrued Benefit as of his Late Retirement Date (based on his Benefit Service earned to his Late Retirement Date) or the Actuarial Equivalent of his monthly Accrued Benefit on his Normal Retirement Date, adjusted for the form of payment elected in accordance with Article 5.
- D. Payment of Retirement Benefit: The retirement income payable in the event of late retirement shall be payable on the first day of each month. The first payment shall be made as of the Participant's Late Retirement Date and the last payment shall be the payment due in accordance with Article 5 under the Option in effect.

3.05 BENEFIT ON TERMINATION OF EMPLOYMENT

- A. Non-Vested Benefit: Effective January 1, 2010, a Participant who terminates Covered Employment prior to the completion of three years of Vesting Service, and subsequently incurs a Permanent Break-in-Service, shall not be entitled to receive any benefits under the Plan.
 - 1. Further, such Participant who is zero percent vested shall be deemed to have been cashed out with respect to the value of his Accrued Benefit as of Termination of Covered Employment.
 - 2. The Trustees shall retain a record of the terminated Participant's Vesting and Benefit Service. However, the Participant will lose such Vesting and Benefit Service once a Permanent Break-in-Service is incurred, in which consecutive One-Year Breaks in Service (but in no event less than five) are equal to or exceed the number of years of Vesting Service the

Participant earned prior to Termination of Covered Employment. At such time, the Trustees shall disregard such prior Vesting and Benefit Service.

3. On or prior to September 30, 1997, a Participant who terminated Covered Employment with an Employer prior to the completion of 10 years of Vesting Service shall not be entitled to receive any benefits under the Plan. Between September 30, 1997 and December 31, 2009, a Participant who terminated Covered Employment with an Employer prior to the completion of five years of Vesting Service, and then incurred a Permanent Break-in-Service, shall not be entitled to receive any benefits under the Plan.

B. Vested Benefit:

1. A Participant who performs at least one Hour of Service on or after January 1, 2010, and who terminates Covered Employment after completing at least three years of Vesting Service shall be 100% vested and entitled to the Accrued Benefit earned as of the Termination of Covered Employment. A Participant who performs at least one Hour of Service on or after October 1, 1997, through December 31, 2009, and who terminates Covered Employment after completing at least five years of Vesting Service shall be 100% vested and entitled to the Accrued Benefit earned as of the Termination of Covered Employment.
2. On or prior to September 30, 1997, a Participant who terminates Covered Employment prior to his Normal Retirement Date for any reason other than his death or disability after completing at least 10 years of Vesting Service shall be 100% vested and entitled to the Accrued Benefit earned as of the Termination of Covered Employment.
3. A Participant's Vested Percentage may never be reduced because of an amendment to the plan, except as provided by law. A Participant who has not incurred a permanent Break-in-Service as of the date of an amendment that changes any vesting requirement may elect to have the non-forfeitable percentage of his Accrued Benefit determined in accordance with the provisions of the Plan in effect prior to such amendment. If the Participant fails to make such an election, the Plan will be administered as if the Participant elected the new vesting schedule. The election period shall commence on the adoption date of the amendment and shall end 60 days after the date the Participant receives written notice of such amendment.

- C. Reduced Early Benefit Option: A Vested Participant who terminates Covered Employment with 10 years of Vesting Service prior to satisfying the requirements for early retirement in accordance with Section 3.02 may elect to receive, in lieu of the benefit described in Section 3.05(B), herein, an actuarially reduced monthly Accrued Benefit commencing on the first day of the month next following the date such Participant satisfies the requirements for early retirement or on the first day of any subsequent month, in an amount equal to the monthly Accrued Benefit determined in Section 3.05(B), herein, actuarially reduced for each month that the

date of commencement of benefits precedes the Participant's Normal Retirement Date as described in Section 3.02, herein.

- D. An election to receive benefits hereunder shall be in writing and shall be delivered to the Trustees not later than 60 days prior to the date such Participant desires payments to commence in accordance with this paragraph.

3.06 DEATH BENEFIT PRIOR TO RETIREMENT

- A. The pre-retirement lump sum death benefit has been eliminated as required under law.
- B. If a Vested Participant dies prior to retirement, his Spouse shall receive a Qualified Pre-Retirement Survivor Annuity commencing on the first day of the month coincident with or next following his Earliest Retirement Date.
 - 1. The Qualified Pre-Retirement Survivor Annuity shall be a monthly Retirement Income for the Spouse's lifetime in an amount equal to 50% of the monthly income the Participant would have received had he elected retirement on the first day of the month coincident with or next following his Earliest Retirement Date and also elected the Joint and 50% Survivor Annuity for Married Vested Participants described in Section 5.02 (the Qualified Joint and Survivor Annuity).
 - 2. Earliest Retirement Date means, for purposes of this Section, the later of (a) or (b), where (a) is the earliest date on which the Participant could have elected to begin receiving a retirement income had he survived to such date without earning any additional Vesting Service or Benefit Service, and (b) is the Participant's date of death.
 - 3. In lieu of receiving the Qualified Pre-Retirement Survivor Annuity as described in Section 3.06(B)(1) above, the Spouse may elect to begin receiving the Qualified Pre-Retirement Survivor Annuity as of the first day of any month during the period beginning with the Participant's date of death and ending with the Participant's Normal Retirement Date, and such Annuity shall be equal to the Actuarial Equivalent of the Qualified Pre-Retirement Survivor Annuity as described in Section 3.06(B)(1).
 - 4. For the purposes of the Death Benefits as described in this Section 3.06, a Participant who dies while in qualified military service, will be considered to have returned to Covered Employment on the day before death, and then to have terminated employment on the date of death.
- C. In the event that the deceased Participant has no surviving Spouse, no death benefit shall be payable under this Section 3.06.

3.07 DEATH BENEFIT AFTER RETIREMENT.

If a Participant dies subsequent to commencement of retirement benefits, no benefit shall be payable hereunder unless the Participant was married at the time of benefit commencement and was receiving benefits under one of the Joint and Survivor Annuities under Section 5.01, herein. The provisions of the prior sentence do not apply to benefits

assigned to an Alternate Payee under a Qualified Domestic Relations Order, pursuant to ERISA §206(d)(3), or Code §414(p), where the Plan is presented with a domestic relations order prior to the death of the Participant, whether or not the qualification of such order, or related orders, are completed and approved by the Trustees prior to the death of the Participant. Any domestic relations order received by the Plan after a Plan benefit has lapsed or has been properly distributed under the then-existing procedural rules will not be considered qualified under this Plan.

3.08 PAYMENT OF DEATH BENEFITS

- A. Notwithstanding any provision in this Plan to the contrary, if a Vested Participant dies before benefit payments have commenced, such distribution payable upon death shall be available for payment to the surviving Spouse no later than the date at which the deceased Vested Participant would have reached the Plan's earliest retirement age and shall be distributed over the life expectancy of the surviving Spouse.
- B. If a Participant dies after benefit payments have commenced, the remainder of the distribution payable upon death shall be distributed at least as rapidly as if the Participant still lives.

3.09 MAXIMUM BENEFIT

- A. Notwithstanding any other provision of the Plan, in no event may the benefits otherwise payable to a Vested Participant or a Beneficiary under this Plan exceed the limitations set forth in Code §415, or the accruals for any Participant exceed the requirements under Code §401(a)(17). The provisions of Code §§415 and 401(a)(17), and related regulations and guidance, are incorporated by reference herein, including any adjustment of those limitations due to the cost of living. See also, Section 6.09, herein.
- B. In the event a Retired Participant is credited with an additional Accrued Benefit and/or Cash Balance Accrued Benefit due to any Benefit Service while reemployed, such Retired Participant's benefit will be increased effective as of the first day of the following Plan Year based on the Benefit Service earned in the prior Plan Year.

3.10 SUSPENSION OF BENEFITS UPON REEMPLOYMENT IN COVERED EMPLOYMENT

- A. Reemployment Prior to Normal Retirement Date:
 - 1. Each Retired Participant and Disabled Participant must notify the Fund Office upon returning to work in Covered Employment prior to Normal Retirement Date. Upon appropriate investigation and notice to the Participant, benefit payments will be suspended as described in ERISA §203 and its regulations under §2530.203-3, and the following paragraphs.
 - 2. If a Retired Participant is reemployed in Covered Employment, retirement benefits shall continue to be paid until such Retired Participant works 480 hours in any Plan Year after reemployment. Beginning with the month

following the month in which such Retired Participant completes 480 hours, the Retired Participant's retirement benefit shall be suspended for each month remaining in that Plan Year in which the Retired Participant completes more than 39 hours in Covered Employment, plus two additional months.

3. Upon resumption of any retirement benefits at a later date, an adjustment will be made to the Participant's monthly benefit in an amount equal to (a) plus (b), where:
 - a. the original reduced early retirement benefit is increased actuarially for the number of months the early retirement benefit payments were suspended prior to resumption of payments or, if earlier, attainment of Normal Retirement Date, plus
 - b. any additional Accrued Benefit attributable to Benefit Service credited during such reemployment, actuarially reduced for each month by which the resumption of retirement payments precedes his Normal Retirement Date; provided, however, any such additional Accrued Benefit shall not commence prior to the first day of the Plan Year next following the Plan Year in which such additional benefits were earned and shall be at the Benefit Rate in effect for such Plan Year that it was earned.

B. Reemployment After Normal Retirement Date:

1. If a Retired Participant is reemployed in Covered Employment, retirement benefits shall continue to be paid until such Retired Participant works 480 hours in any Plan Year after reemployment. Beginning with the month following the month in which such Retired Participant completes 480 hours, the Retired Participant's retirement benefit shall be suspended for each month remaining in that Plan Year in which the Retired Participant completes more than 39 hours in Covered Employment. Suspension of benefits under the Plan shall be governed by the regulations as provided in 29 C.F.R. §2530.203-3 and as provided for herein.
2. For purposes of determining whether or not a Retired Participant is reemployed in Covered Employment, if requested by the Trustees in writing, the Retired Participant shall make available to the Trustees such information as the Trustees deem necessary to ascertain whether or not the Retired Participant is, or has been, reemployed in the same trade or craft and in the same geographic area, including, but not limited to, Social Security work history and income tax filings with the Internal Revenue Service. Failure to make such information available to the Trustees shall automatically suspend any payments until such time as such information is made available to the Trustees and the Trustees can determine proper compliance herewith.
3. In the event a Retired Participant is credited with an additional Accrued Benefit and/or Cash Balance Accrued Benefit due to any Benefit Service

while reemployed, such additional Accrued Benefit shall be at the Benefit Rate in effect for the Plan Year such Benefit Service was earned in and shall become payable as of the first day of the Plan Year next following such Plan Year in which the Benefit Service was credited.

3.11 SPECIAL RETIREE AND BENEFICIARY INCREASES. The Benefit Rates in Section 1.10, herein, have been adjusted in accordance with the special increases noted in this Section 3.11.

- A. November 1, 1989: All persons who are receiving a check on November 1, 1989 who retired prior to January 1, 1989, will have their monthly pension benefit increased by 5%. The increase is retroactively effective to January 1, 1989. Retroactive benefits, resulting from this increase, will be paid in a separate check November 1, 1989.
- B. March 1, 1991: All persons receiving a monthly benefit from the Plan on February 1, 1991 shall receive one additional check on March 1, 1991, equal to one month's benefit (the same amount as the February 1, 1991, monthly benefit).
- C. April 1, 1991: All persons who are receiving a check on April 1, 1991 who retired on or prior to January 1, 1989, will have their monthly pension benefit increased by 5%. The increase is retroactively effective to January 1, 1989. Retroactive benefits, resulting from this increase, will be paid in a separate check April 1, 1991.
- D. October 1, 1992: An increase in Benefit Rates was approved for all persons receiving a monthly benefit from the Plan on October 1, 1992. Retirees who retired prior to July 1, 1983 will have their Benefit Rate increased to \$24.00 for Future Service One. Retirees who retired on or after July 1, 1983, will have their Benefit Rate increased to \$30.00 for Future Service One and to \$45.00 for Future Service Two. In addition, all persons receiving a monthly benefit from the Plan on December 11, 1992 shall receive one additional check on December 1, 1992 equal to one month's benefit at the new rate noted above.
- E. January 1, 1997: All persons receiving a monthly benefit from the Plan on January 1, 1997, shall receive one additional check on January 1, 1997 equal to 50% of one month's benefit.
- F. July 1, 1997: All persons receiving a monthly benefit from the Plan on July 1, 1997, shall receive one additional check on July 1, 1997, equal to 50% of one month's benefit.

ARTICLE 4 - BENEFICIARIES

4.01 DESIGNATION OF BENEFICIARIES

- A. Each Participant shall, on a form provided for that purpose, signed and filed with the Trustees, designate a Beneficiary, if any, to which benefits may be payable in the event of his death pursuant to the provisions of Sections 3.06 and 3.07, herein, and the Participant may change such designation from time to time, subject to

Spousal consent, if applicable. Each such change, made in writing on a form provided for that purpose and filed with the Trustees, shall revoke all prior designations by the Participant.

- B. If any Participant dies without having designated a Beneficiary, any applicable death benefit shall be distributed to the surviving Spouse. If there is no surviving Spouse, the death benefit shall be distributed in equal shares, per stirpes, to the Participant's children, and if there are none, then to the Participant's parents, and if none, then to the Participant's brothers and sisters, and if there are none, then to the estate of the deceased Participant.

ARTICLE 5 - FORMS OF RETIREMENT INCOME

5.01 APPLICATION AND ELECTION OF RETIREMENT BENEFITS

- A. An application for commencement of benefits must be filed with the Trustee by the Participant, or Beneficiary, on a form provided by the Plan in advance of the Participant's Annuity Starting Date, including the required notices, consent, and/or waiver as described in Section 5.02(C, D, and E) below.
- B. The standard form of a benefit payment under the Plan is a monthly retirement income payable in the form of a Single Life Annuity commencing on the Annuity Starting Date for unmarried Participants and a reduced monthly retirement income payable either in the form of a Joint and 50% Survivor Annuity (the "Qualified Joint and Survivor Annuity") or a Joint and 75% Survivor Annuity commencing on the Annuity Starting Date for married Participants. The Joint and 75% Survivor Annuity shall be effective December 31, 2007. All optional forms of payment shall be the Actuarial Equivalent of the Single Life Annuity.

5.02 DESCRIPTION OF OPTIONAL FORMS OF PAYMENT.

- A. The forms of payment available on a Vested Participant's Annuity Starting Date shall be as follows:
 - 1. Single Life Annuity for Unmarried Vested Participants: A monthly retirement benefit payable during the Vested Participant's lifetime, with payments to cease upon the death of the Participant.
 - 2. Joint and 50% Survivor Annuity for Married Vested Participants: A monthly retirement benefit which is Actuarially Equivalent to the Participant's Single Life Annuity and which shall be payable during the Retired Participant's lifetime, with 50% of the Participant's benefit amount continuing to the Spouse after the death of the Retired Participant for the Spouse's lifetime.
 - 3. Joint and 75% Survivor Annuity for Married Vested Participants: A monthly retirement benefit which is Actuarially Equivalent to the Participant's Single Life Annuity and which shall be payable during the Retired Participant's lifetime, with 75% of the Retired Participant's

benefit amount continuing to the Spouse after the death of the Retired Participant for the Spouse's lifetime.

- B. Lump Sum Payment at Death: This benefit option has been eliminated as a result of the Critical Status of the Plan.
- C. A married Participant may elect to waive the Joint and 50% Survivor Annuity and choose an actuarially adjusted Single Life Annuity or Joint and 75% Survivor Annuity, provided that the Participant's Spouse consents to such waiver. The Participant may cancel this waiver at any time prior to his Annuity Starting Date. The Spouse's consent described herein must be verified by either a Notary Public or by the Plan Administrator.
- D. The Participant must be provided a full description of all benefit options, optional forms of benefits, and a full description of each option no less than 30 days before, nor more than 90 days, before his Annuity Starting Date. The Participant may waive the minimum 30-day notice period, provided that he does so in writing, and he must be provided the required information discussed above in (C) no more than 7 days prior to his Annuity Starting Date. The information required under this Section shall include an explanation of
 - 1. the terms and conditions of the Qualified Joint and Survivor Annuity,
 - 2. the Participant's right to make, and the effect of, an election to waive the Qualified Joint and Survivor Annuity,
 - 3. the rights of the Participant's Spouse to consent to elections made by the Employee,
 - 4. the right to make, and the effect of, a revocation of an election to waive the Qualified Joint and Survivor Annuity,
 - 5. the relative values of the various optional forms of benefits under the Plan to the extent required under the Code, including the difference in the amount of benefit payable under the Qualified Joint and Survivor Annuity form of payment as compared to the amount otherwise payable under Sections 3.01, 3.02, 3.03 or 3.04, whichever is applicable,
 - 6. the effect of the election of a retroactive Annuity Starting Date, if applicable, and
 - 7. the Employee's right, if any, to defer receipt of a distribution, including a description of the consequences of failing to defer such receipt.
- E. For retroactive Annuity Starting Dates, the period for electing any waiver and/or consent shall not be less than 30 days nor more than 90 days after the appropriate notice described above is provided to the Participant. A benefit which includes a retroactive Annuity Starting Date shall be based upon the present value of the Accrued Benefit, given the applicable mortality table and interest rate, applicable to the retroactive Annuity Starting Date.

5.03 RESTRICTION ON COMMENCEMENT OF BENEFIT PAYMENTS

- A. Notwithstanding any provision of the Plan, each Vested Participant's entire interest in the Plan will be distributed, or distributions will commence, no later than April 1 following the calendar year in which he attains age 70½, whether or not he retires.
- B. All distributions under the Plan shall be made in accordance with the requirements of Code §401(a)(9) and the Regulations thereunder, which are incorporated by reference herein, including the incidental death benefit requirements of 26 C.F.R. §1.401(a)(9), including any amendments to such requirements. The provisions of Section 5.03 herein override any distribution options under the Plan if inconsistent with the requirements of Code §401(a)(9) and its Regulations.
- C. Unless a Vested Participant elects otherwise, payment of the Accrued Benefit shall begin not later than the 60th day after the close of the Plan Year in which occurs the latest of:
 - 1. the Vested Participant's 65th birthday;
 - 2. the fifth anniversary of the Participant's participation in the Plan; or
 - 3. the Vested Participant's termination of Covered Employment date.
- D. Where payment of a Vested Participant's interest has begun in accordance with the Plan and the Participant dies before the entire interest has been distributed, the remaining portion of such interest shall be distributed at least as rapidly as under the method of distribution selected prior to the Participant's death.

5.04 ROUNDING OF PENSION AMOUNTS.

Any pension amount, if not already a multiple of \$0.50, shall be rounded to the next highest multiple of \$0.50.

5.05 ROLLOVER RULES.

Rollover distributions have been eliminated due to the Critical Status of the Plan.

ARTICLE 6 - METHOD OF FINANCING

6.01 ESTABLISHMENT OF FUND

- A. The Employers shall designate up to four individuals and the Union shall designate up to four individuals to serve as the Trustees. The Trust Agreement, the terms of which are incorporated herein as applicable, shall govern the establishment of the Fund from which the benefits provided by the Plan shall be paid.
- B. The Trust Fund shall be received, held in Trust, and disbursed by the Trustees in accordance with the provisions of the Trust Agreement and the provisions set forth in this Plan. No part of the Trust Fund shall be used for or diverted to purposes other than for the exclusive benefit of Participants, Retired Participants,

Disabled Participants, Spouses and Beneficiaries under this Plan. No person shall have any interest in or right to the Trust Fund or any part thereof, except as specifically provided for in this Plan or the Trust Agreement. In no event shall any of the assets of the Trust Fund revert to or be paid to any Employer or the Union.

6.02 EMPLOYER AND UNION CONTRIBUTIONS

- A. Each Employer and the Union agree to timely pay to the Trust Fund the amount required pursuant to the Collective Bargaining Agreement(s) or participation agreements the amount of its minimum contribution requirement. Such Employer Contributions, if made pursuant to the Collective Bargaining Agreement(s) or participation agreements, shall be paid in the manner and at the times prescribed by the Collective Bargaining Agreement or participation agreements and shall be calculated by multiplying the Hours of Service for which each Participant received credit during the prior month by the Employer contribution rate then in effect as set forth in the Collective Bargaining Agreement. The Trustees shall provide the Employers with forms for this purpose. Such Employer Contributions, if the Plan is in the status of reorganization, shall be equal to the Employer's minimum contribution requirement under Code §418B and/or ERISA §4243. If an Employer does not pay its Employer Contributions hereunder as required under the Plan's Delinquency and Collections Policy, after due notice of its delinquency, the Trustees shall institute legal action to collect such delinquent contributions with legal fees, court costs, interest and liquidated damages equal to 20% of the delinquent contributions chargeable to the Employer under the Trust Fund, in addition to the amount of any delinquent contributions.
- B. The total Contributions under the Plan for any period shall not exceed the requirements of Code §402(g). Code §415 Compensation shall include elective, pre-tax contributions to 401(k), 125, 403(b) and 457 plans. Code §§415 and 402(g), and their related regulations and guidance, and any adjustments related to the cost of living, are incorporated herein by reference. The contribution and compensation requirements of Code §415 shall not be exceeded under the Plan. After January 1, 2001, for purposes of the requirements described above, compensation paid or made available during such Plan and Limitation Years shall include elective amounts that are not includible in the gross income of the Employee by reason of Code §132(f)(4).

6.03 PARTICIPANT CONTRIBUTIONS

No contributions shall be required of or permitted by any Participant under this Plan.

6.04 FUNDING STANDARD ACCOUNT

The Trustees shall cause the Actuary to periodically perform an actuarial valuation of the Plan and Trust Fund, and the Actuary shall certify to the Trustees in writing the results of the valuation. A funding standard account shall be established and maintained by the Actuary (as required by the minimum funding standards set forth in Code §412). The Trustees shall also cause the Actuary to determine the actuarial value of the Plan's

unfunded vested benefits as required by law, and the actuarial value of any change in the Plan's unfunded vested benefits since the end of the preceding Plan Year.

6.05 FUNDING POLICY

The Trustees shall establish a funding policy and method consistent with Plan objectives and the provisions of the Act in order that the long range and short range financial needs of the Plan may be determined.

6.06 EXPENSES

The Trustees shall cause to be paid from the Trust Fund all the expenses of administering this Plan and the Trust Fund.

6.07 MISTAKEN CONTRIBUTIONS

Notwithstanding any other provisions of this Plan or the Trust Agreement to the contrary, if an Employer makes a contribution to the Trust Fund due to a good faith mistake of fact or law, the Trustees may, in their sole and absolute discretion, authorize the return of any such mistaken contribution by the Employer, provided such return occurs within six months of the Trustees' discovery of such mistaken contributions.

6.08 MISCELLANEOUS

Any actuarial gains arising from actual experience under the Plan shall be used to reduce the Employer and Union contributions and will not be used to increase any benefits payable under this Plan. No person shall have any interest in or right to the Fund or any part thereof, except as expressly provided in the Plan.

6.09 MAXIMUM BENEFITS

- (A) **Limitations on Benefits Under Code §415.** In addition to any other limitations set forth in the Plan and notwithstanding any other provisions of the Plan, effective for Limitation Years beginning on and after July 1, 2007, benefits under the Plan shall be limited in accordance with Code §415 and the Treasury Regulations thereunder, in accordance with this Section. This Section is intended to incorporate the requirements of Code §415 by reference except as otherwise specified herein.
- (B) **Definitions.** For purposes of this Section, the following terms shall have the following meanings.
 - (1) "Plan Benefit" means, as of any date, the amount of a Participant's benefit as determined under the applicable provisions of the Plan before the application of the limits in this Section.
 - (2) "Severance from Employment" has occurred when a Participant is no longer an Employee of any Employer maintaining the Plan.
- (C) **Limit on Accrued Benefits.** Effective October 1, 2009, in no event shall a Participant's benefit accrued under the Plan for a Limitation Year exceed the annual dollar limit determined in accordance with Code §415 and the Treasury

Regulations thereunder (the “annual dollar limit”) for that Limitation Year. If a Participant’s Plan Benefit for a Limitation Year beginning on or after October 1, 2009 would exceed the annual dollar limit for that Limitation Year, the Accrued Benefit, but not the Plan Benefit, shall be frozen or reduced so that the Accrued Benefit does not exceed the annual dollar limit for that Limitation Year.

- (D) **Limit on Benefits Distributed or Paid.** Effective October 1, 2009, in no event shall the annual amount of benefit distributed or otherwise payable to or with respect to a Participant under the Plan in a Limitation Year exceed the annual dollar limit for that Limitation Year. If the benefit distributable or otherwise payable in a Limitation Year would exceed the annual dollar limit for that Limitation Year, the benefit shall be reduced so that the benefit distributed or otherwise payable does not exceed the annual dollar limit for that Limitation Year.
- (E) **Protection of Prior Benefits.** To the extent permitted by law, the application of the provisions of this Section shall not cause the benefit that is accrued, distributed or otherwise payable for any Participant, including the Participant’s annual benefit accrued under the Plan as separately determined for each contributing Employer, to be less than the Participant’s Accrued Benefit as of September 30, 2009, under the provisions of the Plan that were both adopted and in effect before April 5, 2009 and that satisfied the limitations under Code §415 and the Regulations thereunder as in effect as of September 30, 2009.
- (F) **§415 Cost of Living Adjustments.** To the extent permitted by law, benefits accrued, distributed or otherwise payable with respect to any Participant while in Covered Employment and after such Participant’s Severance From Employment, or after the Participant’s Annuity Starting Date if earlier, that are limited by this Section shall be increased annually pursuant to cost of living increases in the annual dollar limit under Code §415(d)(1)(A) and the Regulations thereunder; provided, however, that in no event shall any increase under this Section cause the amount of a Participant’s accrued, distributed or otherwise payable benefit to exceed the amount of the Participant’s Plan Benefit.
- (G) **Order in Which Limits Are Applied to Joint and Survivor Annuities.** To the extent permitted by law, a Participant’s Qualified Joint and Survivor Annuity form of payment and the survivor annuity portion of such form of payment are computed by applying a reduction factor or factors to a Participant’s Plan Benefit before the limits under this Section are applied; provided, however, that the survivor annuity may not exceed the benefit that would have been payable to the Participant after application of the limits in this Section.
- (H) **Calculation of Small Pensions.** In determining the amount of benefit payable under Code §415(b)(5) and the Regulations thereunder (annual benefits of \$10,000 or less), a Participant who is permanently and totally disabled within the meaning of Code §415(c)(3)(C)(i) and the Regulations thereunder for an accrual computation period shall be credited with service with respect to that computation period for purposes of Code §415(b)(5)(B) and the Regulations thereunder.

(I) **Aggregation of Plans.**

- (1) In the event that a Participant's aggregated benefits exceed the limits under Code §415 and the Regulations thereunder as a result of the mandatory aggregation of the benefits under this Plan with the benefits under another non-multiemployer plan maintained by an Employer, the benefits of the other plan shall be reduced to the extent necessary to comply with Code §415 and the Regulations thereunder.
- (2) For purposes of applying the limits of this Section, if a Participant also participates in another tax-qualified defined benefit plan of the Employer that is not a multiemployer plan, only the benefits under this Plan that are provided by the Employer are aggregated with the benefits under the other plan.

(J) **General.**

- (1) To the extent that a Participant's benefit is subject to the provisions of Code §415 and the Regulations thereunder that have not been set forth in this Plan, such provisions are hereby incorporated by reference into this Plan and for all purposes shall be deemed a part of the Plan.
- (2) This Section is intended to satisfy the requirements imposed by Code §415 and the Regulations thereunder and shall be construed in a manner that will effectuate this intent. This Section shall not be construed in a manner that would impose limitations that are more stringent than those required by Code §415 and the Regulations thereunder.
- (3) If and to the extent that the rules set forth in this Section are no longer required for qualification of the Plan under Code §401(a), related provisions, and the Regulations thereunder, they shall cease to apply without the necessity of an amendment to the Plan.

(K) **Adjustment for Benefits Subject to §417(e).**

- (1) Effective for Annuity Starting Dates in years beginning in 2006, for purposes of adjusting any benefit under Code §415(b)(2)(B) for any form of benefit subject to Code §417(e)(3), the interest rate assumption shall be not less than the greater of
 - (A) the interest rate specified in the Plan,
 - (B) 5.5%, and
 - (C) the interest rate that produces a benefit of not more than 105% of the benefit that would be provided using the "applicable interest rate" (as defined in Code §417(e)(3)).
- (2) Effective for Annuity Starting Dates in Plan Years beginning in 2004 and 2005, for purposes of adjusting any benefit under Code §415(b)(2)(B) for any form of benefit subject to Code §417(e)(3), the interest rate assumption shall be not less than the greater of:
 - (A) the interest rate specified in Plan, and

(B) 5.5%;

- (L) **Interpretation or Definition of Other Terms.** The terms used in this Section that are not otherwise expressly defined in the Plan shall be defined, interpreted and applied for purposes of this Section as prescribed in Code §415 and the Regulations thereunder.

ARTICLE 7 - AMENDMENT AND TERMINATION

7.01 AMENDMENT OF THE PLAN

- A. The Trustees shall have the right, at any time, to amend any or all of the provisions of the Plan; provided, however, that no such amendment shall authorize or permit any part of the Trust Fund to be diverted to purposes other than for the exclusive benefit of Participants and their Beneficiaries.
- B. The Trustees may elect to have any amendment which is adopted during or after the close of a Plan Year (but not later than 2½ months after close of the Plan Year or such later date allowed by the Internal Revenue Service for compliance purposes) made effective as of the first day of such Plan Year if the amendment
1. does not reduce the Accrued Benefit of any Participant determined as of the beginning of such Plan Year, and
 2. does not reduce the Accrued Benefit of any Participant determined as of the time of adoption of the Amendment.
- C. A Plan may not eliminate or reduce Code §411(d)(6) protected benefits that have already accrued. A Plan amendment which has the affect of (1) eliminating or reducing an early retirement benefit or a retirement-type subsidy, (2) eliminating an optional form of benefit, with respect to benefits attributable to service before the amendment or (3) restricting, directly or indirectly, the benefit provided to any Participant prior to the amendment shall be treated as reducing Accrued Benefits. In the case of a retirement-type subsidy, the preceding sentence shall apply only with respect to a Participant who satisfies (either before or after the amendment) the pre-amendment conditions for the subsidy. In general, a retirement-type subsidy is a subsidy that continues after retirement, but does not include a qualified disability benefit, a medical benefit, a social security supplement, or a death benefit (including life insurance). Furthermore, no amendment to the Plan shall have the effect of decreasing a Participant's vested interest determined without regard to such amendment as of the later of the date such amendment is adopted, or becomes effective. However, a Participant's Accrued Benefit may be reduced to the extent permitted under Code §432(e) with respect to adjustable benefits as defined in the Code and Regulations.

7.02 TERMINATION OF THE PLAN

- A. It is expected that this Plan will be continued indefinitely, but the Trustees expressly reserve the right to terminate the Plan at any time, in whole or in part,

upon being notified by the Union and Employers signatory to the Collective Bargaining Agreements that said Plan is to be discontinued.

- B. In the event of the termination, partial termination or complete discontinuance of contributions, the Accrued Benefit of each affected Participant, to the extent funded, shall become fully vested and non-forfeitable as of the date of such termination, partial termination or complete discontinuance of contributions in the manner hereinafter provided in this Section 7.02. Distributions due to termination of the Plan will be made in accordance with the modes of distributions provided for in Sections 5.01 and 5.02, herein. Distributions due to plan termination must still meet the requirements of Code §§401(a)(11), 411(d)(6) and 417.
- C. Although it is the intention of the Employers and the Union that this Plan shall be continued and contributions made regularly required by the Plan, the continuance of the Plan and the payments described herein are not assumed as a contractual obligation of the Employers and the Union. The Employers and the Union do not guarantee or promise to pay or cause to be paid any of the benefits provided by this Plan which shall be paid solely from the assets of the Trust Fund.
- D. The order of priority of distribution upon termination shall be as provided by law.
- E. In the event a partial termination of the Plan is determined by the Trustees to have occurred, then such affected Participants shall be 100% vested in their then Accrued Benefits at the time of partial termination. The Trustees shall allocate the assets of the Fund with respect to such affected Participant group separately, and that portion of the assets of the Fund attributable to such group shall be determined in accordance with applicable law.

7.03 CALCULATION OF WITHDRAWAL LIABILITY

The Multiemployer Pension Plan Amendments Act of 1980 (MPPAA) obligates an Employer participating in a multiemployer pension plan to pay withdrawal liability to the Plan if such Employer partially or completely withdraws from the Plan. The Plan hereby adopts and incorporates by reference the withdrawal liability definitions and provisions contained in and required to be applied by the MPPAA. To the extent allowed by law, withdrawal liability will not be assessed against an Employer if, in the year immediately preceding the withdrawal, no positive unfunded vested benefit liability existed as calculated under the presumptive method.

ARTICLE 8 - TRUST FUND AND TRUSTEE

8.01 TRUST FUND

The assets of the Fund shall be held, administered, and invested by the Trustees. The Fund shall consist of all payments by the Employers and Union to the Trustees as provided in Article 6 and earnings from investments. The assets of the Fund shall be valued as of the end of each Plan Year at the then-existing market value.

8.02 AMENDMENT OF TRUST

The Trustees shall have the right at any time to modify, alter or amend this Plan and Trust Agreement in whole or in part.

8.03 TRUST POLICY

In accordance with Section 6.05, the Trustees shall develop and maintain a policy for funding the benefits of the Plan, including the selection of the actuarial tables to be used. Nothing herein shall be deemed to prevent the Trustees from exercising their powers within such limits of discretion as would be applied by a reasonable and prudent person under similar circumstances, provided that any discretionary actions taken under this Plan by the Trustees with respect to the classification of Employees, contributions, or benefits shall be uniform in their nature and applicable to all Employees similarly situated.

8.04 LIMITATION OF LIABILITY

Except for liabilities which may result under ERISA, nothing in this Plan shall be construed to impose any obligation of the Employer to make contributions as stipulated in any Collective Bargaining Agreement.

8.05 APPOINTMENT OF TRUSTEES

In accordance with Section 6.01, herein, any person who meets the requirements of ERISA §411 shall be eligible to serve as Trustees provided that the majority of individual Trustees approve such appointment. Each Trustee and each successor Trustee shall continue to serve as such until death, incapacity, resignation or removal. Any Trustee may be removed or replaced and a successor appointed as outlined in Section 6.01, herein, with approval of the majority of the individual Trustees. Vacancies shall be filled promptly.

8.06 RESIGNATION OF TRUSTEES

Any Trustee may resign at any time by notice in writing to the Employers, the Union and the other individual Trustees.

8.07 INVESTMENT POWERS OF TRUSTEES

In accordance with the Trust Agreement, the Trustees are empowered with all powers and authority generally provided by law including, but not limited to, the following:

- A. To invest and reinvest in any property, real, personal or mixed, wherever situated and whether or not productive of income or consisting of wasting assets, including, without limitation, common and preferred stocks, bonds, notes, debentures (including convertible stocks and securities); and
- B. To invest and reinvest all or any part of the Trust Fund in any collective investment trust which then provides for the pooling of the assets of plans described in Code §401(a) and exempt from tax under Code §501(a), or any comparable provisions of any future legislation that amends, supplements or supersedes those sections, provided that such collective investment trust is exempt from tax under the Code or related regulations or rulings; and

- C. The provisions of the document governing such collective investment trust as it may be amended from time to time shall govern any investment therein and are hereby made a part of this Plan.

ARTICLE 9 - MISCELLANEOUS

9.01 HEADINGS

The headings and subheadings in this Plan have been inserted for convenience of reference only and are to be ignored in any construction of the provisions hereof.

9.02 CONSTRUCTION

- A. In the construction of the Plan, the masculine shall include the feminine and the singular the plural in all cases where such meanings would be appropriate.
- B. The laws of the United States of America, including the Code and ERISA, shall govern, control and determine all questions arising with respect to the Plan and the interpretation and validity of the provisions of this Plan. To the extent that state law is required to govern, control or determine any matter, the laws of the State of Texas shall apply.

9.03 SPENDTHRIFT CLAUSE

- A. Subject to the exception provided below, all benefits are intended for the protection of the Participants and their beneficiaries. No benefit under the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any attempt so to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall be void, nor shall any such benefit be in any manner liable for or subject to the debts, contracts, liabilities, engagement or torts of the person entitled to such benefit, except as specifically provided in the Plan.
- B. This provision shall not apply to a "qualified domestic relations order" ("QDRO") defined in Code §414(p), and those other domestic relations orders permitted to be so treated by the Plan Administrator under the provisions of the Retirement Equity Act of 1984. The written QDRO processing procedures established by the Plan Administrator shall be the basis of determining the qualified status of domestic relations orders and the administration of distributions under such qualified orders. Further, to the extent provided under a QDRO, a former Spouse of a Participant shall be recognized as the Spouse or surviving Spouse for all purposes under the Plan.

9.04 EMPLOYMENT

Participation in the Plan shall not give any Employee the right to be retained in the Covered Employment of any Employer, nor, upon dismissal or upon the Participant's voluntary termination of Covered Employment, to have any right or interest in the Fund other than as herein provided.

9.05 LEGALLY INCOMPETENT

If any Participant, Beneficiary or Alternate Payee is a minor, or the Trustees determine the individual is incompetent or legally incapable of personally receiving and giving a valid receipt for any payment due the individual under the Plan, the Trustees may direct that such payment or any part thereof be made to such person's guardian, or if none, to the Spouse, child, parent, brother or sister or other person deemed by the Trustees to have incurred expense for or assumed responsibility for the expenses of such incompetent individual.

9.06 UNIFORM ADMINISTRATION

The Trustees shall administer the Plan in a uniform and consistent manner with respect to all Participants, Beneficiaries, and Alternate Payees and shall not permit discrimination.

9.07 BENEFITS SUPPORTED ONLY BY FUND

Any person having any claim under the Plan will look solely to the assets of the Fund for satisfaction. In no event will the Employers, or any of their officers, members of their boards or agents of the Employers, be liable in their individual capacities to any person whomsoever, under the provisions of the Plan, except that any officer or employee, while serving as a Fiduciary under the Plan, will have the responsibility provided therein.

9.08 AD HOC BONUSES TO RETIRED PARTICIPANTS

The Board of Trustees of the Plan may, from time to time, and in its sole discretion, after considering the financial condition of the Pension Fund, elect to make bonus payments to Retired Participants, or a subsequent Beneficiary, provided the basis for determining the amount to be distributed to each individual is nondiscriminatory. Such a bonus may be declared by action and resolution of the Board of Trustees. Upon any such resolution, the Administrator shall act accordingly in making such distributions available.

9.09 FORFEITURE OF VESTED BENEFITS

The vested portion of any Employer-provided benefit may be forfeited or suspended only under the following circumstances:

- A. Suspended or forfeited under the return to employment in Covered Employment as detailed in Section 3.10, herein,
- B. Forfeited on account of the Participant's death (subject to the Qualified Pre-Retirement Survivor Annuity, the Qualified Joint and Survivor Annuity and the early or normal retirement annuity options selected by the Participant), or
- C. Canceled if a "cash out" benefit is paid to the Participant, also subject to restoration.
- D. Forfeitures arising from any cause whatsoever under this Plan shall not be applied to increase the benefits any Participant would otherwise receive under the Plan at any time prior to the termination of the Plan or the complete discontinuance of Employer contributions hereunder. Forfeitures shall be applied to reduce the Employer's contributions under the Plan in the then current or subsequent years.

9.10 DISAPPEARANCE OF PARTICIPANT OR PAYEE

In the event that any Participant, Beneficiary, or Alternate Payee receiving or entitled to receive benefits under the Plan should disappear and fail to respond within 60 days to a written notice sent by the Trustees, by registered or certified mail (return receipt requested), postage prepaid, informing the individual of any entitlement to receive benefits under the Plan, the Trustees shall suspend benefits payable until the Participant, Beneficiary, or Alternate Payee responds, is located, or a court of competent jurisdiction resolves any dispute regarding the appropriate individual's rights.

9.11 COMPLIANCE WITH APPLICABLE LAWS

The Trustees shall interpret and administer the Plan in such manner that the Plan shall remain in compliance with Code §§401 and 501 and all other applicable laws, regulations and rulings.

9.12 RETURN OF PLAN ASSETS TO THE EMPLOYERS

The assets of the Plan shall be held for the exclusive purposes of providing benefits to Participants and Beneficiaries, and shall not inure to the benefit of the Employers except, where the Employers contributions were conditioned upon the deductibility of the contributions under the Internal Revenue Code, such contributions, to the extent disallowed, shall be refunded to the Employers within one year of the disallowance of the deduction. Earnings of the Plan attributable to the excess contributions may not be returned to the Employers, but any losses attributable thereto must reduce the amount so returned.

9.13 MERGER

In the event of any merger or consolidation of the Plan with any other plan, or the transfer of assets or liabilities by the Plan to another plan, each Participant must be entitled to receive (assuming that the Plan then terminated) a benefit immediately after the merger, consolidation, or transfer which is equal to or greater than the benefit such Participant would have been entitled to receive immediately before the merger, consolidation, or transfer, provided such merger, consolidation, or transfer took place after the date of enactment of the Act. In addition, any such merger, consolidation or transfer of assets and/or liabilities shall be subject to the requirements set forth in ERISA §4231 or §4232, whichever is applicable (i.e., 120 days advance notice to the PBGC and certain other conditions).

9.14 CLAIMS PROCEDURE

A. Claims Submission and Review Procedure:

1. Application for Benefits: The Plan Administrator shall furnish to each Participant, upon his retirement, information about the benefits to which he is entitled under the Plan. The Plan Administrator may require any person claiming benefits under the Plan to submit a written application therefore, together with such documents, evidence, and information as it deems necessary to process the claim.

2. Action on Application: Within 90 days (45 days for disability claims) following receipt of an application and all necessary documents and information, the Plan Administrator shall furnish the claimant with written notice of its decision. If the Plan Administrator denies the claim in whole or in part, the notice shall set forth specific reasons for the denial, with specific reference to Plan provisions upon which the denial is based, a description of any additional information or material necessary for perfection of the application (together with an explanation why such materials or information is necessary), and an explanation of the Plan's claim review procedure.
3. If special circumstances require an extension of time for processing the claim, written notice of the extension shall be furnished to the claimant prior to the termination of the initial 90-day period. In no event shall the extension exceed a period of 90 days from the end of the initial period. The extension notice shall explain the circumstances requiring an extension of time and the date by which the Plan Administrator expects to render a decision.

B. Claim Review:

1. A claimant who does not agree with the decision rendered on the application may request that the decision be reviewed by the Trustees. The request shall be made within 60 days after the date of notice of the decision, or if the application has neither been approved nor denied within the 90-day period specified in Section 9.14(A)(2), herein, then the appeal shall be made within 60 days after the expiration of the 90-day period. Each request for review shall be made in writing and addressed to the Trustees, at such place as is designated by the Trustees.
2. Concurrently within 20 days thereafter, the claimant seeking review may submit in writing to the Trustees, a statement of the issues raised by the appeal and arguments and comments in support of the claim.
3. During the pendency of the appeal, a claimant may, upon reasonable notice to the Trustees, and at no cost, inspect all documents contained in the Fund's files which are relevant to the claimant's claims.
4. Where the Trustees in their sole discretion believe that the issues raised by a claimant's appeal may be more efficiently or fairly processed by taking matter for oral hearing, an oral hearing will be scheduled, and the claimant will be given reasonable notice of the time and place thereof. Whether or not an oral hearing is scheduled, the Trustees shall proceed promptly to resolve all issues raised by a claimant's appeal, as described herein.

C. Final Determination

1. The Trustees' review of the appeal shall review all comments, documents, records, and other information submitted by the claimant related to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

2. The Trustees shall render its decision on the merits, accompanied by a statement of the reasons and references to the pertinent supporting provisions of the Plan, at the next regularly scheduled meeting of the Administrator.
3. If the request for appeal was made within 30 days of the next regularly scheduled meeting of the Trustees, then the decision will be made at the second meeting following the Trustees' receipt of the appeal request.
4. If a further extension of time is needed due to special circumstances, including the need for a hearing under Section 9.15(B)(4), herein, the decision shall be made no later than the third regularly scheduled meeting of the Administrator, after the receipt of the claimant's request for review.
5. If any appeal is deferred to the Trustees' next regularly scheduled meeting, notice of such delay shall be made to the claimant prior to the commencement of such extension.
6. The final determination of the Trustees shall be rendered as soon as possible after the meeting in which the decision is made, but in no event more than five days after the benefit determination is made.
7. Once the claimant has exhausted the internal appeals procedures described above, the claimant may then bring an action in federal court under ERISA §502 to address the Trustees' final determination.

9.15 INTERNAL REVENUE SERVICE APPROVAL

Notwithstanding anything to the contrary elsewhere provided in this Plan, the amended Plan is made on the condition that the same shall be approved and qualified by the Secretary of the Treasury, or a duly authorized representative, as meeting the requirements of the Code and its regulations. In the event qualification is denied, or cannot be obtained by amendment, the amendment shall thereupon become null and void and of no effect.

ADOPTION

IN WITNESS WHEREOF, the Board of Trustees has caused this Agreement to be executed on this 22ND day of July 2014, to be effective as stated herein.

BOARD OF TRUSTEES OF THE CEMENT
MASONS LOCAL #681 PENSION PLAN

Union Trustees

Thomas Mora

Travis Marshall

Paul J. Zuck

Employer Trustees

Bill Kelly

John - Bobby

CEMENT MASONS LOCAL UNION NO. 681 PENSION PLAN
Houston, Texas

December 1, 2013

Larry H. Weitzner, A.S.A.
Horizon Actuarial Services, LLC
900 Ashwood Parkway, Suite 170
Atlanta, GA 30338

RE: Cement Masons Local Union No. 681 Pension Plan

Dear Mr. Weitzner:

On behalf of the bargaining parties (Plan Sponsors and Settlers) of the Cement Masons Local Union No. 681 Pension Plan, we write to you in connection with your preparation of the current actuarial valuation of the Plan. We acknowledge receipt of the Rehabilitation Plan and notwithstanding its rules and requirements, the parties have attempted good faith negotiations for increases in employer contributions. Those discussions revealed that, although significant increased overall construction is expected over the next ten years, for the reasons set forth hereinbelow, employer contributions cannot be increased at this time:

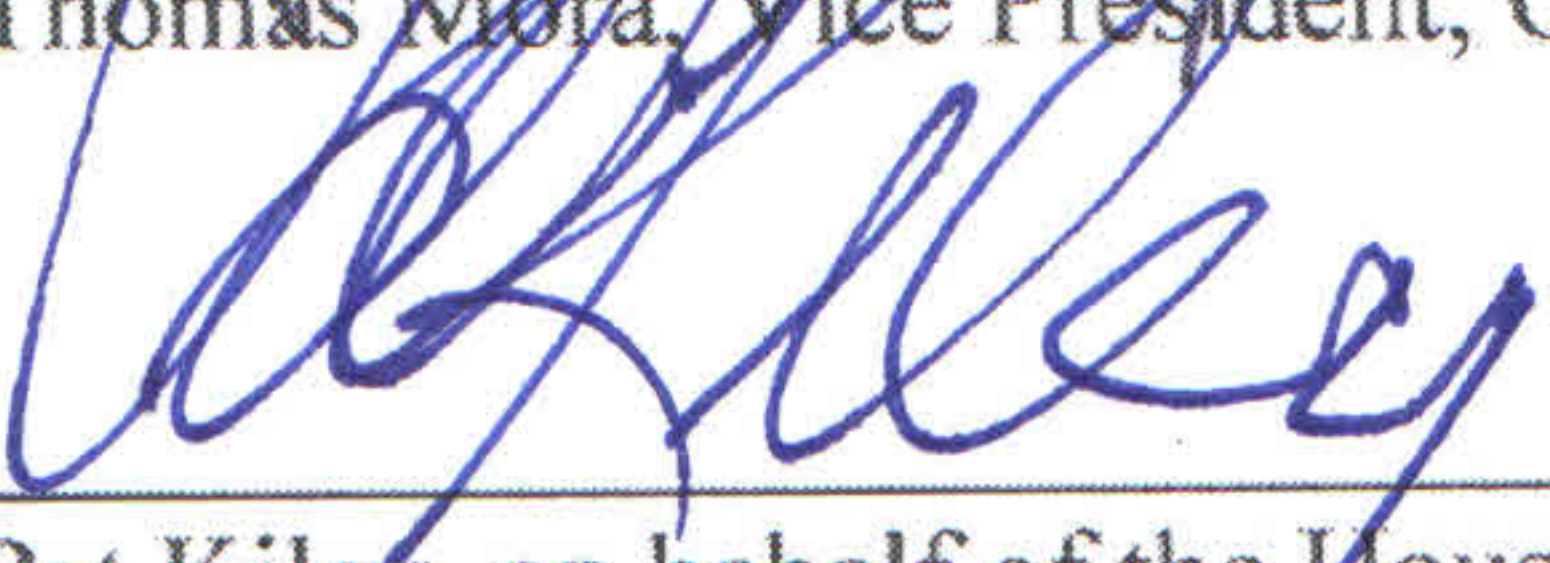
1. The cement masons and finishing industry, particularly the union sector, has very few projects in the Houston and surrounding vicinity;
2. The relatively few union projects do not permit negotiation to enhance the wage and benefit package;
3. The employers cannot increase wages or benefits if they are expected to successfully compete in a very competitive market; and
4. The employees will not agree to any further reduction to their relatively modest wages to contribute to employee benefits.

We hope this clarifies the current conditions of the bargaining process with the respect to the future of the Cement Masons Local Union No. 681 Pension Plan.

Very truly yours,



Thomas Mora, Vice President, OP & CMIA



Pat Kiley, on behalf of the Houston Chapter
Associated General Contractors

c: Douglas M. Selwyn

CEMENT MASONS LOCAL UNION NO. 681 PENSION PLAN
Houston, Texas

September 30, 2015

Larry H. Weitzner, A.S.A.
Horizon Actuarial Services, LLC
900 Ashwood Parkway, Suite 170
Atlanta, GA 30338

RE: Cement Masons Local Union No. 681 Pension Plan

Dear Mr. Weitzner:

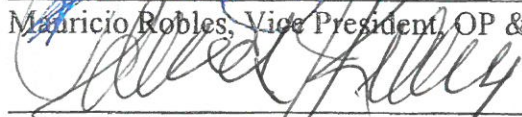
On behalf of the bargaining parties (Plan Sponsors and Settlers) of the Cement Masons Local Union No. 681 Pension Plan, we write to you in connection with your preparation of the current actuarial valuation of the Plan. We acknowledge receipt of the Amended Rehabilitation Plan and notwithstanding its rules and requirements, the parties have attempted good faith negotiations for increases in employer contributions. Those discussions revealed that, although significant increased overall construction is expected in the region over the next eight years, for the reasons set forth hereinbelow, employer contributions cannot be increased at this time:

1. The cement masons and finishing industry, particularly the union sector, has very few projects in the Houston and surrounding vicinity;
2. The relatively few union projects do not permit negotiation to enhance the employee benefits;
3. The employers cannot increase employee benefits if they are expected to successfully compete in a very competitive market; and
4. The employees will not agree to any further reduction to their relatively modest wages to contribute to employee benefits.

We hope this clarifies the current conditions of the bargaining process with the respect to the future of the Cement Masons Local Union No. 681 Pension Plan.

Very truly yours,


Mauricio Robles, Vice President, OP & CMIA


Pat Kiley, on behalf of the Houston Chapter,
Associated General Contractors of America, Inc.

c: Trustees
Douglas M. Selwyn



P.O. Box 1315 Houston, Texas 77251 Member FDIC

FOR INFORMATION CALL
713-388-7800 OR 1-800-513-7678

STATEMENT ISSUED
11-30-2021

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CEMENT MASONS LOCAL UNION #681
PENSION PLAN & TRUST
8441 GULF FREEWAY STE 304
HOUSTON TX 77017

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Page 1 of 3

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BENEFIT R/L

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FROST BUSINESS CHECKING : ACCOUNT NO.

BALANCE LAST STATEMENT		DEPOSITS		WITHDRAWALS		BALANCE THIS STATEMENT
	NO.	AMOUNT	NO.	AMOUNT		
215,817.92	2	2,727.42	7	61,590.90		156,954.44

Activity Items Processed 10 Cash Processed \$0.00

DEPOSITS/CREDITS

DATE	TRANSACTION	AMOUNT	DATE	TRANSACTION	AMOUNT
11-01	DEPOSIT	1,254.04	11-22	DEPOSIT	1,473.38

CHECKS PAID

DATE	CHECK	AMOUNT	DATE	CHECK	AMOUNT	DATE	CHECK	AMOUNT
11-05	1994 #	5,628.12	11-16	99270 * #	279.74	11-04	99271 #	176.02
11-16	1995 #	1,112.50						

* A BREAK IN CHECK NUMBER SEQUENCE
RECEIVED ELECTRONICALLY AS AN IMAGE OF THE ORIGINAL CHECK

OTHER WITHDRAWALS/DEBITS

DATE	AMOUNT	TRANSACTION	DESCRIPTION
11-01	947.25	ELECTRONIC DEBIT	IRS USATAXPYMT
11-10	693.00	ELECTRONIC DEBIT	SEGL SELECT INS PAYMENTS
11-17	72.98	TREASURY MGMT SVCS	
11-29	52,681.29	ACH ORIGINATION DEBITS	CEMENT MASONS LU CONS PAY -SETT-

DAILY BALANCE

DATE	BALANCE	DATE	BALANCE	DATE	BALANCE
10-29	215,817.92	11-05	210,320.57	11-17	208,162.35
11-01	216,124.71	11-10	209,627.57	11-22	209,635.73
11-04	215,948.69	11-16	208,235.33	11-29	156,954.44



P.O. Box 1315 Houston, Texas 77251 Member FDIC

FOR INFORMATION CALL
713-388-7800 OR 1-800-513-7678

STATEMENT ISSUED
11-30-2021

Page 3 of 3

CEMENT MASONS LOCAL UNION #681



DEPOSIT TICKET	
CEMENT MASONS LOCAL #681	302.04
MEMBERSHIP	1050.89
SAVINGS PLAN	
RECURRING DEBIT	
DATE	11/01/21
AMOUNT	1352.93
TOTAL	
1352.93	

11/01/21 #0 \$1,254.04

DEPOSIT TICKET	
CEMENT MASONS LOCAL #681	1473.38
MEMBERSHIP	
SAVINGS PLAN	
RECURRING DEBIT	
DATE	11/22/21
AMOUNT	1473.38
TOTAL	
1473.38	

11/22/21 #0 \$1,473.38

CEMENT MASONS LOCAL #681	
1994	
11/05/21	
\$5,628.12	

11/05/21 #1994 \$5,628.12

CEMENT MASONS LOCAL #681	
1995	
11/16/21	
\$1,112.50	

11/16/21 #1995 \$1,112.50

PAY: Two Hundred Seventy Nine Dollars and Seventy Four Cents	
DATE	11/16/21
AMOUNT	\$79.74
11/16/21	
#99270	
\$279.74	

11/16/21 #99270 \$279.74

PAY: One Hundred Seventy Six Dollars and Two Cents	
DATE	11/04/21
AMOUNT	\$176.02
11/04/21	
#99271	
\$176.02	

11/04/21 #99271 \$176.02

00001728-002-002-TDFRST02003000068471-LETTER01_10Z00-D-00001750

**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.

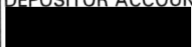
AGENCY INFORMATION

FEDERAL PROGRAM AGENCY		
AGENCY IDENTIFIER:	AGENCY LOCATION CODE (ALC):	ACH FORMAT: <input type="checkbox"/> CCD+ <input type="checkbox"/> CTX
ADDRESS:		
CONTACT PERSON NAME:	TELEPHONE NUMBER: ()	
ADDITIONAL INFORMATION:		

PAYEE/COMPANY INFORMATION

NAME Cement Masons Local Union 681 Pension Plan & Trust	SSN NO. OR TAXPAYER ID NO. 74-6091787
ADDRESS 8441 Gulf Freeway, Suite 304	
Houston, TX 77017	
CONTACT PERSON NAME: Mark Crandell	TELEPHONE NUMBER: (713) 643-9300

FINANCIAL INSTITUTION INFORMATION

NAME: Frost Bank	
ADDRESS: PO Box 1315	
Houston, TX 77251	
ACH COORDINATOR NAME: Mark Crandell	TELEPHONE NUMBER: (713) 643-9300
NINE-DIGIT ROUTING TRANSIT NUMBER: <u> 1 </u> <u> 1 </u> <u> 4 </u> <u> 0 </u> <u> 0 </u> <u> 0 </u> <u> 0 </u> <u> 9 </u> <u> 3 </u>	
DEPOSITOR ACCOUNT TITLE: Cement Masons Local Union 681 Pension Plan & Trust	
DEPOSITOR ACCOUNT NUMBER: 	LOCKBOX NUMBER:
TYPE OF ACCOUNT: <input checked="" type="checkbox"/> CHECKING <input type="checkbox"/> SAVINGS <input type="checkbox"/> LOCKBOX	
SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL: (Could be the same as ACH Coordinator) <i>Mark Crandell - Admin Mgr.</i>	TELEPHONE NUMBER: (713) 643-9300

AUTHORIZED FOR LOCAL REPRODUCTION

SF 3881 (Rev. 2/2003)
Prescribed by Department of Treasury
31 U S C 3322; 31 CFR 210

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: FEB 13 2015

Employer Identification Number:
74-6091787

DLN:

17007237052004

BOARD OF TRUSTEES OF CEMENT MASONS

LOCAL UNION 681 PENSION PLAN

Person to Contact:

C/O CONNER & WINTERS LLP

RUTH CHEN

ID#

DOUGLAS M SELWYN

Contact Telephone Number:

1001 MCKINNEY ST STE 550

(626) 927-1423

HOUSTON, TX 77002

Plan Name:

CEMENT MASONS LOCAL UNION 681

PENSION PLAN

Plan Number: 001

Dear Applicant:

We have made a favorable determination on the plan identified above based on the information you have supplied. Please keep this letter, the application forms submitted to request this letter and all correspondence with the Internal Revenue Service regarding your application for a determination letter in your permanent records. You must retain this information to preserve your reliance on this letter.

Continued qualification of the plan under its present form will depend on its effect in operation. See section 1.401-1(b)(3) of the Income Tax Regulations. We will review the status of the plan in operation periodically.

The enclosed Publication 794 explains the significance and the scope of this favorable determination letter based on the determination requests selected on your application forms. Publication 794 describes the information that must be retained to have reliance on this favorable determination letter. The publication also provides examples of the effect of a plan's operation on its qualified status and discusses the reporting requirements for qualified plans. Please read Publication 794.

This letter relates only to the status of your plan under the Internal Revenue Code. It is not a determination regarding the effect of other federal or local statutes.

This determination letter gives no reliance for any qualification change that becomes effective, any guidance published, or any statutes enacted, after the issuance of the Cumulative List (unless the item has been identified in the Cumulative List) for the cycle under which this application was submitted.

This determination letter is applicable for the amendment(s) executed on 1-23-14/7-22-14.

This letter may not be relied on after the end of the plan's first five-year remedial amendment cycle that ends more than 12 months after the application was received. This letter expires on January 31, 2020. This letter considered the 2013 Cumulative List of Changes in Plan Qualification

Letter 2002

BOARD OF TRUSTEES OF CEMENT MASONS

Requirements.

This is not a determination with respect to any language in the plan or any amendment to the plan that reflects Section 3 of the Defense of Marriage Act, Pub. L. 104, 110 stat. 2419 (DOMA) or U.S. v. Windsor, 570 U.S. 12 (2013), which invalidated that section.

The information on the enclosed addendum is an integral part of this determination. Please be sure to read and keep it with this letter.

We have sent a copy of this letter to your representative as indicated in the Form 2848 Power of Attorney or appointee as indicated by the Form 8821 Tax Information Authorization.

If you have questions concerning this matter, please contact the person whose name and telephone number are shown above.

Sincerely,



Karen D. Truss
Director, EP Rulings & Agreements

Enclosures:
Publication 794
Addendum

BOARD OF TRUSTEES OF CEMENT MASONS

This determination letter does not provide reliance for any portion(s) of the document that incorporates the terms of an auxiliary agreement (collective bargaining, reciprocity and/or participation agreement), unless the exact language of the section(s) that is being incorporated by reference to the auxiliary agreement has been appended to the document.

TEMPLATE 3

Historical Plan Information

File name: *Template 3 Pension Plan Name*, where "Pension Plan Name" is an abbreviated version of the plan name.

v20210706p

For supplemental submission due to merger under § 4262.4(f)(1)(ii): *Template 3 Pension Plan Name Merged*, where "Pension Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.

Provide historical plan information for each of the most recent 10 plan years immediately preceding the application filing date 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 most recent 10 plan years immediately preceding the application filing date 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 sum of all contributions and withdrawal liabilities shown on this table does not equal the amount shown as contributions 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:	Cement Masons Local Union #681 Pension Plan
EIN:	74-6091787
PN:	001

Unit (e.g. hourly, weekly)	hourly
----------------------------	--------

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
2011	10/01/2010	09/30/2011	\$128,032	23,737	\$5.10					23
2012	10/01/2011	09/30/2012	\$31,953	7,295	\$5.10					13
2013	10/01/2012	09/30/2013	\$157,071	29,557	\$5.10					10
2014	10/01/2013	09/30/2014	\$225,729	39,140	\$5.10					20
2015	10/01/2014	09/30/2015	\$103,814	19,675	\$5.10					29
2016	10/01/2015	09/30/2016	\$66,651	14,142	\$5.10			\$260,200		16
2017	10/01/2016	09/30/2017	\$136,347	26,249	\$5.10			\$826,431		11
2018	10/01/2017	09/30/2018	\$43,036	8,178	\$5.10			\$867,476		20
2019	10/01/2018	09/30/2019	\$31,867	5,256	\$5.10			\$801,780		6
2020	10/01/2019	09/30/2020	\$65,936	6,318	\$5.10			\$767,931		3

* 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."

TEMPLATE 4
SFA Determination

v20210824p

File name: *Template 4 Pension Plan Name*, where "Pension Plan Name" is an abbreviated version of the plan name.

For supplemental submission due to a merger under § 4262.4(f)(1)(ii): *Template 4 Pension Plan Name Merged*, where "Pension Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.

For supplemental submission due to certain events with limitations under § 4262.4(f)(1)(i): *Template 4 Pension Plan Name Supp*, where "Pension 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:

Provide information used to determine the amount of requested SFA for the plan based on a deterministic projection and using the actuarial assumptions as described in § 4262.4 of PBGC's special financial assistance regulation. The information to be provided is:

NOTE: All items below are provided on sheet '4-3 SFA Details' unless otherwise noted.

- a. Interest rate used (the "SFA interest rate"), including supporting details on how it was determined. If such interest rate is the limit described in section 4262(e)(3) of ERISA, identify the month selected by the plan to determine the third segment rate used to calculate the limit. [*Sheet: 4-1 SFA Interest Rate*]
- b. Fair market value of assets on the last day of the calendar quarter immediately preceding the date the application is filed (the "SFA measurement date").
- c. 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, 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. Separately identify benefit payments described in § 4262.4(b)(1) of PBGC's special assistance regulation (excluding the payments in (c)(iii) below) for current retirees and beneficiaries, terminated vested participants not currently receiving benefits, currently active participants and new entrants. [*Sheet: 4-2 SFA Ben Pmts*]
 - iii. Separately identify payments described in § 4262.4(b)(1) of PBGC's special financial assistance regulation 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(c)(iii) of the SFA instructions.]
 - iv. Separately identify administrative expenses expected to be paid using plan assets, excluding the amount owed PBGC under section 4261 of ERISA.
- d. For each plan year in the SFA coverage period, the projected investment income based on the interest rate in (a) above, and the projected fair market value of plan assets at the end of each plan year.
- e. The present value (using the interest rate identified in (a) above) as of the SFA measurement date of each of the separately provided items in (c)(i)-(iv) above.
- f. SFA amount determined as a lump sum as of the SFA measurement date. As described in § 4262.4(a) of PBGC's special financial assistance regulation, this amount equals the excess (if any) of the SFA-eligible plan obligations (the present value of the items in (c)(ii) through (c)(iv)) over the SFA-eligible plan resources (item (b) plus the present value of the items in (c)(i)).

Additional instructions for each individual worksheet:

Sheet

4-1 SFA Determination - SFA Interest Rate

See instructions on 4-1 SFA Interest Rate.

4-2 SFA Determination - SFA Benefit Payments

On this sheet, you will provide:

- Basic plan information (plan name, EIN/PN, SFA measurement date, SFA interest rate),
- Year-by-year deterministic projection of benefit payments, and
- Present values as of the SFA measurement date, using the SFA interest rate.

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"), separately identify benefit payments described in § 4262.4(b)(1) of PBGC's special assistance regulation for current retirees and beneficiaries, terminated vested participants not currently receiving benefits, currently active participants and new entrants. On this Sheet 4-2, show all benefit payments as positive amounts.

If the plan has suspended benefit payments under sections 305(e)(9) or 4245 of ERISA, the benefit payments in this Sheet 4-2 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 4-2 should reflect fully restored prospective benefits.

Benefit payments to be paid to participants to restore previously suspended benefits should not be included on this Sheet 4-2, and are separately shown on Sheet 4-3 in the Column (7). All reinstatement of benefits should be shown assuming such reinstatements are paid beginning as of the SFA measurement date (or on the SFA measurement date, for lump sum reinstatement of prior suspended benefits).

Provide the present value as of the SFA measurement date of each separate set of benefit payments, using the limited SFA interest rate from Sheet 4-1. On this sheet, show the present values as positive amounts.

Except for the first row in the projection exhibit below, each row must include the full plan year of the indicated information up to the plan year ending in 2051. This first row may be less than a full plan year of information. 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.

4-3 SFA Determination - SFA Details

On this sheet, you will provide:

--Basic plan information (plan name, EIN/PN, SFA measurement date, SFA interest rate),

--Year-by-year deterministic projection, and

--Present values as of the SFA measurement date, using the SFA interest rate.

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 (10). 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 of ERISA, Column (7) should show the benefit payments to be made to restore the past benefits that have been suspended. These amounts should be determined as if such reinstatements 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 decides to make payments 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 reinstatement is 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 (6); Column (7) is only for reinstatement of past benefits that were suspended.

Provide the present values as of the SFA measurement date of each of the projections in Columns (3) through (8), using the limited SFA interest rate from Sheet 4-1. Show the present values as the same sign (positive or negative) as the projected amounts (e.g., benefit payments are negative on this Sheet 4-3, and the present value of benefit payments should also be negative).

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. This first row may be less than a full plan year of information. 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.

Version Updates

Version	Date updated	
v20210824p	08/24/2021	On 4-1 SFA Interest Rate sheet, the wording in cell A19 was updated and additional details were added to cell D19. Also on this sheet, minor formatting changes were made to many of the cells with red text.
v20210820p	08/20/2021	On 4-1 SFA Interest Rate sheet, the link in cell D19 was removed.
v20210706p	07/06/2021	

TEMPLATE 4 - Sheet 4-1
SFA Determination - Interest Rate

v20210824p

Provide the SFA interest rate used, including supporting details on how it was determined.

PLAN INFORMATION

Abbreviated Plan Name:	Cement Masons Local Union #681 Pension Plan
EIN:	74-6091787
PN:	001
Application Submission Date:	12/30/2021
SFA measurement date:	09/30/2021
Last day of first plan year ending after the measurement date:	09/30/2022

Last day of the calendar quarter immediately preceding the application submission date.

SFA Interest Rate Used	3.00%
------------------------	-------

Input amount used in determination of SFA.

Development of interest rate limit:

Plan Interest Rate:	3.00%
Month used for interest rate (month in which application is filed or the 3 preceding months):	Dec-21
ERISA Section 303(h)(2)(C)(iii) rate disregarding modifications made under clause (iv) of such section:	3.29%
Interest Rate Limit (3rd Segment rate plus 200 basis points):	5.29%

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 is selected by the plan sponsor.

24-month average third segment rate for selected month without regard to interest rate stabilization rules. These rates are issued by IRS each month. For example, the applicable third segment rate for August 2021 is 3.38%. That rate was 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").

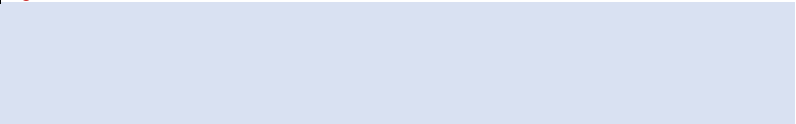
It is also available on IRS' [Funding Yield Curve Segment Rate Tables](#) web page (See Funding Table 3 under the heading "24-Month Average Segment Rates Not Adjusted").

This amount is calculated based on the other information entered.

SFA Interest Rate Calculation (Lesser of Plan Interest Rate and Interest Rate Limit):	3.00%
SFA Interest Rate Match Check:	Match

This amount is calculated based on the other information entered.

If the SFA Interest Rate Calculation is not equal to the SFA Interest Rate Used, provide explanation below.



TEMPLATE 4 - Sheet 4-2

v20210824p

SFA Determination - Benefit Payments

See Supplemental Instructions for Sheet 4-2 on Template 4 Instructions.

PLAN INFORMATION

Abbreviated Plan Name:	Cement Masons Local Union #681 Pension Plan
EIN:	74-6091787
PN:	001
SFA Measurement Date:	09/30/2021
SFA Interest Rate:	3%

On this Sheet 4-2, show all benefit payment amounts and present values as positive amounts.				
PRESENT VALUE as of the Measurement Date of Projected Benefit Payments for:				
Current Retirees and Beneficiaries in Pay Status	Current Terminated Vested Participants	Current Active Participants	New Entrants	Total
\$6,336,246	\$1,205,530	\$243,830	\$46,573	\$7,832,179

		PROJECTED BENEFIT PAYMENTS for:				
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
10/01/2021	09/30/2022	\$688,681	\$57,594	\$3,291	\$0	\$749,566
10/01/2022	09/30/2023	\$655,169	\$56,995	\$3,308	\$0	\$715,472
10/01/2023	09/30/2024	\$620,690	\$56,334	\$3,328	\$0	\$680,352
10/01/2024	09/30/2025	\$585,585	\$55,606	\$3,328	\$0	\$644,519
10/01/2025	09/30/2026	\$550,220	\$54,814	\$3,392	\$0	\$608,426
10/01/2026	09/30/2027	\$514,876	\$57,836	\$3,470	\$0	\$576,182
10/01/2027	09/30/2028	\$479,631	\$63,466	\$11,202	\$23	\$554,322
10/01/2028	09/30/2029	\$444,642	\$62,405	\$11,132	\$285	\$518,464
10/01/2029	09/30/2030	\$410,135	\$67,985	\$11,117	\$745	\$489,982
10/01/2030	09/30/2031	\$376,303	\$68,654	\$11,260	\$832	\$457,049
10/01/2031	09/30/2032	\$343,208	\$67,240	\$18,788	\$1,064	\$430,300
10/01/2032	09/30/2033	\$311,039	\$65,788	\$18,631	\$1,422	\$396,880
10/01/2033	09/30/2034	\$280,021	\$69,947	\$18,453	\$1,523	\$369,944
10/01/2034	09/30/2035	\$250,355	\$76,319	\$18,387	\$1,791	\$346,852
10/01/2035	09/30/2036	\$222,158	\$74,308	\$18,174	\$2,254	\$316,894
10/01/2036	09/30/2037	\$195,656	\$72,265	\$17,944	\$2,382	\$288,247
10/01/2037	09/30/2038	\$170,883	\$70,117	\$17,691	\$2,617	\$261,308
10/01/2038	09/30/2039	\$147,957	\$67,713	\$17,414	\$3,128	\$236,212
10/01/2039	09/30/2040	\$127,021	\$65,208	\$17,120	\$3,671	\$213,020
10/01/2040	09/30/2041	\$108,229	\$64,718	\$16,826	\$4,170	\$193,943
10/01/2041	09/30/2042	\$91,387	\$62,102	\$16,508	\$4,436	\$174,433
10/01/2042	09/30/2043	\$76,447	\$59,397	\$16,175	\$4,855	\$156,874
10/01/2043	09/30/2044	\$63,373	\$56,639	\$15,816	\$5,202	\$141,030
10/01/2044	09/30/2045	\$52,113	\$53,839	\$15,441	\$5,516	\$126,909
10/01/2045	09/30/2046	\$42,459	\$50,983	\$15,036	\$5,866	\$114,344
10/01/2046	09/30/2047	\$34,283	\$48,069	\$14,575	\$6,392	\$103,319
10/01/2047	09/30/2048	\$27,428	\$45,117	\$14,108	\$6,839	\$93,492
10/01/2048	09/30/2049	\$21,741	\$42,175	\$13,613	\$7,709	\$85,238
10/01/2049	09/30/2050	\$17,061	\$39,252	\$16,911	\$8,181	\$81,405
10/01/2050	09/30/2051	\$13,259	\$36,371	\$16,313	\$9,119	\$75,062

TEMPLATE 4 - Sheet 4-3

v20210824p

SFA Determination - Details

See Supplemental Instructions for Sheet 4-3 on Template 4 Instructions.

PLAN INFORMATION

Abbreviated Plan Name:	Cement Masons Local Union #681 Pension Plan
EIN:	74-6091787
PN:	001
SFA Measurement Date:	09/30/2021
SFA Interest Rate:	3%

PRESENT VALUE as of the SFA Measurement Date of Projected Amounts for:								
(1)	(2)	PV of (3)	PV of (4)	PV of (5)	PV of (6)	PV of (7)	PV of (8)	
Fair Market Value as of the SFA Measurement Date	SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments (should match total from Sheet 4-2)	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	(1)+(2)+Sum of PV of (3) through PV of (8) [NOTE: This amount should be \$0]
\$126,579	\$10,995,762	\$400,695	\$0	\$0	(\$7,832,179)	(\$450,864)	(\$3,239,993)	\$0

Show payments INTO the plan as positive, and payments OUT of the plan as negative, so that the sum of (1) through (9) equals (10).

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		
Plan Year Start Date	Plan Year End Date	Fair Market Value of Assets at Beginning of Plan Year	SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments (should match total from Sheet 4-2)	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	Investment Income Based on SFA Interest Rate	Fair Market Value of Assets at End of Plan Year
10/01/2021	09/30/2022	\$126,579	\$10,995,762	\$26,000	\$0	\$0	-\$749,566	-\$450,864	-\$150,087	\$307,040	\$10,104,864
10/01/2022	09/30/2023	\$10,104,864		\$25,220	\$0	\$0	-\$715,472	-\$153,434	-\$290,491	\$290,491	\$9,551,668
10/01/2023	09/30/2024	\$9,551,668		\$24,465	\$0	\$0	-\$680,352	-\$156,856	-\$274,359	\$9,013,284	\$9,013,284
10/01/2024	09/30/2025	\$9,013,284		\$23,730	\$0	\$0	-\$644,519	-\$160,353	-\$258,681	\$8,490,823	\$8,490,823
10/01/2025	09/30/2026	\$8,490,823		\$23,016	\$0	\$0	-\$608,426	-\$163,928	-\$243,485	\$7,984,970	\$7,984,970
10/01/2026	09/30/2027	\$7,984,970		\$22,328	\$0	\$0	-\$576,182	-\$167,584	-\$228,728	\$7,492,260	\$7,492,260
10/01/2027	09/30/2028	\$7,492,260		\$21,660	\$0	\$0	-\$554,322	-\$171,321	-\$214,208	\$7,002,485	\$7,002,485
10/01/2028	09/30/2029	\$7,002,485		\$21,012	\$0	\$0	-\$518,464	-\$175,142	-\$199,986	\$6,529,876	\$6,529,876
10/01/2029	09/30/2030	\$6,529,876		\$20,380	\$0	\$0	-\$489,982	-\$179,048	-\$186,167	\$6,067,393	\$6,067,393
10/01/2030	09/30/2031	\$6,067,393		\$19,768	\$0	\$0	-\$457,049	-\$183,041	-\$172,717	\$5,619,788	\$5,619,788
10/01/2031	09/30/2032	\$5,619,788		\$19,569	\$0	\$0	-\$430,300	-\$188,430	-\$159,606	\$5,180,233	\$5,180,233
10/01/2032	09/30/2033	\$5,180,233		\$19,375	\$0	\$0	-\$396,880	-\$192,632	-\$146,855	\$4,756,951	\$4,756,951
10/01/2033	09/30/2034	\$4,756,951		\$19,181	\$0	\$0	-\$369,944	-\$196,927	-\$134,493	\$4,343,754	\$4,343,754
10/01/2034	09/30/2035	\$4,343,754		\$18,987	\$0	\$0	-\$346,852	-\$201,319	-\$122,375	\$3,936,945	\$3,936,945
10/01/2035	09/30/2036	\$3,936,945		\$18,799	\$0	\$0	-\$316,894	-\$205,808	-\$110,550	\$3,543,592	\$3,543,592
10/01/2036	09/30/2037	\$3,543,592		\$18,610	\$0	\$0	-\$288,247	-\$181,860	-\$99,535	\$3,191,631	\$3,191,631
10/01/2037	09/30/2038	\$3,191,631		\$18,426	\$0	\$0	-\$261,308	-\$185,914	-\$89,317	\$2,852,151	\$2,852,151
10/01/2038	09/30/2039	\$2,852,151		\$18,243	\$0	\$0	-\$236,212	-\$190,060	-\$79,444	\$2,523,567	\$2,523,567
10/01/2039	09/30/2040	\$2,523,567		\$18,059	\$0	\$0	-\$213,020	-\$194,299	-\$69,868	\$2,204,175	\$2,204,175
10/01/2040	09/30/2041	\$2,204,175		\$17,881	\$0	\$0	-\$193,943	-\$193,941	-\$60,575	\$1,894,748	\$1,894,748
10/01/2041	09/30/2042	\$1,894,748		\$17,702	\$0	\$0	-\$174,433	-\$174,431	-\$51,875	\$1,615,461	\$1,615,461
10/01/2042	09/30/2043	\$1,615,461		\$17,524	\$0	\$0	-\$156,874	-\$156,873	-\$44,020	\$1,363,258	\$1,363,258
10/01/2043	09/30/2044	\$1,363,258		\$17,350	\$0	\$0	-\$141,030	-\$141,028	-\$36,927	\$1,135,477	\$1,135,477
10/01/2044	09/30/2045	\$1,135,477		\$17,177	\$0	\$0	-\$126,909	-\$126,908	-\$30,515	\$929,352	\$929,352
10/01/2045	09/30/2046	\$929,352		\$17,003	\$0	\$0	-\$114,344	-\$114,342	-\$24,705	\$742,374	\$742,374
10/01/2046	09/30/2047	\$742,374		\$16,835	\$0	\$0	-\$103,319	-\$103,317	-\$19,424	\$571,997	\$571,997
10/01/2047	09/30/2048	\$571,997		\$16,667	\$0	\$0	-\$93,492	-\$93,490	-\$14,605	\$416,288	\$416,288
10/01/2048	09/30/2049	\$416,288		\$16,499	\$0	\$0	-\$85,238	-\$85,235	-\$10,179	\$272,493	\$272,493
10/01/2049	09/30/2050	\$272,493		\$16,335	\$0	\$0	-\$81,405	-\$81,402	-\$5,978	\$131,998	\$131,998
10/01/2050	09/30/2051	\$131,998		\$16,172	\$0	\$0	-\$75,062	-\$75,059	-\$1,951	\$0	\$0

TEMPLATE 5

v20210723p

Baseline

File name: *Template 5 Pension Plan Name*, where "Pension 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 5 is not required if all assumptions used (except the interest rate, Contribution Base Unit (CBU) assumption and administrative expenses assumption) 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") and if the changed assumptions for CBUs and administrative expenses are consistent with 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.

Provide a separate deterministic projection ("Baseline") in the same format as Template 4 (Sheets 4-2 and 4-3 only) that shows the amount of SFA that would be determined if all underlying assumptions used in the projection were the same as those used in the pre-2021 certification of plan status, excluding the plan's interest rate which should be the same as used in Template 4 (see sheet 4-1) and excluding the CBU assumption and administrative expenses assumption which should reflect the changed assumptions consistent with 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..

For purposes of this Template 5, any assumption change made in accordance with Section III, Acceptable Assumption Changes, of PBGC's guidance on Special Financial Assistance Assumptions should be reflected in this Baseline calculation of the SFA amount and supporting projection information. See examples in the SFA instructions for Section C, Item 5.

Additional instructions for each individual worksheet:

Sheet

5-1 Baseline - Benefit Payments

See Template 4 instructions for Sheet 4-2, except provide the benefit payment projection used to determine the Baseline SFA amount.

5-2 Baseline - Details

See Template 4 instructions for Sheet 4-3, except provide the projections and present value information used to determine the Baseline SFA amount.

TEMPLATE 5 - Sheet 5-1

v20210723p

Baseline - Benefit Payments

See Supplemental Instructions for Sheet 4-2 on Template 4 Instructions.

PLAN INFORMATION

Abbreviated Plan Name:	Cement Masons Local Union #681 Pension Plan
EIN:	74-6091787
PN:	001
SFA Measurement Date:	09/30/2021
SFA Interest Rate:	3%

On this Sheet 5-1, show all benefit payment amounts and present values as positive amounts.					
PRESENT VALUE as of the Measurement Date of Projected Benefit Payments for:					
Current Retirees and Beneficiaries in Pay Status	Current Terminated Vested Participants	Current Active Participants	New Entrants	Total	
\$6,320,459	\$1,195,920	\$241,005	\$45,588	\$7,802,972	

		PROJECTED BENEFIT PAYMENTS for:				
		Current Retirees and Beneficiaries in Pay Status	Current Terminated Vested Participants	Current Active Participants	New Entrants	Total
Plan Year Start Date	Plan Year End Date					
10/01/2021	09/30/2022	\$688,681	\$57,594	\$3,291	\$0	\$749,566
10/01/2022	09/30/2023	\$655,169	\$56,995	\$3,308	\$0	\$715,472
10/01/2023	09/30/2024	\$620,613	\$56,327	\$3,327	\$0	\$680,267
10/01/2024	09/30/2025	\$585,424	\$55,590	\$3,327	\$0	\$644,341
10/01/2025	09/30/2026	\$549,979	\$54,790	\$3,391	\$0	\$608,160
10/01/2026	09/30/2027	\$514,566	\$57,801	\$3,467	\$0	\$575,834
10/01/2027	09/30/2028	\$479,261	\$63,417	\$11,194	\$23	\$553,895
10/01/2028	09/30/2029	\$444,215	\$62,344	\$11,121	\$284	\$517,964
10/01/2029	09/30/2030	\$409,571	\$67,891	\$11,102	\$744	\$489,308
10/01/2030	09/30/2031	\$375,584	\$68,523	\$11,238	\$830	\$456,175
10/01/2031	09/30/2032	\$342,361	\$67,074	\$18,742	\$1,061	\$429,238
10/01/2032	09/30/2033	\$310,077	\$65,585	\$18,573	\$1,417	\$395,652
10/01/2033	09/30/2034	\$278,894	\$69,666	\$18,379	\$1,517	\$368,456
10/01/2034	09/30/2035	\$249,086	\$75,932	\$18,294	\$1,781	\$345,093
10/01/2035	09/30/2036	\$220,775	\$73,845	\$18,061	\$2,240	\$314,921
10/01/2036	09/30/2037	\$194,166	\$71,714	\$17,808	\$2,364	\$286,052
10/01/2037	09/30/2038	\$169,326	\$69,478	\$17,530	\$2,593	\$258,927
10/01/2038	09/30/2039	\$146,365	\$66,985	\$17,227	\$3,094	\$233,671
10/01/2039	09/30/2040	\$125,457	\$64,406	\$16,909	\$3,626	\$210,398
10/01/2040	09/30/2041	\$106,699	\$63,803	\$16,588	\$4,111	\$191,201
10/01/2041	09/30/2042	\$89,904	\$61,095	\$16,241	\$4,364	\$171,604
10/01/2042	09/30/2043	\$75,037	\$58,302	\$15,877	\$4,766	\$153,982
10/01/2043	09/30/2044	\$62,064	\$55,468	\$15,489	\$5,094	\$138,115
10/01/2044	09/30/2045	\$50,906	\$52,590	\$15,083	\$5,388	\$123,967
10/01/2045	09/30/2046	\$41,363	\$49,666	\$14,647	\$5,714	\$111,390
10/01/2046	09/30/2047	\$33,304	\$46,697	\$14,159	\$6,210	\$100,370
10/01/2047	09/30/2048	\$26,572	\$43,708	\$13,667	\$6,625	\$90,572
10/01/2048	09/30/2049	\$21,004	\$40,746	\$13,152	\$7,447	\$82,349
10/01/2049	09/30/2050	\$16,450	\$37,844	\$16,305	\$7,887	\$78,486
10/01/2050	09/30/2051	\$12,755	\$34,988	\$15,692	\$8,772	\$72,207

TEMPLATE 5 - Sheet 5-2

v20210723p

Baseline - Details

See Supplemental Instructions for Sheet 4-3 on Template 4 Instructions.

PLAN INFORMATION

Abbreviated Plan Name:	Cement Masons Local Union #681 Pension Plan	
EIN:	74-6091787	
PN:	001	
SFA Measurement Date:	09/30/2021	
SFA Interest Rate:		3%

PRESENT VALUE as of the SFA Measurement Date of Projected Amounts for:									
(1)	(2)	PV of (3)	PV of (4)	PV of (5)	PV of (6)	PV of (7)	PV of (8)		
Fair Market Value as of the SFA Measurement Date	Baseline SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments (should match total from Sheet 5-1)	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses owed PBGC under 4261 of ERISA)	(1)+(2)+Sum of PV of (3) through PV of (8) [NOTE: This amount should be \$0]	
\$126,579	\$8,957,906	\$339,797	\$0	\$0	(\$7,802,972)	(\$450,864)	(\$1,170,446)	(\$0)	

Show payments INTO the plan as positive, and payments OUT of the plan as negative, so that the sum of (1) through (9) equals (10).

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		
Plan Year Start Date	Plan Year End Date	Fair Market Value of Assets at Beginning of Plan Year	Baseline SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments (should match total from Sheet 5-1)	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses owed PBGC under 4261 of ERISA)	Investment Income Based on SFA Interest Rate	Fair Market Value of Assets at End of Plan Year
10/01/2021	09/30/2022	\$126,579	\$8,957,906	\$17,080	\$0	\$0	-\$749,566	-\$450,864	-\$112,435	\$246,335	\$8,035,035
10/01/2022	09/30/2023	\$8,035,035		\$17,080	\$0	\$0	-\$715,472	-\$107,321	\$228,965	\$7,458,287	
10/01/2023	09/30/2024	\$7,458,287		\$17,080	\$0	\$0	-\$680,267	-\$102,040	\$212,270	\$6,905,330	
10/01/2024	09/30/2025	\$6,905,330		\$17,080	\$0	\$0	-\$644,341	-\$96,651	\$196,301	\$6,377,719	
10/01/2025	09/30/2026	\$6,377,719		\$17,080	\$0	\$0	-\$608,160	-\$91,224	\$181,097	\$5,876,512	
10/01/2026	09/30/2027	\$5,876,512		\$17,080	\$0	\$0	-\$575,834	-\$86,375	\$166,618	\$5,398,002	
10/01/2027	09/30/2028	\$5,398,002		\$17,080	\$0	\$0	-\$553,895	-\$83,084	\$152,642	\$4,930,744	
10/01/2028	09/30/2029	\$4,930,744		\$17,080	\$0	\$0	-\$517,964	-\$77,695	\$139,244	\$4,491,409	
10/01/2029	09/30/2030	\$4,491,409		\$17,080	\$0	\$0	-\$489,308	-\$73,396	\$126,558	\$4,072,343	
10/01/2030	09/30/2031	\$4,072,343		\$17,080	\$0	\$0	-\$456,175	-\$68,426	\$114,557	\$3,679,379	
10/01/2031	09/30/2032	\$3,679,379		\$17,080	\$0	\$0	-\$429,238	-\$64,386	\$103,233	\$3,306,069	
10/01/2032	09/30/2033	\$3,306,069		\$17,080	\$0	\$0	-\$395,652	-\$59,348	\$92,613	\$2,960,762	
10/01/2033	09/30/2034	\$2,960,762		\$17,080	\$0	\$0	-\$368,456	-\$55,268	\$82,723	\$2,636,841	
10/01/2034	09/30/2035	\$2,636,841		\$17,080	\$0	\$0	-\$345,093	-\$51,764	\$73,409	\$2,330,473	
10/01/2035	09/30/2036	\$2,330,473		\$17,080	\$0	\$0	-\$314,921	-\$47,238	\$64,738	\$2,050,132	
10/01/2036	09/30/2037	\$2,050,132		\$17,080	\$0	\$0	-\$286,052	-\$42,908	\$56,826	\$1,795,077	
10/01/2037	09/30/2038	\$1,795,077		\$17,080	\$0	\$0	-\$258,927	-\$38,839	\$49,642	\$1,564,033	
10/01/2038	09/30/2039	\$1,564,033		\$17,080	\$0	\$0	-\$233,671	-\$35,051	\$43,146	\$1,355,538	
10/01/2039	09/30/2040	\$1,355,538		\$17,080	\$0	\$0	-\$210,398	-\$31,560	\$37,293	\$1,167,953	
10/01/2040	09/30/2041	\$1,167,953		\$17,080	\$0	\$0	-\$191,201	-\$28,680	\$31,997	\$997,148	
10/01/2041	09/30/2042	\$997,148		\$17,080	\$0	\$0	-\$171,604	-\$25,741	\$27,210	\$844,094	
10/01/2042	09/30/2043	\$844,094		\$17,080	\$0	\$0	-\$153,923	-\$23,097	\$22,923	\$707,018	
10/01/2043	09/30/2044	\$707,018		\$17,080	\$0	\$0	-\$138,115	-\$20,717	\$19,084	\$584,350	
10/01/2044	09/30/2045	\$584,350		\$17,080	\$0	\$0	-\$123,967	-\$18,595	\$15,648	\$474,516	
10/01/2045	09/30/2046	\$474,516		\$17,080	\$0	\$0	-\$111,390	-\$16,709	\$12,570	\$376,067	
10/01/2046	09/30/2047	\$376,067		\$17,080	\$0	\$0	-\$100,370	-\$15,056	\$9,807	\$287,528	
10/01/2047	09/30/2048	\$287,528		\$17,080	\$0	\$0	-\$90,572	-\$13,586	\$7,320	\$207,770	
10/01/2048	09/30/2049	\$207,770		\$17,080	\$0	\$0	-\$82,349	-\$12,352	\$5,069	\$135,218	
10/01/2049	09/30/2050	\$135,218		\$17,080	\$0	\$0	-\$78,486	-\$11,773	\$2,959	\$64,997	
10/01/2050	09/30/2051	\$64,997		\$17,080	\$0	\$0	-\$72,207	-\$10,831	\$961	\$0	

TEMPLATE 6

v20210723p

Reconciliation

File name: *Template 6 Pension Plan Name*, where "Pension 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 6 is not required if all assumptions used (except the interest rate, CBU assumption and administrative expenses assumption) to determine the requested SFA amount are identical to those used in the pre-2021 certification of plan status and if the changed assumptions for CBUs and administrative expenses are consistent with 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 Template 6 is also not required if the requested SFA amount from Template 4 is the same as the SFA amount shown in Template 5 (Baseline).

If the assumptions used to determine the requested SFA amount differ from those in the "Baseline" projection in Template 5, then provide a reconciliation of the change in the total amount of requested SFA due to each change in assumption from the Baseline to the requested SFA as shown in Template 4.

For each assumption change from the Baseline through the requested SFA amount, provide a deterministic projection in the same format as Template 4.

Additional instructions for each individual worksheet:

Sheet

6-1 Reconciliation

For Item 1, show the SFA amount shown in Template 5 using the "Baseline" assumptions and methods. If there is only one change in assumptions/methods between the Baseline (Template 5) and the requested SFA amount (Template 4), then show on Item 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 4 and Item 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.

6-2 Reconciliation Details

For Reconciliation Details sheets, see Template 4 instructions for Sheet 4-3, except provide the projections and present value information used to determine each Item number from the Reconciliation in Sheet 6-1.

A Reconciliation Details sheet is not needed for the last Item shown in the Reconciliation, since the information should be the same as shown in Template 4. For example, if there is only one assumption change from the Baseline, then Item 2 should identify what assumption changed between the Baseline and Item 2 where Item 2 is the requested SFA amount. Since details on the determination of the requested SFA amount are shown in Template 4, a separate Sheet 6-2 Reconciliation Details is not required here.

6-3 Reconciliation Details

See instructions for 6-2 Reconciliation Details.

6-4 Reconciliation Details

See instructions for 6-2 Reconciliation Details.

6-5 Reconciliation Details

See instructions for 6-2 Reconciliation Details.

Version Updates

Version	Date Updated	
v20210723p	07/23/2021	On Sheets 6-2, 6-3, 6-3, and 6-5: (1) unprotected Cells A1:B1, and (2) in Cell H14 and Cell H19, removed reference to Sheet 4-2. Updated the version number in top right corner of each sheet. Added this section on Version Updates and protected the Version Updates cells.
v20210706p	07/06/2021	

TEMPLATE 6 - Sheet 6-1

Reconciliation - Summary

For Item 1, show the SFA amount determined in Template 5 using the "Baseline" assumptions and methods. If there is only one change in assumptions/methods between the Baseline (Template 5) and the requested SFA amount (Template 4), then show on Item 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 4 and Item 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.

PLAN INFORMATION

Abbreviated Plan Name:	Cement Masons Local Union #681 Pension Plan
EIN:	74-6091787
PN:	001

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
1	Baseline	N/A	\$8,957,906
2	Change administrative expenses assumption	\$2,054,086	\$11,011,992
3	Change CBU assumption	(\$16,230)	\$10,995,762
4			
5			

NOTE: A sheet with Recon Details is not required for the last item number provided, since this information should be the same as provided in Template 4.

From Template 5.

Show details supporting the SFA amount on Sheet 6-2.

Show details supporting the SFA amount on Sheet 6-3.

Show details supporting the SFA amount on Sheet 6-4.

Show details supporting the SFA amount on Sheet 6-5.

Create additional rows as needed, and create additional detailed sheets by copying Sheet 6-5 and relabeling the header and the sheet name to be 6-6, 6-7, etc.

TEMPLATE 6 - Sheet 6-2

Item Description (From 6-1): Change administrative expenses assumption

v20210723p

Reconciliation - Details

See Supplemental Instructions for Sheet 4-3 on Template 4 Instructions.

PLAN INFORMATION

Abbreviated Plan Name:	Cement Masons Local Union #681 Pension Plan	
EIN:	74-6091787	
PN:	001	
SFA Measurement Date:	09/30/2021	
SFA Interest Rate:	3%	

PRESENT VALUE as of the SFA Measurement Date of Projected Amounts for:									
(1)	(2)	PV of (3)	PV of (4)	PV of (5)	PV of (6)	PV of (7)	PV of (8)		
Fair Market Value as of the SFA Measurement Date	SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	(1)+(2)+Sum of PV of (3) through PV of (8) [NOTE: This amount should be \$0]	
\$126,579	\$11,011,992	\$339,797	\$0	\$0	(\$7,802,972)	(\$450,864)	(\$3,224,532)	(\$0)	

Show payments INTO the plan as positive, and payments OUT of the plan as negative, so that the sum of (1) through (9) equals (10).

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		
Plan Year Start Date	Plan Year End Date	Fair Market Value of Assets at Beginning of Plan Year	SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	Investment Income Based on SFA Interest Rate	Fair Market Value of Assets at End of Plan Year
10/01/2021	09/30/2022	\$126,579	\$11,011,992	\$17,080	\$0	\$0	-\$749,566	-\$450,864	-\$150,087	\$307,393	\$10,112,526
10/01/2022	09/30/2023	\$10,112,526		\$17,080	\$0	\$0	-\$715,472		-\$153,434	\$290,598	\$9,551,299
10/01/2023	09/30/2024	\$9,551,299		\$17,080	\$0	\$0	-\$680,267		-\$156,856	\$274,238	\$9,005,494
10/01/2024	09/30/2025	\$9,005,494		\$17,080	\$0	\$0	-\$644,341		-\$160,353	\$258,351	\$8,476,231
10/01/2025	09/30/2026	\$8,476,231		\$17,080	\$0	\$0	-\$608,160		-\$163,928	\$242,962	\$7,964,185
10/01/2026	09/30/2027	\$7,964,185		\$17,080	\$0	\$0	-\$575,834		-\$167,584	\$228,030	\$7,465,877
10/01/2027	09/30/2028	\$7,465,877		\$17,080	\$0	\$0	-\$553,895		-\$171,321	\$213,354	\$6,971,095
10/01/2028	09/30/2029	\$6,971,095		\$17,080	\$0	\$0	-\$517,964		-\$175,142	\$198,992	\$6,494,062
10/01/2029	09/30/2030	\$6,494,062		\$17,080	\$0	\$0	-\$489,308		-\$179,048	\$185,053	\$6,027,838
10/01/2030	09/30/2031	\$6,027,838		\$17,080	\$0	\$0	-\$456,175		-\$183,041	\$171,503	\$5,577,206
10/01/2031	09/30/2032	\$5,577,206		\$17,080	\$0	\$0	-\$429,238		-\$188,430	\$158,307	\$5,134,925
10/01/2032	09/30/2033	\$5,134,925		\$17,080	\$0	\$0	-\$395,652		-\$192,632	\$145,480	\$4,709,201
10/01/2033	09/30/2034	\$4,709,201		\$17,080	\$0	\$0	-\$368,456		-\$196,927	\$133,051	\$4,293,949
10/01/2034	09/30/2035	\$4,293,949		\$17,080	\$0	\$0	-\$345,093		-\$201,319	\$120,878	\$3,885,496
10/01/2035	09/30/2036	\$3,885,496		\$17,080	\$0	\$0	-\$314,921		-\$205,808	\$109,010	\$3,490,857
10/01/2036	09/30/2037	\$3,490,857		\$17,080	\$0	\$0	-\$286,052		-\$181,860	\$97,963	\$3,137,988
10/01/2037	09/30/2038	\$3,137,988		\$17,080	\$0	\$0	-\$258,927		-\$185,914	\$87,723	\$2,797,950
10/01/2038	09/30/2039	\$2,797,950		\$17,080	\$0	\$0	-\$233,671		-\$190,060	\$77,839	\$2,469,138
10/01/2039	09/30/2040	\$2,469,138		\$17,080	\$0	\$0	-\$210,398		-\$194,299	\$68,260	\$2,149,782
10/01/2040	09/30/2041	\$2,149,782		\$17,080	\$0	\$0	-\$191,201		-\$191,201	\$59,014	\$1,843,473
10/01/2041	09/30/2042	\$1,843,473		\$17,080	\$0	\$0	-\$171,604		-\$171,604	\$50,412	\$1,567,758
10/01/2042	09/30/2043	\$1,567,758		\$17,080	\$0	\$0	-\$153,982		-\$153,982	\$42,669	\$1,319,543
10/01/2043	09/30/2044	\$1,319,543		\$17,080	\$0	\$0	-\$138,115		-\$138,115	\$35,699	\$1,096,092
10/01/2044	09/30/2045	\$1,096,092		\$17,080	\$0	\$0	-\$123,967		-\$123,967	\$29,420	\$894,658
10/01/2045	09/30/2046	\$894,658		\$17,080	\$0	\$0	-\$111,390		-\$111,390	\$23,754	\$712,712
10/01/2046	09/30/2047	\$712,712		\$17,080	\$0	\$0	-\$100,370		-\$100,370	\$18,626	\$547,679
10/01/2047	09/30/2048	\$547,679		\$17,080	\$0	\$0	-\$90,572		-\$90,572	\$13,969	\$397,584
10/01/2048	09/30/2049	\$397,584		\$17,080	\$0	\$0	-\$82,349		-\$82,349	\$9,713	\$259,680
10/01/2049	09/30/2050	\$259,680		\$17,080	\$0	\$0	-\$78,486		-\$78,486	\$5,692	\$125,480
10/01/2050	09/30/2051	\$125,480		\$17,080	\$0	\$0	-\$72,207		-\$72,207	\$1,854	\$0

TEMPLATE 6 - Sheet 6-4
Reconciliation - Details

Item Description (From 6-1):

v20210723p

See Supplemental Instructions for Sheet 4-3 on Template 4 Instructions.

PLAN INFORMATION

Abbreviated Plan Name:		
EIN:		
PN:		
SFA Measurement Date:		
SFA Interest Rate:		

PRESENT VALUE as of the SFA Measurement Date of Projected Amounts for:								
(1)	(2)	PV of (3)	PV of (4)	PV of (5)	PV of (6)	PV of (7)	PV of (8)	
Fair Market Value as of the SFA Measurement Date	SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	(1)+(2)+Sum of PV of (3) through PV of (8) [NOTE: This amount should be \$0]

Show payments INTO the plan as positive, and payments OUT of the plan as negative, so that the sum of (1) through (9) equals (10).

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		
Plan Year Start Date	Plan Year End Date	Fair Market Value of Assets at Beginning of Plan Year	SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	Investment Income Based on SFA Interest Rate	Fair Market Value of Assets at End of Plan Year

TEMPLATE 7

v20210706p

7a - Assumption Changes for SFA Eligibility

File name: *Template 7 Pension Plan Name*, where "Pension 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 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 is no longer reasonable and why the changed assumptions are reasonable.

This table should reflect all identified assumptions (including those that are included in the Baseline provided in Template 5) 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 That Has Changed From Assumption Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021	Brief description of assumption used in the most recent certification of plan status completed prior to 1/1/2021	Brief description of assumption used in showing the plan's eligibility for SFA (if different).	Brief explanation on why the assumption in (A) is no longer reasonable and why the assumption 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 that has changed from the assumption 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 has changed is preferred.

TEMPLATE 7

v20210706p

7b - Assumption Changes for SFA Amount

File name: *Template 7 Pension Plan Name*, where "Pension 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 assumption differ from those used in the pre-2021 certification of plan status (except the interest rate used in calculating the amount of SFA) and brief explanations as to why using those original assumptions is no longer reasonable and why the changed assumptions 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 except for the interest rate (reflecting those that are included in the Baseline provided in Template 5) 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 That Has Changed From Assumption Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021	Brief description of assumption used in the most recent certification of plan status completed prior to 1/1/2021	Brief description of assumption used to determine the requested SFA amount (if different)	Brief explanation on why the assumption in (A) is no longer reasonable and why the assumption 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 That Has Changed From Assumption Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021	Brief description of assumption used in the most recent certification of plan status completed prior to 1/1/2021	Brief description of assumption used to determine the requested SFA amount (if different)	Brief explanation on why the assumption in (A) is no longer reasonable and why the assumption 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 that has changed from the assumption 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 has changed is preferred.

Template 7 - Sheet 7b

v20210706p

Assumption Changes - SFA Amount

PLAN INFORMATION

Abbreviated Plan Name:	Cement Masons Local Union #681 Pension Plan
EIN:	74-6091787
PN:	001

	A	B	C
Assumption That Has Changed From Assumption Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021	Brief description of assumption used in the most recent certification of plan status completed prior to 1/1/2021	Brief description of assumption used to determine the requested SFA amount (if different)	Brief explanation on why the assumption in (A) is no longer reasonable and why the assumption in (B) is reasonable.
Administrative expenses assumption	Insolvent Plan - no projected administrative expenses used in certification. The October 1, 2019 actuarial valuation used the 3-year average of actual prior year expenses. For the baseline projection, the administrative expenses were assumed to be 15% of expected benefit payments per PBGC assumptions guidance.	The 3-year average of actual prior year expenses, increased by 2% for the plan year beginning October 1, 2021, and increased with 2.23% inflation for each year thereafter. Expenses were adjusted for both payment of PBGC premiums in 2021 plus the increase in premiums for 2031. Additionally, expenses were decreased by the cost of an annual audit (increased with inflation) when the expected number of participants decreased below 100. Expenses were limited to total expected benefit payments.	Administrative expenses limited to 15% of expected benefit payments for a plan of this size is unreasonable. The cost of maintaining an ongoing pension plan requires plan professionals to meet regulatory requirements. Current expenses, adjusted for inflation and PBGC premiums, is a more reasonable expectation of future expenses.
CBU (hours) assumption	Insolvent Plan - no projected hours used in certification. For the October 1, 2019 actuarial valuation, hours were assumed to be the same number of hours worked by actives in the plan year ending September 30, 2019, or 3,349 hours per year. This was held constant for the baseline projection.	Actual hours worked for all participants in the plan year ending September 30, 2019 prior to the COVID period, or 5,256, reduced by 3% per year for the first 10 years and 1% per year thereafter.	The actual hours worked by all participants is a better measure of future projected contributions to the plan. Additionally, the hours for the last 10 years ending September 30, 2020 have decreased by an average of 14% per year, so further reduction was assumed per PBGC assumptions guidance.

TEMPLATE 8

File name: *Template 8 Pension Plan Name*, where "Pension Plan Name" is an abbreviated version of the plan name.

v20210706p

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:	Cement Masons Local Union #681 Pension Plan
EIN:	74-6091787
PN:	001

Unit (e.g. hourly, weekly)	hourly
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All Other Sources of Non-Investment Income

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
10/01/2021	09/30/2022	\$26,000	5,098	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2022	09/30/2023	\$25,220	4,945	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2023	09/30/2024	\$24,465	4,797	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2024	09/30/2025	\$23,730	4,653	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2025	09/30/2026	\$23,016	4,513	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2026	09/30/2027	\$22,328	4,378	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2027	09/30/2028	\$21,660	4,247	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2028	09/30/2029	\$21,012	4,120	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2029	09/30/2030	\$20,380	3,996	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2030	09/30/2031	\$19,768	3,876	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2031	09/30/2032	\$19,569	3,837	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2032	09/30/2033	\$19,375	3,799	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2033	09/30/2034	\$19,181	3,761	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2034	09/30/2035	\$18,987	3,723	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2035	09/30/2036	\$18,799	3,686	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2036	09/30/2037	\$18,610	3,649	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2037	09/30/2038	\$18,426	3,613	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2038	09/30/2039	\$18,243	3,577	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2039	09/30/2040	\$18,059	3,541	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2040	09/30/2041	\$17,881	3,506	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2041	09/30/2042	\$17,702	3,471	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2042	09/30/2043	\$17,524	3,436	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2043	09/30/2044	\$17,350	3,402	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2044	09/30/2045	\$17,177	3,368	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2045	09/30/2046	\$17,003	3,334	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2046	09/30/2047	\$16,835	3,301	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2047	09/30/2048	\$16,667	3,268	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2048	09/30/2049	\$16,499	3,235	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2049	09/30/2050	\$16,335	3,203	\$5.10	\$0	\$0	\$0	\$0	\$0	4
10/01/2050	09/30/2051	\$16,172	3,171	\$5.10	\$0	\$0	\$0	\$0	\$0	4

* 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."