



March 3, 2023

Via e-filing portal pbgc.gov  
Pension Benefit Guaranty Corporation  
1200 K St. NW  
Washington, DC 2005-4026

Dear Sir or Madam:

The Pace Industry Union-Management Pension Fund (“PIUMPF”) hereby submits this application for Special Financial Assistance (“SFA”) in accordance with ERISA Section 4262 and the Final Rule on Special Financial Assistance. PIUMPF has been identified by the PBGC as a “Priority 6” plan and is not a “MPRA plan” within the meaning of the SFA regulations.

In accordance with the Instructions and SFA Application Checklist developed by the PBGC, all documentations requested in those Instructions and Checklist have been uploaded to the e-filing portal and labelled based upon the Sections delineated in the Instructions Checklist.

If you have any questions regarding the application, please reach out to the Fund’s Executive Director, Charles Knight, or the Fund’s counsel or actuary, as listed in the application. We appreciate the hard work of the PBGC staff in reviewing the Fund’s application for Special Financial Assistance, and in helping to provide financial security through retirement for the many thousands of participants and beneficiaries served by PIUMPF.

Sincerely,

*John E. Shinn*  
[John E. Shinn \(Mar 3, 2023 11:24 EST\)](#)

John E. Shinn  
Union Trustee and Chair of the Board

*Lee Eglund*  
[Lee Eglund \(Mar 3, 2023 08:44 PST\)](#)

Lee Eglund  
Management Trustee and Secretary of the Board

**PIUMPF**

## (1) Cover Letter and Signatures

The preceding pages provide the cover letter for the application for special financial assistance (“SFA”) with required signatures from authorized representatives of the Board of Trustees.

## (2) Plan Sponsor and Authorized Representatives

The following identifies the plan sponsor and authorized representatives, as well as their contact information.

**Plan Sponsor** Board of Trustees  
PACE Industry Union-Management Pension Fund  
1101 Kermit Drive, Suite 800  
Nashville, TN 37217

**Fund Office Representatives** Charles Knight, Executive Director  
Carolyn Adams-Rossignol, Financial Director  
PACE Industry Union-Management Pension Fund  
1101 Kermit Drive, Suite 800  
Nashville, TN 37217  
Email: [CKnight@uswbenefitfunds.com](mailto:CKnight@uswbenefitfunds.com); [cadams-rossignol@uswbenefitfunds.com](mailto:cadams-rossignol@uswbenefitfunds.com)  
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**Enrolled Actuary** Susan Boyle  
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Phone: 212.251.5000

## (3) Eligibility for SFA

The Plan is eligible for SFA because it has been certified by its actuary to be in critical and declining status for plan year beginning January 1, 2020.



## (4) Priority Status

The Plan is in priority group 6, as listed on the PBGC website.

## (5) Narrative Description of Development of Assumed Future Contributions and Withdrawal Liability

### **Background**

The PACE Industry Union-Management Pension Fund (PIUMPF) provides retirement benefits to participants who work, or previously worked, primarily in the pulp and paper or petrochemical industries. Over the past thirty years, U.S.-based employment in these industries has contracted significantly due to changes in consumer demand, technological changes that led to automation of many functions, and a shift of production of many products to locations outside the U.S. in search of cheaper labor and supplies. Since at least 1995, the number of inactive vested participants and beneficiaries have exceeded the number of actively employed participants, and as of January 1, 2020, the number of inactive participants was more than 17 times the number of active participants. The Plan saw large numbers of employer withdrawals in the first decade of this century, continuing through about 2015, when the rate of withdrawals fell sharply. From 2012 to 2015, annual withdrawals averaged about 21 employers per year (defined by employer number, not control group). From 2018 to 2020, the rate had dropped to an average of about 5 employers per year. For the last 2 ½ years (since September 1, 2020), the Fund has had no withdrawals.

### **Projected Contributions**

PIUMPF's January 1, 2020 actuarial certification of plan status projected contribution decreases of 3% per year through the projected date of insolvency of 2032. PIUMPF's Board of Trustees continues to believe that this is a reasonable assumption for future contraction in contributions, due to the anticipated continued changes in the industry. In this Special Financial Assistance (SFA) application, the Board believes that the most reasonable assumption is an extension of the January 1, 2020 status certification assumption based on the acceptable assumption change under the PBGC assumptions guidance. This would project 3% contraction through 2031 (the full plan year prior to projected insolvency), and then remain level thereafter.

### Projected Contributions from 2020 Status Certification

The following exhibit details the projected contributions for the solvency projection in the 2020 status certification, from the 2020 plan year through the 2031 plan year (the full plan year prior to the projected insolvency).

Plan Year	Active Participants	Average Covered Hours	Total Covered Hours (CBUs)	Average Contribution Rate	Total Contributions
2020	3,680	2,200	8,096,000	\$1.6031	\$12,978,698
2021	3,570	2,200	7,854,000	1.6031	12,590,747
2022	3,463	2,200	7,618,600	1.6031	12,213,378
2023	3,359	2,200	7,389,800	1.6031	11,846,588
2024	3,258	2,200	7,167,600	1.6031	11,490,380
2025	3,160	2,200	6,952,000	1.6031	11,144,751
2026	3,065	2,200	6,743,000	1.6031	10,809,703
2027	2,973	2,200	6,540,600	1.6031	10,485,236
2028	2,884	2,200	6,344,800	1.6031	10,171,349
2029	2,797	2,200	6,153,400	1.6031	9,864,516
2030	2,713	2,200	5,968,600	1.6031	9,568,263
2031	2,632	2,200	5,790,400	1.6031	9,282,590

### Projected Contributions for Calculation of SFA Amount

The following exhibit details the projected contributions in the calculation of the SFA amount for the first 10 years. This complete projection appears in Section C, template 8 of the application.

Plan Year	Active Participants	Average Covered Hours	Total Covered Hours (CBUs)	Average Contribution Rate	Total Contributions
2023	3,359	2,200	7,389,800	\$1.6231	\$11,994,384
2024	3,258	2,200	7,167,600	1.6050	11,503,998
2025	3,160	2,200	6,952,000	1.5877	11,037,690
2026	3,065	2,200	6,743,000	1.5724	10,602,693
2027	2,973	2,200	6,540,600	1.5582	10,191,563
2028	2,884	2,200	6,344,800	1.5452	9,803,985
2029	2,797	2,200	6,153,400	1.5336	9,436,854
2030	2,713	2,200	5,968,600	1.5228	9,088,984
2031	2,632	2,200	5,790,400	1.5131	8,761,454
2032	2,632	2,200	5,790,400	1.5019	8,696,602

## **Withdrawal Liability Payments from Future Withdrawals**

The PIUMPF Board of Trustees also considered what is a reasonable assumption for future income from withdrawal liability. In the January 1, 2020 certification of plan status, the Board did not assume that any of the anticipated 3% contribution decline would be replaced by withdrawal income, and assumed that any withdrawn employer that was current in its withdrawal liability payment obligations would continue to make those payments as required by the assessment schedule. In this SFA application, the Board believes that the most reasonable assumption is that none of the anticipated 3% contribution decline will be replaced by withdrawal liability. As noted above, PIUMPF has had no employer withdrawals since September 2020. The industries served by PIUMPF underwent tremendous contraction and consolidation from the 1990s through the first part of this century. Following PIUMPF's certification as a critical plan with a fast-approaching projected insolvency, those employers that could afford to withdraw and pay their obligations to the Fund, largely did so. It is the Trustees' determination that the remaining employers are unlikely to withdraw in any scenario where they would pay their withdrawal liability and, if there are future withdrawals, it is likely to be through a bankruptcy scenario. Therefore, the withdrawal liability from future withdrawals assumption of no payments that was used in the 2020 status certification continues to be reasonable and is not being changed for the SFA projections.

## **Withdrawal Liability from Current Withdrawals**

For the 2020 status certification it was assumed that any withdrawn employer that was current in its withdrawal liability payment obligations would continue to make those payments as required by the assessment schedule.

The Trustees reconsidered the likelihood that the employers that have already withdrawn will continue to pay the withdrawal liability they owe to the Plan. Due to the very high rate of withdrawal over the past twenty years, and the small size of the remaining active population, withdrawal liability income constitutes a large portion of PIUMPF's overall revenue. For instance, in 2021, participating employers paid approximately \$12.9 million in contributions, whereas withdrawn employers paid approximately \$51.8 million in withdrawal liability payments. Therefore, the question of whether currently withdrawn employers will pay all their remaining obligations to the Fund is critical to how much SFA will be necessary for PIUMPF to pay benefits through 2051.

Reviewing past history, the Trustees determined that it was not reasonable to assume that all employers currently paying withdrawal liability will continue to pay through the duration of their payment schedule. In the past, PIUMPF has had many occasions in which an employer began payment on the schedule, but stopped payments mid-schedule either due to a bankruptcy filing, liquidation or because the employer was otherwise in such financial distress that a negotiated settlement of the liability was the only way to avoid a bankruptcy. In order to assess the likelihood of this occurring with those withdrawn employers that are currently paying, the Fund looked at past history. Looking at the ten-year history from 2012 to 2021, PIUMPF found that:

- 137 withdrawn employers/control groups were paying withdrawal liability during this period
- 20 employers/control groups negotiated settlements or filed bankruptcy petitions after beginning payments



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- Cash demand of the withdrawal payments for the 20 employers/control groups was \$205.2 million of which \$124.9 million was paid through the settlements or bankruptcy payments.

Based on the above information, PIUMPF's historical experience over the 2012-2021 time period was that 14.6% of withdrawn employers/control groups that initially were current on withdrawal payments later paid lump sum settlements or were bankrupt (20/137), and cash received from those that paid lump sum settlements or had bankruptcies was 60.9% of the cash demanded (\$124.9/\$205.2).

In order to determine the assumption for ongoing withdrawal payments for purposes of this application, the Board of Trustees applied this historical experience to anticipated income from employers currently making withdrawal liability payments. As of January 1, 2022, PIUMPF had 54 employers/control groups making payments. Assuming 14.6% of these employers will have settlements/bankruptcies and pay 60.9% of the total cash demand, the anticipated allowance for bad debt is 5.7% (39.1% x 14.6%). Therefore, in determining the amount of SFA requested, the Board of Trustees has assumed that currently withdrawal employers that are currently making their withdrawal payments will make 94.3% of those payments in the future.

### **Summary of Development of Assumed Future Contributions and Withdrawal Liability Payments**

Contributions are projected based on the acceptable assumption, of extending the assumption from the January 1, 2020 certification of plan status. CBUs are projected based on an active participant decline of 3% per year through 2031, and level thereafter, with active participants assumed to work 2,200 hours per year. The average contribution rate varies based on the average negotiated contributions of the assumed future active participants, based on current participants decrementing in accordance with the assumption for withdrawal, disability incidence, retirement and mortality, as well as future participants entering the plan, as per the new entrant profile. The result is an average contribution rate that varies from \$1.6231 to \$1.4253 per hour during the projection period through 2051.

The future withdrawal liability payments are based on current withdrawn employers continuing to pay the remainder of their payment schedule, less 5.7%, which is assumed to not be collected each year.

## (6) a. Assumptions for SFA Eligibility

The assumptions used to determine SFA eligibility under §4262.3(a)(1) are not different from the assumptions used in the most recent actuarial certification of plan status completed before January 1, 2021.

## (6) b. Changes to Assumptions for SFA Amount

The following are descriptions of the actuarial assumptions used to determine the amount of SFA that are different than those used in the most recent status certification completed before January 1, 2021, in other words, for the plan year beginning January 1, 2020 (the “2020 status certification”).

As described below, the assumptions for administrative expenses, mortality, new entrant profile, contribution rate, and withdrawal liability payments for currently withdrawn employers were changed from the 2020 status certification according to the “acceptable” changes in PBGC’s non-binding guidance on SFA assumption changes. The assumptions for withdrawal liability payments were further changed.

Interest rates were determined in accordance with §4262.4(e)(1) and (2).

All other assumptions are the same as used in the 2020 status certification.

### Administrative Expenses

<b>Prior Assumption</b>	Assumed annual administrative expenses of \$8,000,000 for 2019 were assumed to increase by 3% per year until insolvency.
<b>Reason Original Assumption is Not Reasonable</b>	The prior assumption did not address years after the original projected insolvency in 2032 and is not reasonable for the long-term projection through the SFA projection period.
<b>SFA Assumption</b>	Annual expenses of \$9,004,070 for 2023 are assumed to increase 3% per year, plus an adjustment for the PBGC premium increase to \$52 in 2031. Note that \$9,004,070 is equal to \$8,000,000 for 2019 with four years of 3% increases to 2023. The projected expenses were limited to 6% of expected benefit payments for post-certification projection years. PBGC premiums for each year are based on the projected total participant count on an open group basis.
<b>Reason SFA Assumption is Reasonable</b>	The updated assumption is an extension of 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. The updated assumption is extended through December 31, 2051, the end of the SFA projection period, and is therefore reasonable for determining the amount of SFA.

## Mortality

<p><b>Prior Assumption</b></p>	<p>The 2020 status certification used the mortality assumptions from the January 1, 2019 actuarial valuation, as follows:</p> <p><i>Non-annuitant lives:</i> RP-2006 Blue Collar Employee Mortality Table projected generationally from 2006 with Scale MP-2019</p> <p><i>Healthy annuitant lives:</i> RP-2006 Blue Collar Healthy Annuitant Mortality Table projected generationally from 2006 with Scale MP-2019. No factor is applied to spouse or beneficiary annuitants.</p> <p><i>Disabled lives:</i> RP-2006 Disabled Retiree Mortality Table projected generationally from 2006 with Scale MP-2019</p>
<p><b>Reason Original Assumption is Not Reasonable</b></p>	<p>The prior assumption was based on tables from the Society of Actuaries' Retirement Plans Experience Committee ("RPEC") mortality study report released in October 2014, with mortality rates on a central study year of 2006. The prior assumption is no longer reasonable for purposes of determining the amount of SFA because newer tables based on more recent studies that include multiemployer pension plan mortality experience data are now available.</p>
<p><b>SFA Assumption</b></p>	<p>The mortality assumption to determine the SFA amount was updated to the following:</p> <p><i>Non-annuitant lives:</i> Pri-2012 Blue Collar Employee Mortality Table projected generationally from 2012 with Scale MP-2021</p> <p><i>Healthy annuitant lives:</i> Pri-2012 Blue Collar Healthy Annuitant Mortality Table projected generationally from 2012 with Scale MP-2021</p> <p><i>Disabled lives:</i> Pri-2012 Disabled Retiree Mortality Table projected generationally from 2012 with Scale MP-2021</p>
<p><b>Reason SFA Assumption is Reasonable</b></p>	<p>Mortality tables based on an updated RPEC study, reflecting a central study year of 2012 (the Pri-2012 tables) were published in October 2019. These blue-collar tables were constructed using a substantial amount of data from multiemployer plans.</p> <p>In addition, updated mortality improvement assumptions are published each year, the prior assumption (RPEC Scale MP-2019) was replaced with this most recently available scale (RPEC Scale MP-2021), published in October 2021.</p> <p>The updated assumption is consistent with Paragraphs B and C, "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 and is therefore reasonable for determining the amount of SFA.</p>



## New Entrant Profile

<b>Prior Assumption</b>	The 2020 status certification did not assume any new entrants since including such an assumption was not material to the status certification.
<b>Reason Original Assumption is Not Reasonable</b>	The no new entrant assumption is not reasonable for determining the amount of SFA because it is not appropriate to ignore future new entrants for a projection through 2051.
<b>SFA Assumption</b>	<p>The new entrant profile assumption is based on the characteristics of new entrants and rehires to the plan in the five plan years preceding the plan's SFA participant census data date of January 1, 2021 (reflecting all new entrants and rehires in those five plan years rather than only those remaining in service), with five-year age bands.</p> <p>For new entrants (excluding rehires that were previously vested) in the five-year period, the average pension credits was 1.4. New entrants are assumed to enter with 1.4 pension credits and one year of vesting service.</p> <p>The new entrant profile, and experience analysis of new entrants and rehires for each of the five plan years preceding the plan's SFA participant census date is detailed in the Exhibit A below.</p>
<b>Reason SFA Assumption is Reasonable</b>	The updated assumption is consistent with Paragraph D, "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 and is therefore reasonable for determining the amount of SFA.

## Contribution Rates

<b>Prior Assumption</b>	<p>The solvency projection in the 2020 status certification projected contributions based on the various negotiated contribution rates by each employer through 2032.</p> <p>Average contribution rates were assumed to remain consistent across the projection period based on assumed consistent demographics and plan coverage by benefit level.</p>
<b>Reason Original Assumption is Not Reasonable</b>	The prior assumption is no longer reasonable for determining the amount of SFA because it did not address years after the original projected insolvency in 2032. Assuming a consistent average contribution rate is also not reasonable for the SFA projection because various employers have different benefit levels and plan coverage, which vary over time.
<b>SFA Assumption</b>	Projected contributions are based on the various contribution rates negotiated by each employer in bargaining agreements in effect prior to July 9, 2021. The average contribution rate varies each year

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	based on an open group forecast of future active participants, their negotiated benefit levels and corresponding contribution rates. The average contribution rate over the projection period through 2051 is assumed to range from \$1.6231 to \$1.4253 per hour, as detailed in Template 8.
<b>Reason SFA Assumption is Reasonable</b>	The updated assumption is consistent with §4262.4 of the final rule and Paragraph E, “Proposed change to contribution rate assumption” of Section III, Acceptable Assumption Changes of PBGC’s guidance on Special Financial Assistance Assumptions. The updated assumption is extended through December 31, 2051, the end of the SFA projection period, reflecting the average contribution rate of the projected future active participants, based on an open group forecast and the new entrant profile noted above. For these reasons, the updated assumption is therefore reasonable for determining the amount of SFA.

**Contribution Base Units (CBUs)**

<b>Prior Assumption</b>	The 2020 status certification assumed that 4,041 active participants as of January 1, 2019 would decline to 3,794 active employees in 2019 based on known withdrawn employers at the time the certification was completed and further decline by 3% in 2020 and each year thereafter until insolvency. The average CBUs per active participant was assumed to be 2,200 hours for all years until insolvency. As shown in the chart in Section D, item 5 above, the total assumed hours are calculated as the product of number of active participants assumed in a given year times 2,200 average hours.
<b>Reason Prior Assumption is Not Reasonable</b>	The prior assumption did not address years after the original projected insolvency in 2032 and is not reasonable for the long-term projection through the SFA projection period.
<b>SFA Assumption</b>	Active participants as of January 1, 2019 are assumed to decline to 3,794 and by 3% per year through the year ended December 31, 2031 (the last full plan year prior to the projected year of insolvency in the 2020 status certification). From 2032 to 2051, the active population is then assumed to remain at the same level as in 2031. The average CBUs per active participant was assumed to be 2,200 hours for all years through the year ended December 31, 2051. As shown in the chart in Section D, item 5 above, the total assumed hours are calculated as the product of number of active participants assumed in a given year times 2,200 average hours.
<b>Reason SFA Assumption is Reasonable</b>	The SFA assumption is reasonable for determining the amount of SFA because it extends through December 31, 2051, the end of the SFA projection period. This assumption change is in accordance with Paragraph A of Section III, Acceptable Assumption Changes of PBGC’s guidance on Special Financial Assistance Assumptions. The detailed

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narrative supporting the change to the CBU assumption is included in Section D, Item 5, and the details of the 10-year history is provided in Exhibit B below.

## Withdrawal Liability Payments for Currently Withdrawn Employers

<b>Prior Assumption</b>	The 2020 status certification assumed that withdrawn employers deemed to have collectible withdrawal liability at that time would make all remaining withdrawal liability payments required for the duration of their payment schedules. The table in the 2020 status certification shows the 2020 status certification assumption for years 2023 through 2032.
<b>Reason Prior Assumption is Not Reasonable</b>	The prior assumption did not address years after the original projected insolvency in 2032 and is therefore not deemed reasonable for the long-term projection through the SFA projection period. The prior assumption was also based on withdrawals as of that date and did not reflect any settlements or new withdrawals since that time.
<b>Baseline SFA Assumption</b>	Withdrawn employers are expected to continue to pay their withdrawal liability as of the SFA measurement date and are assumed to make all remaining withdrawal liability payments required for the duration of their payment schedules, including years beyond 2032.
<b>Reason Baseline SFA Assumption is Not Reasonable</b>	<p>The updated assumption is reasonable for determining the baseline amount of SFA because it extends through December 31, 2051, the end of the SFA projection period. It is also reasonable for this purpose because it reflects any withdrawals, settlements and defaults that occurred up to the SFA measurement date. However, it does not reflect plan experience with collection of withdrawal liability for employers that make some payments but do not complete the payment schedule. Therefore, it is not reasonable to assume withdrawal liability will be 100% collectible for purposes of determining SFA.</p> <p>The assumption is included in the Baseline projection as it is deemed similar in nature to the CBU assumption extension and the contribution rate assumption described in Paragraphs A and E, "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.</p>
<b>SFA Assumption</b>	Withdrawn employers are assumed to make 94.3% of all remaining withdrawal liability payments for the duration of their payment schedules.
<b>Reason SFA Assumption is Reasonable</b>	The updated assumption is reasonable for determining the amount of SFA because it extends through December 31, 2051, the end of the SFA projection period and reflects plan experience of collectible withdrawal liability. It is also reasonable for this purpose because it reflects any withdrawals, settlements and defaults that occurred up to the SFA measurement date.



## Exhibit A

### New Entrant Profile

The following new entrant profile is based on the characteristics of new entrants and rehires to the plan in the five plan years preceding the plan’s SFA participant census data date of January 1, 2021 (reflecting all new entrants and rehires in those five plan years rather than only those remaining in service), with five-year age bands.

For new entrants (excluding rehires that were previously vested) in the five-year period, the average pension credits was 1.4. New entrants are assumed to enter with 1.4 pension credits and one year of vesting service.

The new entrants were assigned a profile based on age, gender, plan coverage, average accrual rate, and average hourly contribution rate. The net result is close to 100 distinct categories of new entrants . For example, 6.78% of the new entrants are male between 20 and 24, with Plan A coverage with a \$36.93 accrual rate, \$1.40 contribution rate, entering with 1.4 years of service (10.2% x 89% x 74.7%).

#### Age Bands:

Age Band	Percent of New Entrants in Age Band
20-24	10.2%
25-29	14.6%
30-34	39.3%
35-39	8.8%
40-44	7.6%
45-49	7.4%
50-54	5.6%
55-59	4.0%
60-65	2.4%

#### Gender:

Gender	Percent of New Entrants by Gender
Males	89%
Females	11%

#### Plan Coverage:

Plan Coverage	Average Accrual Rate	Average Hourly Contribution Rate	Percent of New Entrants by Plan Coverage
Plan A	\$36.93	\$1.4040	74.7%
Plan B	31.90	1.1866	1.3%
Plan C	8.94	0.4600	1.8%
Plan D	51.74	1.1050	5.9%
Plan G	67.20	1.7449	16.3%

## Exhibit A

### New Entrant Plan Experience

**Age Bands:**

**As of December 31:**

Age Band	2016		2017		2018		2019		2020		Total	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
20-24	50	9.7%	46	9.3%	28	9.2%	28	9.3%	49	13.8%	201	10.2%
25-29	76	14.7%	72	14.6%	51	16.8%	33	11.0%	56	15.8%	288	14.6%
30-34	217	41.9%	200	40.7%	116	38.2%	144	48.0%	96	27.0%	773	39.3%
35-39	41	7.9%	40	8.1%	23	7.6%	25	8.3%	45	12.7%	174	8.8%
40-44	33	6.4%	43	8.7%	20	6.6%	17	5.7%	36	10.1%	149	7.6%
45-49	37	7.1%	37	7.5%	22	7.2%	25	8.3%	25	7.0%	146	7.4%
50-54	30	5.8%	23	4.7%	17	5.6%	12	4.0%	29	8.2%	111	5.6%
55-59	26	5.0%	16	3.3%	16	5.3%	9	3.0%	13	3.7%	80	4.0%
60+	8	1.5%	15	3.0%	11	3.6%	7	2.3%	6	1.7%	47	2.4%

**Gender:**

**As of December 31:**

Gender	2016		2017		2018		2019		2020		Total	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
Male	472	91%	437	89%	270	89%	269	90%	297	84%	1,745	89%
Female	46	9%	55	11%	34	11%	31	10%	58	16%	224	11%

**Pension Credit (excluding rehires from inactive vested status)**

As of December 31:	2016	2017	2018	2019	2020	Total
Count	499	468	286	292	347	1,892
Average Pension Credit	1.39	1.36	1.38	1.51	1.38	1.40

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**Plan Coverage:**

Experience as of December 31:	2016			2017			2018			2019			2020			Total			
Plan Coverage	Average A/R	Average CR	Count	Average A/R	Average CR	Count	Average A/R	Average CR	Count	Average A/R	Average CR	Count	Average A/R	Average CR	Count	Average A/R	Average CR	Count	%
Plan A	\$38.89	\$1.4455	382	\$36.47	\$1.3704	378	\$31.29	\$1.1548	211	\$31.33	\$1.1881	213	\$43.24	\$1.7361	287	\$36.93	\$1.4040	1,471	74.7%
Plan B	34.39	1.2844	22	18.16	0.6486	4	N/A	N/A	0	N/A	N/A	0	N/A	N/A	0	31.90	1.1866	26	1.3%
Plan C	8.94	0.4600	5	8.94	0.4600	8	8.94	0.4600	10	8.94	0.4600	8	8.94	0.4600	5	8.94	0.4600	36	1.8%
Plan D	59.81	1.2730	37	71.84	1.4678	41	26.27	0.6573	16	17.75	0.4600	10	20.44	0.4816	12	51.74	1.1050	116	5.9%
Plan G	66.76	1.7190	72	54.35	1.3943	61	65.23	1.6789	67	72.24	1.8854	69	78.94	2.0974	51	67.20	1.7449	320	16.3%

Notes:

A/R = accrual rate

CR = contribution rate



## Exhibit B

### Historical CBU experience

Year	Total Hours	Percent Change
2010	42,951,714	-0.2%
2011	39,389,046	-8.3%
2012	37,396,433	-5.1%
2013	31,922,037	-14.6%
2014	25,509,783	-20.1%
2015	20,905,919	-18.0%
2016	14,965,823	-28.4%
2017	13,470,674	-10.0%
2018	9,014,753	-33.1%
2019	8,701,227	-3.5%
2020	EXCLUDED COVID PERIOD	
2021	EXCLUDED COVID PERIOD	
<b>Average (2010 – 2019)</b>		<b>-16.3%</b>

## (7) Reinstatement of Suspended Benefits

As of the date of the SFA application, the Plan has not suspended benefits under section 305(e)(9) or section 4245(a) of ERISA and does not intend to do so. Therefore, the Plan does not anticipate having to reinstate suspended benefits.

**PACE Industry Union-Management Pension Fund**

Application for Special Financial Assistance | Section E(5): SFA Amount Certification  
EIN 11-6166763

March 3, 2023

This is to certify that the requested amount of Special Financial Assistance (“SFA”) of \$1,302,115,122 is the amount to which the PACE Industry Union-Management Pension Fund (“Fund”) is entitled under section 4262(j)(1) of ERISA and §4262.4 of PBGC’s SFA regulation. The amount of SFA for the Fund was calculated as of the SFA measurement date of December 31, 2022 in accordance with generally accepted actuarial principles and practices and the provisions under §4262.4(e) of PBGC’s SFA regulation.

Segal has determined the amount of SFA at the request of the Board of Trustees as part of the Fund’s application for SFA. The calculation of the amount of SFA shown in the Fund’s application for SFA is not applicable for other purposes.

The calculation of the amount of SFA is based on the assumptions and methods used in the 2020 certification of actuarial plan status, dated March 30, 2020, modified as described in Section D, Item 6b of the *“General Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance.”* It is based on the participant data for the January 1, 2021 actuarial valuation of the Plan. This data was supplied by the Fund Administrator and the census data date is December 31, 2020. As described in Section B, Item 9 of the *“General Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance,”* deaths that occurred before the census date have been reflected for SFA purposes.

The calculation of the SFA amount is also based on the fair market value of assets as of the SFA measurement date certified by the plan sponsor, and other relevant information provided by the Fund Administrator. Segal does not audit the data provided. The accuracy and comprehensiveness of the data is the responsibility of those supplying the data. To the extent we can, however, Segal does review the data for reasonableness and consistency. Based on our review of the data, we have no reason to doubt the substantial accuracy of the information on which we have based the calculation of the SFA amount and we have no reason to believe there are facts or circumstances that would affect the validity of these results.

Segal does not practice law and, therefore, cannot and does not provide legal advice. Any statutory interpretation on which these calculations are based reflects Segal’s understanding as an actuarial firm.

I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of my knowledge, the information supplied herein is complete and accurate. Each prescribed assumption for the determination of the amount of SFA was applied in

**PACE Industry Union-Management Pension Fund**

Application for Special Financial Assistance | Section E(5): SFA Amount Certification  
EIN 11-6166763

accordance with applicable law and regulations. In my opinion, all other assumptions are reasonable taking into account the experience of the plan and reasonable



Susan Boyle, FSA, FCA, MAAA, EA  
Senior Vice President & Actuary  
Enrolled Actuary No. 20-06862

## **PACE Industry Union-Management Pension Fund**

Application for Special Financial Assistance | Section E(6): Fair Market Value Certification  
EIN 11-6166763

### **(6) Fair Market Value Certification**

This section includes three exhibits related to the of the fair market value of assets used to determine the SFA amount. This section also includes an exhibit that reconciles cash flows from December 31, 2021 (the last day of the plan year for the most recent plan audited financial statements) to the SFA measurement date of December 31, 2022.

#### **a. Plan Sponsor Certification**

This is a certification by the Board of Trustees of PACE Industry Union-Management Pension Fund ("Plan") to the accuracy of the amount of the fair market value of assets as of the special financial assistance ("SFA") measurement date specified in the Plan's application for SFA.

The fair market value of assets as of the measurement date (December 31, 2022) is \$1,332,437,138.

Based on the above, I hereby certify the accuracy of the amount of the fair market value of assets as of the SFA measurement date, as specified in this application for SFA.

*John E. Shinn*

[John E. Shinn \(Mar 3, 2023 11:27 EST\)](#)

John Shinn  
Union Trustee and Chair of the Board  
March 3, 2023

*Lee Eglund*

[Lee Eglund \(Mar 3, 2023 08:45 PST\)](#)

Lee Eglund  
Management Trustee and Secretary of the Board  
March 3, 2023

#### **b. Information to Support Asset Value**

The attached financial statements were provided by the fund office on an accrual basis as of December 31, 2022. The manager statements are included, in Section B(6), which total the "Total Investments, at fair value" line item, of \$1,307,967,110.



## **PACE Industry Union-Management Pension Fund**

Application for Special Financial Assistance | Section E(6): Fair Market Value Certification  
EIN 11-6166763

### **c. Reconciliation to SFA Measurement Date**

The attached financial statements reconcile the assets on an accrual basis from December 31, 2021 to the SFA measurement date, December 31, 2022. However, adjustments are made due to contribution receivables and post-retirement benefit obligation, as detailed on the following page.

The exhibit shows the adjustments to the net assets available for benefits reported on the Plan's financial statements to arrive at the fair market value of assets for purposes of determining the SFA amount. The net assets available for benefits includes a receivable contribution amount. This amount is removed from the fair market value of assets for purposes of the SFA amount (item 2 below). Additionally, postretirement benefit obligation, while an accounting liability does not affect the value of net assets (item 3 below).

#### **Adjustments to Net Assets Available for Benefits**

	<b>December 31, 2022</b>
1. Net assets available for benefits	\$1,317,734,038
2. Employers' contribution receivables	1,203,841
3. Postretirement benefit obligations	15,906,941
4. Fair market value of assets (1. - 2.+ 3.) <i>For determining SFA amount</i>	<b>\$1,332,437,138</b>

For purposes of determining the SFA amount, the fair market value of assets as of the measurement date, December 31, 2022, is equal to **\$1,332,437,138**.

PACE INDUSTRY UNION-MANAGEMENT  
Unaudited Statement of Net Assets Available for Benefits  
December 31, 2022

	12/31/2022	12/31/2021
<b>Assets:</b>		
Investments, at fair value:		
Mutual funds	\$ 171,410,051	\$ 646,824,716
Collective trust funds	362,418,037	596,136,036
Commingled funds	444,202,918	195,233,764
Fund interests in limited partnerships ("LPs")	234,151,208	187,709,357
Cash, investment accounts	95,784,896	30,328,685
Total investments, at fair value	1,307,967,110	1,656,232,558
Receivables:		
Employer contributions, net of allowance	1,203,841	2,762,743
Receivable from USW Industry 401(k) Fund	1,899,122	2,137,031
Receivable from USW HRA Fund	694,295	783,520
Other	16	1,591
Total receivables	3,797,274	5,684,885
Furniture and equipment, net	53,293	80,845
Other assets	164,469	458,168
Cash	22,099,616	23,381,168
<b>Total assets</b>	<b>1,334,081,762</b>	<b>1,685,837,624</b>
<b>Liabilities:</b>		
Postretirement benefit obligations	15,906,941	20,480,125
Accounts payable and accrued expenses	440,783	508,473
<b>Total liabilities</b>	<b>16,347,724</b>	<b>20,988,598</b>
<b>Net assets available for benefits</b>	<b>\$ 1,317,734,038</b>	<b>\$ 1,664,849,026</b>

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**Unaudited Statement of Changes in Net Assets Available for Benefits**  
**Period ended December 31, 2021 and 2020**

	<b>12/31/2022</b>	<b>12/31/2021</b>
	Actual	Actual
<b>Additions to net assets attributed to:</b>		
Net change resulting from investment activity:		
Net appreciation(depreciation) in fair value	\$ (208,288,785)	\$ 154,010,382
Interest and dividend income	12,579,541	15,116,417
Total investment income (loss)	(195,709,244)	169,126,799
Less investment expenses	1,174,008	2,154,930
	(196,883,252)	166,971,869
Limited partnerships' income (loss)	-	(429,849)
Net change resulting from investment activity	(196,883,252)	166,542,020
Contributions:		
Participating employers	13,186,280	12,895,616
Withdrawal liability payments	53,382,989	51,847,423
Funding deficiency payments	760,227	6,727,171
Total contributions	67,329,496	71,470,210
Securities litigation recoveries	874	-
Shared Expense Recoupment	677,545	938,074
Other income	396,780	203,404
<b>Total additions</b>	<b>(128,478,557)</b>	<b>239,153,708</b>
<b>Deductions from net assets attributed to:</b>		
Benefits paid	214,231,424	212,660,591
Professional services	1,164,250	1,051,316
Salaries and other employee benefits	4,621,234	4,272,630
Other general and administrative expenses	3,192,707	3,188,577
Post retirement benefit obligations	(4,573,184)	(30,827)
<b>Total deductions</b>	<b>218,636,431</b>	<b>221,142,287</b>
<b>Net increase (decrease)</b>	<b>(347,114,988)</b>	<b>18,011,421</b>
Net assets available for benefits at beginning of year	1,664,849,026	1,646,837,605
<b>Net assets available for benefits at end of year</b>	<b>\$ 1,317,734,038</b>	<b>\$ 1,664,849,026</b>

# PIUMPF SFA - FMV Cert

Final Audit Report

2023-03-03

Created:	2023-03-03
By:	CHARLES KNIGHT (cknight@uswbenefitfunds.com)
Status:	Signed
Transaction ID:	[REDACTED]

## "PIUMPF SFA - FMV Cert" History

-  Document created by CHARLES KNIGHT (cknight@uswbenefitfunds.com)  
2023-03-03 - 4:23:46 PM GMT
-  Document emailed to jshinn@usw.org for signature  
2023-03-03 - 4:24:41 PM GMT
-  Document emailed to lee.egland@crowley.com for signature  
2023-03-03 - 4:24:41 PM GMT
-  Email viewed by jshinn@usw.org  
2023-03-03 - 4:27:01 PM GMT
-  Signer jshinn@usw.org entered name at signing as John E. Shinn  
2023-03-03 - 4:27:24 PM GMT
-  Document e-signed by John E. Shinn (jshinn@usw.org)  
Signature Date: 2023-03-03 - 4:27:26 PM GMT - Time Source: server
-  Email viewed by lee.egland@crowley.com  
2023-03-03 - 4:44:59 PM GMT
-  Signer lee.egland@crowley.com entered name at signing as Lee Eglan  
2023-03-03 - 4:45:17 PM GMT
-  Document e-signed by Lee Eglan (lee.egland@crowley.com)  
Signature Date: 2023-03-03 - 4:45:19 PM GMT - Time Source: server
-  Agreement completed.  
2023-03-03 - 4:45:19 PM GMT

Amendment Eight to the  
PACE Industry Union-Management Pension Plan  
(As Amended and Restated Effective January 1, 2015)

**WHEREAS**, Article VI, Section 4 of the PACE Industry Union-Management Pension Plan ("Plan") provides that the Plan may be amended at any time by the Board of Trustees of the PACE Industry Union-Management Pension Fund (the "Board"); and

**WHEREAS**, the Board desires to amend the Plan as required under PBGC regulation section 4262.6(e); and

**WHEREAS**, it is the intention of the Board for this amendment to be effective through 2051;

**NOW, THEREFORE**, the Plan is amended to add the following new section to the end of Article VI:

**Article VI, Section 8.**

**SPECIAL FINANCIAL ASSISTANCE**

Beginning with the Special Financial Assistance measurement date selected by the Board of Trustees in the Fund's application for special financial assistance, notwithstanding anything to the contrary in this or any other governing document, 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 Fund's application for special financial assistance.

**IN WITNESS WHEREOF**, this amendment was adopted on October 6, 2022 and executed by the undersigned on the dates below.

*John E. Shinn*  
John E. Shinn (Nov 29, 2022 14:56 EST)

Chairman

Nov 29, 2022

Date

*Lee Eglant*  
Lee Eglant (Nov 29, 2022 13:49 PST)

Secretary

Nov 29, 2022

Date



# SFA plan amendment for adoption at October meeting - FINAL

Final Audit Report


2022-11-29

Created:	2022-11-29
By:	CHARLES KNIGHT (cknight@uswbenefitfunds.com)
Status:	Signed
Transaction ID:	[REDACTED]

## "SFA plan amendment for adoption at October meeting - FINAL" History

 Document created by CHARLES KNIGHT (cknight@uswbenefitfunds.com)


2022-11-29 - 6:58:31 PM GMT

 Document emailed to jshinn@usw.org for signature


2022-11-29 - 7:01:02 PM GMT

 Document emailed to lee.egland@crowley.com for signature


2022-11-29 - 7:01:02 PM GMT

 Email viewed by jshinn@usw.org


2022-11-29 - 7:55:57 PM GMT

 Signer jshinn@usw.org entered name at signing as John E. Shinn


2022-11-29 - 7:56:23 PM GMT

 Document e-signed by John E. Shinn (jshinn@usw.org)


Signature Date: 2022-11-29 - 7:56:25 PM GMT - Time Source: server

 Email viewed by lee.egland@crowley.com

2022-11-29 - 9:49:11 PM GMT

 Signer lee.egland@crowley.com entered name at signing as Lee Eglan

2022-11-29 - 9:49:53 PM GMT

 Document e-signed by Lee Eglan (lee.egland@crowley.com)

Signature Date: 2022-11-29 - 9:49:55 PM GMT - Time Source: server

 Agreement completed.

2022-11-29 - 9:49:55 PM GMT

March 3, 2023

**Section E.10 Statement Under Penalty of Perjury**

Under penalty of perjury under the laws of the United States of America, I declare that I am an authorized trustee who is a current member of the board of trustees of the Pace Industry Union-Management Pension Fund and that I have examined this application, including accompanying documents, and, to the best of my knowledge and belief, the application contains all the relevant facts relating to the application, all statements of fact contained in the application are true, correct, and not misleading because of omission of any material fact; and all accompanying documents are what they purport to be.

*John E. Shinn*

John E. Shinn (Mar 3, 2023 11:42 EST)

John Shinn  
Union Trustee and Chair of the Board

*Lee Eglard*

Lee Eglard (Mar 3, 2023 08:46 PST)

Lee Eglard  
Management Trustee and Secretary of the Board

**PIUMPF**

# PIUMPF Statement under Perjury

Final Audit Report

2023-03-03

Created:	2023-03-03
By:	CHARLES KNIGHT (cknight@uswbenefitfunds.com)
Status:	Signed
Transaction ID:	[REDACTED]

## "PIUMPF Statement under Perjury" History

-  Document created by CHARLES KNIGHT (cknight@uswbenefitfunds.com)  
2023-03-03 - 4:30:25 PM GMT
-  Document emailed to jshinn@usw.org for signature  
2023-03-03 - 4:31:29 PM GMT
-  Email viewed by jshinn@usw.org  
2023-03-03 - 4:41:58 PM GMT
-  Signer jshinn@usw.org entered name at signing as John E. Shinn  
2023-03-03 - 4:42:26 PM GMT
-  Document e-signed by John E. Shinn (jshinn@usw.org)  
Signature Date: 2023-03-03 - 4:42:28 PM GMT - Time Source: server
-  Document emailed to lee.egland@crowley.com for signature  
2023-03-03 - 4:42:29 PM GMT
-  Email viewed by lee.egland@crowley.com  
2023-03-03 - 4:45:53 PM GMT
-  Signer lee.egland@crowley.com entered name at signing as Lee Egland  
2023-03-03 - 4:46:15 PM GMT
-  Document e-signed by Lee Egland (lee.egland@crowley.com)  
Signature Date: 2023-03-03 - 4:46:17 PM GMT - Time Source: server
-  Agreement completed.  
2023-03-03 - 4:46:17 PM GMT



## Application Checklist

v20221129p

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


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

For a plan required to submit additional information described in Addendum A of the SFA Filing Instructions, also complete Checklist Items #39.a. to #48.b., and if there is a merger as described in Addendum A, also complete Checklist Items #49 through #62.

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

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

General instructions for completing the Application Checklist:

Complete all items that are shaded: 

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

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

Instructions for specific columns:

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

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

**Page Number Reference(s):** For Checklist Items #21 to #28c, submit all information in a single document and identify here the relevant page numbers for each such Checklist Item.

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

Additional guidance is provided in the following columns:

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

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

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

You must select N/A if a Checklist Item # is not applicable to your application. **Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38 on the Application Checklist. If there has been an event as described in § 4262.4(f), complete Checklist Items #39.a. through #48.b., and if there has been a merger described in Addendum A, also complete Checklist Items #49 through #62. Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #39.a. through #48.b. if you are required to complete Checklist Items # 39a through #48b. Your application will also be considered incomplete if No is entered as a Plan Response for any of Checklist Items #49 through #62 if you are required to complete Checklist Items #49 through #62.**

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

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

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

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

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

Version	Date updated
---------	--------------

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



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

v20221129p

APPLICATION CHECKLIST

Plan name:	PACE Industry Union-Management Pension Fund
EIN:	11-6166763
PN:	001
SFA Amount Requested:	\$1,302,115,122

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

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

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

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #39.a. through #48.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #49 through #62.**

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

Checklist Item #	SFA Filing Instructions Reference		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	In the e-Filing Portal, upload as Document Type	Use this Filenaming Convention
<b>Plan Information, Checklist, and Certifications</b>									
a.		Is this application a revised application submitted after the denial of a previously filed application for SFA?	Yes No	No	N/A	N/A		N/A	N/A
b.		Is this application a revised application submitted after a plan has withdrawn its application for SFA that was initially submitted under the interim final rule?	Yes No	No	N/A	N/A		N/A	N/A
c.		Is this application a revised application submitted after a plan has withdrawn its application for SFA that was submitted under the final rule?	Yes No	No	N/A	N/A		N/A	N/A
d.		Did the plan previously file a lock-in application?	Yes No	No	N/A	N/A	If a "lock-in" application was filed, provide the filing date.	N/A	N/A
e.		Has this plan been terminated?	Yes No	No	N/A	N/A	If terminated, provide date of plan termination.	N/A	N/A
f.		Is this plan a MPRA plan as defined under § 4262.4(a)(3) of PBGC's SFA regulation?	Yes No	No	N/A	N/A		N/A	N/A
1.	Section B, Item (1)a.	Does the application include the most recent plan document or restatement of the plan document and all amendments adopted since the last restatement (if any)?	Yes No	Yes	2015PlanDocumentAmended PIUMPF.pdf	N/A		Pension plan documents, all versions available, and all amendments signed and dated	N/A
2.	Section B, Item (1)b.	Does the application include the most recent trust agreement or restatement of the trust agreement, and all amendments adopted since the last restatement (if any)?	Yes No	Yes	2022TrustAgreement PIUMPF.pdf	N/A		Pension plan documents, all versions available, and all amendments signed and dated	N/A
3.	Section B, Item (1)c.	Does the application include the most recent IRS determination letter?  Enter N/A if the plan does not have a determination letter.	Yes No N/A	Yes	IRSDetermination PIUMPF.pdf	N/A		Pension plan documents, all versions available, and all amendments signed and dated	N/A
4.	Section B, Item (2)	Does the application include the actuarial valuation report for the 2018 plan year and each subsequent actuarial valuation report completed before the filing date of the initial application?  Enter N/A if no actuarial valuation report was prepared because it was not required for any requested year.  Is each report provided as a separate document using the required filename convention?	Yes No N/A	Yes	2018AVR PIUMPF.pdf 2019AVR PIUMPF.pdf 2020AVR PIUMPF.pdf 2021AVR PIUMPF.pdf	N/A	Identify here how many reports are provided.  3 reports provided.	Most recent actuarial valuation for the plan	YYYYAVR Plan Name
5.a.		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	Yes	2017RehabilitationPlan PIUMPF.pdf, PIUMPF Plan contributions as Percent of Default and Rehab.pdf	N/A	Note: percentages of contributions received under the rehab plan and default schedules are in the second file named "PIUMPF Plan contributions as Percent of Default and Rehab.pdf"	Rehabilitation plan (or funding improvement plan, if applicable)	N/A

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

v20221129p

APPLICATION CHECKLIST

Plan name:	PACE Industry Union-Management Pension Fund
EIN:	11-6166763
PN:	001
SFA Amount Requested:	\$1,302,115,122

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

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

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

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #39.a. through #48.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #49 through #62.**

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

Checklist Item #	SFA Filing Instructions Reference		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	In the e-Filing Portal, upload as Document Type	Use this Filenaming Convention
5.b.	Section B, Item (3)	If the most recent rehabilitation plan does not include historical documentation of rehabilitation plan changes (if any) that occurred in calendar year 2020 and later, does the application include an additional document with these details?  Enter N/A if the historical document is contained in the rehabilitation plans.	Yes No N/A	N/A		N/A		Rehabilitation plan (or funding improvement plan, if applicable)	N/A
6.	Section B, Item (4)	Does the application include the plan's most recently filed (as of the filing date of the initial application) Form 5500 (Annual Return/Report of Employee Benefit Plan) and all schedules and attachments (including the audited financial statement)?  Is the 5500 filing provided as a single document using the required filename convention?	Yes No	Yes	2021Form5500 PIUMPF.pdf	N/A		Latest annual return/report of employee benefit plan (Form 5500)	YYYYForm5500 Plan Name
7.a.		Does the application include the plan actuary's certification of plan status ("zone certification") for the 2018 plan year and each subsequent annual certification completed before the filing date of the initial application?  Enter N/A if the plan does not have to provide certifications for any requested plan year.  Is each zone certification (including the additional information identified in Checklist Items #7.b. and #7.c. below, if applicable) provided as a single document, separately for each plan year, using the required filename convention?	Yes No N/A	Yes	2018Zone20180329 PIUMPF.pdf 2019Zone20190329 PIUMPF.pdf 2020Zone20200330 PIUMPF.pdf 2021Zone20210331 PIUMPF.pdf 2022Zone20220331 PIUMPF.pdf	N/A	Identify how many zone certifications are provided.  5 provided.	Zone certification	YYYYZoneYYYYMMDD Plan Name, where the first "YYYY" is the applicable plan year, and "YYYYMMDD" is the date the certification was prepared.
7.b.	Section B, Item (5)	Does the application include documentation for all zone certifications that clearly identifies all assumptions used including the interest rate used for funding standard account purposes?  If such information is provided in an addendum, addendums are only required for the most recent actuarial certification of plan status completed before January 1, 2021 and each subsequent annual certification.  Is this information included in the single document in Checklist Item #7.a. for the applicable plan year?	Yes No N/A	Yes	N/A - include as part of documents in Checklist Item #7.a.	N/A		N/A - include as part of documents in Checklist Item #7.a.	N/A - included in a single document for each plan year - See Checklist Item #7.a.
7.c.		For a certification of critical and declining status, does the application include the required plan-year-by-plan-year projection (showing the items identified in Section B, Item (5)a. through (5)f. of the SFA Instructions) demonstrating the plan year that the plan is projected to become insolvent? If required, is this information included in the single document in Checklist Item #7.a. for the applicable plan year? Enter N/A if the plan entered N/A for Checklist Item #7.a. or if the application does not include a certification of critical and declining status.	Yes No N/A	Yes	N/A - include as part of documents in Checklist Item #7.a.	N/A		N/A - include as part of documents in Checklist Item #7.a.	N/A - included in a single document for each plan year - See Checklist Item #7.a.

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

v20221129p

APPLICATION CHECKLIST

Plan name:	PACE Industry Union-Management Pension Fund
EIN:	11-6166763
PN:	001
SFA Amount Requested:	\$1,302,115,122

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

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8.	Section B, Item (6)	Does the application include the most recent account statements for each 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	PIUMPF Admin Account 12312022.pdf, PIUMPF Investment manager statements 12312022.pdf, PIUMPF Investment Account Statement 12312022.pdf, PIUMPF Investment Consultant Memo for 12312022.pdf	N/A		Bank/Asset statements for all cash and investment accounts	N/A
9.	Section B, Item (7)	Does the application include the most recent plan financial statement (audited, or unaudited if audited is not available)?  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	PIUMPF Audited financial Statements 2021.pdf	N/A		Plan's most recent financial statement (audited, or unaudited if audited not available)	N/A
10.	Section B, Item (8)	Does the application include all of the plan's written policies and procedures governing the plan's determination, assessment, collection, settlement, and payment of withdrawal liability?  Are all such items included as a single document using the required filenaming convention?	Yes No N/A	Yes	WDL PIUMPF.pdf	N/A		Pension plan documents, all versions available, and all amendments signed and dated	WDL Plan Name
11.a.	Section B, Item (9)	Does the application include documentation of a death audit to identify deceased participants that was completed on the census data used for SFA purposes, including identification of the service provider conducting the audit and a copy of the results of the audit provided to the plan administrator by the service provider?  If applicable, has personally identifiable information in this report been redacted prior to submission to PBGC?  Is this information included as a single document using the required filenaming convention?	Yes No	Yes	Death Audit PIUMPF.pdf	N/A		Pension plan documents, all versions available, and all amendments signed and dated	Death Audit Plan Name
11.b.		If any known deaths occurred before the date of the census data used for SFA purposes, is a statement certifying these deaths were reflected for SFA calculation purposes provided?	Yes No N/A	Yes	N/A - include as part of documents in Checklist Item #11.a.	N/A		N/A	N/A - include as part of documents in Checklist Item #11.a.
12.	Section B, Item (10)	Does the application include information required to enable the plan to receive electronic transfer of funds if the SFA application is approved, including (if applicable) a notarized payment form? See SFA Instructions, Section B, Item (10).	Yes No	Yes	PIUMPF ACH form.pdf, PIUMPF US Bank certification.pdf	N/A		Other	N/A



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

v20221129p

APPLICATION CHECKLIST

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

Checklist Item #	SFA Filing Instructions Reference		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	In the e-Filing Portal, upload as Document Type	Use this Filenaming Convention
13.	Section C, Item (1)	Does the application include the plan's projection of expected benefit payments that should have been attached to the Form 5500 Schedule MB in response to line 8b(1) on the Form 5500 Schedule MB for plan years 2018 through the last year the Form 5500 was filed by the filing date of the initial application?  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.  Does the uploaded file use the required filenaming convention?	Yes No N/A	Yes	Template 1 PIUMPF.xlsx	N/A		Financial assistance spreadsheet (template)	Template 1 Plan Name
14.	Section C, Item (2)	If the plan was required to enter 10,000 or more participants on line 6f of the most recently filed Form 5500 (by the filing date of the initial application), does the application include a current listing of the 15 largest contributing employers (the employers with the largest contribution amounts) and the amount of contributions paid by each employer during the most recently completed plan year before the filing date of the initial application (without regard to whether a contribution was made on account of a year other than the most recently completed plan year)? If this information is required, it is required for the 15 largest contributing employers even if the employer's contribution is less than 5% of total contributions.  Enter N/A if the plan is not required to provide this information. See Template 2.  Does the uploaded file use the required filenaming convention?	Yes No N/A	Yes	Template 2 PIUMPF.xlsx	N/A		Contributing employers	Template 2 Plan Name
15.	Section C, Item (3)	Does the application include historical plan information for the 2010 plan year through the plan year immediately preceding the date the plan's initial application was filed that separately identifies: total contributions, total contribution base units (including identification of the unit used), average contribution rates, and number of active participants at the beginning of each plan year? For the same period, does the application show all other sources of non-investment income such as withdrawal liability payments collected, reciprocity contributions (if applicable), additional contributions from the rehabilitation plan (if applicable), and other identifiable sources of contributions? See Template 3.  Does the uploaded file use the required filenaming convention?	Yes No	Yes	Template 3 PIUMPF.xlsx	N/A		Historical Plan Financial Information (CBUs, contribution rates, contribution amounts, withdrawal liability payments)	Template 3 Plan Name

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

v20221129p

APPLICATION CHECKLIST

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

Checklist Item #	SFA Filing Instructions Reference		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	In the e-Filing Portal, upload as Document Type	Use this Filenaming Convention
16.a.	Section C, Items (4)a., (4)e., and (4)f.	Does the application include the information used to determine the amount of SFA for the plan using the <u>basic method</u> described in § 4262.4(a)(1) based on a deterministic projection and using the actuarial assumptions as described in § 4262.4(e)? See Template 4A, 4A-4 SFA Details .4(a)(1) sheet and Section C, Item (4) of the SFA Filing Instructions for more details on these requirements.  Does the uploaded file use the required filenaming convention?	Yes No	Yes	Template 4A PIUMPF.xlsx	N/A		Projections for special financial assistance (estimated income, benefit payments and expenses)	Template 4A Plan Name
16.b.i.	Addendum D Section C, Item (4)a. - MPRA plan information A.  Addendum D Section C, Item (4)e. - MPRA plan information A.	If the plan is a MPRA plan, does the application also include the information used to determine the amount of SFA for the plan using the <u>increasing assets method</u> described in § 4262.4(a)(2)(i) based on a deterministic projection and using the actuarial assumptions as described in § 4262.4(e)? See Template 4A, 4A-5 SFA Details .4(a)(2)(i) sheet and Addendum D for more details on these requirements.  Enter N/A if the plan is not a MPRA Plan.	Yes No N/A	N/A	N/A - included as part of Template 4A Plan Name	N/A		N/A	N/A - included in Template 4A Plan Name
16.b.ii.	Addendum D Section C, Item (4)f. - MPRA plan information A.	If the plan is a MPRA plan for which the requested amount of SFA is determined using the <u>increasing assets method</u> described in § 4262.4(a)(2)(i), does the application also explicitly identify the projected SFA exhaustion year based on the <u>increasing assets method</u> ? See Template 4A, 4A-5 SFA Details .4(a)(2)(i) sheet and Addendum D.  Enter N/A if the plan is not a MPRA Plan or if the requested amount of SFA is determined based on the present value method.	Yes No N/A	N/A	N/A - included as part of Template 4A Plan Name	N/A		N/A	N/A - included in Template 4A Plan Name
16.b.iii.	Addendum D Section C, Item (4)a. - MPRA plan information B  Addendum D Section C, Item (4)e. (4)f., and (4)g. - MPRA plan information B.	If the plan is a MPRA plan for which the requested amount of SFA is determined using the <u>present value method</u> described in § 4262.4(a)(2)(ii), does the application also include the information for such plans as shown in Template 4B, including 4B-1 SFA Ben Pmts sheet, 4B-2 SFA Details 4(a)(2)(ii) sheet, and 4B-3 SFA Exhaustion sheet? See Addendum D and Template 4B.  Enter N/A if the plan is not a MPRA Plan or if the requested amount of SFA is determined based on the increasing assets method.	Yes No N/A	N/A		N/A		N/A	Template 4B Plan Name
16.c.	Section C, Items (4)b. and (4)c.	Does the application include identification of the non-SFA interest rate and the SFA interest rate, including details on how each was determined? See Template 4A, 4A-1 Interest Rates sheet.	Yes No	Yes	N/A - included as part of Template 4A Plan Name	N/A		N/A	N/A - included in Template 4A Plan Name

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

v20221129p

APPLICATION CHECKLIST

Plan name:	PACE Industry Union-Management Pension Fund
EIN:	11-6166763
PN:	001
SFA Amount Requested:	\$1,302,115,122

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16.d.	Section C, Item (4).e.ii.	For each year in the SFA coverage period, does the application include the projected benefit payments (excluding make-up payments, if applicable), separately for current retirees and beneficiaries, current terminated vested participants not yet in pay status, current active participants, and new entrants? See Template 4A, 4A-2 SFA Ben Pmts sheet.	Yes No	Yes	N/A - included as part of Template 4A Plan Name	N/A		N/A	N/A - included in Template 4A Plan Name
16.e.	Section C, Item (4).e.iv. and (4).e.v.	For each year in the SFA coverage period, does the application include a breakdown of the administrative expenses between PBGC premiums and all other administrative expenses? Does the application include the projected total number of participants at the beginning of each plan year in the SFA coverage period? See Template 4A, 4A-3 SFA Pcount and Admin Exp sheet.	Yes No	Yes	N/A - included as part of Template 4A Plan Name	N/A		N/A	N/A - included in Template 4A Plan Name
17.a.	Section C, Item (5)	For a plan that is not a MPRA plan, does the application include a separate deterministic projection ("Baseline") in the same format as Checklist Items #16.a., #16.d., and #16.e. that shows the amount of SFA that would be determined using the <u>basic method</u> if the assumptions/methods used are the same as those used in the most recent actuarial certification of plan status completed before January 1, 2021 ("pre-2021 certification of plan status") excluding the plan's non-SFA interest rate and SFA interest rate, which should be the same as in Checklist Item #16.a.? See Section C, Item (5) of the SFA Filing Instructions for other potential exclusions from this requirement.  If (a) the plan is a MPRA plan, or if (b) this item is not required for a plan that is not a MPRA plan, enter N/A. If entering N/A due to (b), add information in the Plan Comments to explain why this item is not required.  Does the uploaded file use the required filenaming convention?	Yes No N/A	Yes	Template 5A PIUMPF.xlsx	N/A	Template 5A is uploaded under #18 Other on portal.	Projections for special financial assistance (estimated income, benefit payments and expenses)	Template 5A Plan Name
17.b.	Addendum D Section C, Item (5)	For a MPRA plan for which the requested amount of SFA is determined using the <u>increasing assets method</u> , does the application include a separate deterministic projection ("Baseline") in the same format as Checklist Items #16.b.i., #16.d., and #16.e. that shows the amount of SFA that would be determined using the <u>increasing assets method</u> if the assumptions/methods used are the same as those used in the most recent actuarial certification of plan status completed before January 1, 2021 ("pre-2021 certification of plan status") excluding the plan's non-SFA interest rate and SFA interest rate, which should be the same as used in Checklist Item #16.b.i.? See Section C, Item (5) of the SFA Filing Instructions for other potential exclusions from this requirement. Also see Addendum D.  If the plan is (a) not a MPRA plan, (b) a MPRA plan using the present value method, or (c) is otherwise not required to provide this item, enter N/A. If entering N/A due to (c), add information in the Plan Comments to explain why this item is not required.  Does the uploaded file use the required filenaming convention?	Yes No N/A	N/A		N/A		Projections for special financial assistance (estimated income, benefit payments and expenses)	Template 5A Plan Name



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

v20221129p

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

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

v20221129p

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

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

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

v20221129p

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

Checklist Item #	SFA Filing Instructions Reference		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	In the e-Filing Portal, upload as Document Type	Use this Filenaming Convention
19.a.	Section C, Item (7)a.	For plans eligible for SFA under § 4262.3(a)(1) or § 4262.3(a)(3), does the application include a table identifying which assumptions/methods used in determining the plan's eligibility for SFA differ from those used in the pre-2021 certification of plan status, and does that table include brief explanations as to why using those assumptions/methods is no longer reasonable and why the changed assumptions/methods are reasonable (an abbreviated version of information provided in Checklist Item #27.a.)?  Enter N/A if the plan is eligible for SFA under § 4262.3(a)(2) or § 4262.3(a)(4) or if the plan is eligible based on a certification of plan status completed before 1/1/2021. Also enter N/A if the plan is eligible based on a certification of plan status completed after 12/31/2020 but that reflects the same assumptions as those in the pre-2021 certification of plan status. See Template 7, 7a Assump Changes for Elig sheet.  Does the uploaded file include both Checklist Items #19.a. and #19.b., and does it use the required filenaming convention?	Yes No N/A	Yes	Template 7 PIUMPF.xlsx	N/A		Financial assistance spreadsheet (template)	Template 7 Plan Name.
19.b.	Section C, Item (7)b.	Does the application include a table identifying which assumptions/methods used to determine the requested SFA differ from those used in the pre-2021 certification of plan status (except the interest rates used to determine SFA)? Does this item include brief explanations as to why using those original assumptions/methods is no longer reasonable and why the changed assumptions/methods are reasonable? If a changed assumption is an extension of the CBU assumption or the administrative expenses assumption as described in Paragraph A "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's SFA assumptions guidance, does the application state so? This should be an abbreviated version of information provided in Checklist Item #27.b. See Template 7, 7b Assump Changes for Amount sheet.  Does the uploaded file include both Checklist Items #19.a. and #19.b., and does it use the required filenaming convention?	Yes No	N/A		N/A		Financial assistance spreadsheet (template)	Template 7 Plan Name
20.a.	Section C, Item (8)	Does the application include details of the projected contributions and withdrawal liability payments used to calculate the requested SFA amount, including total contributions, contribution base units (including identification of base unit used), average contribution rate(s), reciprocity contributions (if applicable), additional contributions from the rehabilitation plan (if applicable), and any other identifiable contribution streams? See Template 8.	Yes No	Yes	Template 8 PIUMPF.xlsx	N/A	Template 8 is uploaded under "Other" on the portal.	Projections for special financial assistance (estimated income, benefit payments and expenses)	Template 8 Plan Name



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

v20221129p

APPLICATION CHECKLIST

Plan name:	PACE Industry Union-Management Pension Fund
EIN:	11-6166763
PN:	001
SFA Amount Requested:	\$1,302,115,122

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

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20.b.	Section C, Item (2)	Does the application separately show the amounts of projected withdrawal liability payments for employers that are currently withdrawn as of the date the initial application is filed, and assumed future withdrawals? Does the application also provide the projected number of active participants at the beginning of each plan year? See Template 8.	Yes No	Yes	N/A - include as part of Checklist Item #20.a.	N/A		N/A	N/A - included in <i>Template 8 Plan Name</i>
21.	Section D	Was the application signed and dated by an authorized trustee who is a current member of the board of trustees or another authorized representative of the plan sponsor and include the printed name and title of the signer?	Yes No	Yes	SFA App PIUMPF.pdf	P. 1	Identify here the name of the single document that includes all information requested in Section D of the SFA Filing Instructions (Checklist Items #21 through #28.c.).	Financial Assistance Application	SFA App Plan Name
22.a.		For a plan that is not a MPRA plan, does the application include an optional cover letter?  Enter N/A if the plan is a MPRA plan, or if the plan is not a MPRA plan and did not include an optional cover letter.	Yes N/A	Yes	N/A - included as part of SFA App Plan Name	P. 1	For each Checklist Item #21 through #28.c., identify the relevant page number(s) within the single document.	N/A	N/A - included as part of SFA App Plan Name
22.b.	Section D, Item (1)	For a plan that is a MPRA plan, does the application include a cover letter? Does the cover letter identify the calculation method (basic method, increasing assets method, or present value method) that provides the greatest amount of SFA? For a MPRA plan with a partition, does the cover letter include a statement that the plan has been partitioned under section 4233 of ERISA?  Enter N/A if the plan is not a MPRA plan.	Yes No N/A	N/A	N/A - included as part of SFA App Plan Name			N/A	N/A - included as part of SFA App Plan Name
23.	Section D, Item (2)	Does the application include the name, address, email, and telephone number of the plan sponsor, plan sponsor's authorized representative, and any other authorized representatives?	Yes No	Yes	N/A - included as part of SFA App Plan Name	P. 2		N/A	N/A - included as part of SFA App Plan Name
24.	Section D, Item (3)	Does the application identify the eligibility criteria in § 4262.3 that qualifies the plan as eligible to receive SFA, and include the requested information for each item that is applicable, as described in Section D, Item (3) of the SFA Filing Instructions?	Yes No	Yes	N/A - included as part of SFA App Plan Name	P. 2	The Plan is eligible for SFA because it has been certified by its actuary to be in critical and	N/A	N/A - included as part of SFA App Plan Name
25.a.	Section D, Item (4)	If the plan's application is submitted on or before March 11, 2023, does the application identify the plan's priority group (see § 4262.10(d)(2))?  Enter N/A if the plan's application is submitted after March 11, 2023.	Yes No N/A	Yes	N/A - included as part of SFA App Plan Name	P. 3	The Plan is in priority group 6, as listed on the PBGC website.	N/A	N/A - included as part of SFA App Plan Name

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25.b.	Section D, Item (4)	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?  Enter N/A if the plan is not submitting an emergency application.	Yes No N/A	N/A	N/A - included as part of SFA App Plan Name			N/A	N/A - included as part of SFA App Plan Name
26.	Section D, Item (5)	Does the application include a detailed narrative description of the development of the assumed future contributions and assumed future withdrawal liability payments used in the basic method (and in the increasing assets method for a MPRA plan)?	Yes No	Yes	N/A - included as part of SFA App Plan Name	PP. 3-6		N/A	N/A - included as part of SFA App Plan Name
27.a.	Section D, Item (6)a.	For plans eligible for SFA under § 4262.3(a)(1) or § 4262.3(a)(3), does the application identify which assumptions/methods (if any) used in showing the plan's eligibility for SFA differ from those used in the most recent certification of plan status completed before 1/1/2021? If there are any assumption/method changes, does the application include detailed explanations and supporting rationale and information as to why using the identified assumptions/methods is no longer reasonable and why the changed assumptions/methods are reasonable?  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	Yes	N/A - included as part of SFA App Plan Name	PP. 7 -15		N/A	N/A - included as part of SFA App Plan Name
27.b.	Section D, Item (6)b.	Does the application identify which assumptions/methods (if any) used to determine the requested SFA amount differ from those used in the most recent certification of plan status completed before 1/1/2021 (excluding the plan's non-SFA and SFA interest rates, which must be the same as the interest rates required by § 4262.4(e)(1) and (2))? If there are any assumption/method changes, does the application include detailed explanations and supporting rationale and information as to why using the identified original assumptions/methods is no longer reasonable and why the changed assumptions/methods are reasonable? Does the application state if the changed assumption is an extension of the CBU assumption or the administrative expenses assumption as described in Paragraph A "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's SFA Assumptions?	Yes No	Yes	N/A - included as part of SFA App Plan Name	P. 7		N/A	N/A - included as part of SFA App Plan Name

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

v20221129p

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

Checklist Item #	SFA Filing Instructions Reference		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	In the e-Filing Portal, upload as Document Type	Use this Filenaming Convention
27.c.	Section D, Item (6)	If the mortality assumption uses a plan-specific mortality table or a plan-specific adjustment to a standard mortality table (regardless of if the mortality assumption is changed or unchanged from that used in the most recent certification of plan status completed before 1/1/2021), is supporting information provided that documents the methodology used and the rationale for selection of the methodology used to develop the plan-specific rates, as well as detailed information showing the determination of plan credibility and plan experience?  Enter N/A if the mortality assumption does not use a plan-specific mortality table or a plan-specific adjustment to a standard mortality table for eligibility or for determining the SFA amount.	Yes No N/A	N/A	N/A - included as part of SFA App Plan Name			N/A	N/A - included as part of SFA App Plan Name
28.a.	Section D, Item (7)	Does the application include, for an eligible plan that implemented a suspension of benefits under section 305(e)(9) or section 4245(a) of ERISA, a narrative description of how the plan will reinstate the benefits that were previously suspended and a proposed schedule of payments (equal to the amount of benefits previously suspended) to participants and beneficiaries?  Enter N/A for a plan that has not implemented a suspension of benefits.	Yes No N/A	N/A	N/A - included as part of SFA App Plan Name			N/A	N/A - included as part of SFA App Plan Name
28.b.	Section D, Item (7)	If Yes was entered for Checklist Item #28.a., does the proposed schedule show the yearly aggregate amount and timing of such payments, and is it prepared assuming the effective date for reinstatement is the day after the SFA measurement date?  Enter N/A for a plan that entered N/A for Checklist Item #28.a.	Yes No N/A	N/A	N/A - included as part of SFA App Plan Name			N/A	N/A - included as part of SFA App Plan Name
28.c.	Section D, Item (7)	If the plan restored benefits under 26 CFR 1.432(e)(9)-1(e)(3) before the SFA measurement date, does the proposed schedule reflect the amount and timing of payments of restored benefits and the effect of the restoration on the benefits remaining to be reinstated?  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 #28.a. and #28.b.	Yes No N/A	N/A	N/A - included as part of SFA App Plan Name			N/A	N/A - included as part of SFA App Plan Name
29.a.	Section E, Item (1)	Does the application include a fully completed Application Checklist, including the required information at the top of the Application Checklist (plan name, employer identification number (EIN), 3-digit plan number (PN), and SFA amount requested)?	Yes No	Yes	App Checklist PIUMPF.xlsx	N/A		Special Financial Assistance Checklist	App Checklist Plan Name



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

v20221129p

APPLICATION CHECKLIST

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

Checklist Item #	SFA Filing Instructions Reference		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	In the e-Filing Portal, upload as Document Type	Use this Filenaming Convention
29.b.	Section E, Item (1) - Addendum A	If the plan is required to provide information required by Addendum A of the SFA Filing Instructions (for "certain events"), are the additional Checklist Items #39.a. through #48.b. completed?  Enter N/A if the plan is not required to submit the additional information described in Addendum A.	Yes No N/A	N/A	N/A	N/A		Special Financial Assistance Checklist	N/A
30.	Section E, Item (2)	If the plan claims SFA eligibility under § 4262.3(a)(1) of PBGC's SFA regulation based on a certification by the plan's enrolled actuary of plan status for SFA eligibility purposes completed on or after January 1, 2021, does the application include: (i) plan actuary's certification of plan status for SFA eligibility purposes for the specified year (and, if applicable, for each plan year after the plan year for which the pre-2021 zone certification was prepared and for the plan year immediately prior to the specified year)? (ii) for each certification in (i) above, does the application include all details and additional information described in Section B, Item (5) of the SFA Filing Instructions, including clear documentation of all assumptions, methods and census data used? (iii) for each certification in (i) above, does the application identify all assumptions and methods that are different from those used in the pre-2021 zone certification?  Does the certification by the plan's enrolled actuary include clear indication of all assumptions and methods used including source of and date of participant data, measurement date, and a statement that the actuary is qualified to render the actuarial opinion?  If the plan does not claim SFA eligibility under § 4262.3(a)(1) or claims SFA eligibility under § 4262.3(a)(1) using a zone certification completed before January 1, 2021, enter N/A.  Is the information for this Checklist Item #30.a. contained in a single document and uploaded using the required filenaming convention?	Yes No N/A	N/A		N/A	See 2020 Zone Cert from Section B(5)	Financial Assistance Application	SFA Elig Cert CD Plan Name



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

v20221129p

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Checklist Item #	SFA Filing Instructions Reference		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	In the e-Filing Portal, upload as Document Type	Use this Filenaming Convention
31.a.	Section E, Item (3)	<p>If the plan claims SFA eligibility under § 4262.3(a)(3) of PBGC's SFA regulation based on a certification by the plan's enrolled actuary of plan status for SFA eligibility purposes completed on or after January 1, 2021, does the application include:</p> <p>(i) plan actuary's certification of plan status for SFA eligibility purposes for the specified year (and, if applicable, for each plan year after the plan year for which the pre-2021 zone certification was prepared and for the plan year immediately prior to the specified year)?</p> <p>(ii) for each certification in (i) above, does the application include all details and additional information described in Section B, Item (5) of the SFA Filing Instructions, including clear documentation of all assumptions, methods and census data used?</p> <p>(iii) for each certification in (i) above, does the application identify all assumptions and methods that are different from those used in the pre-2021 zone certification?</p> <p>Does the certification by the plan's enrolled actuary include clear indication of all assumptions and methods used including source of and date of participant data, measurement date, and a statement that the actuary is qualified to render the actuarial opinion?</p> <p>If the plan does not claim SFA eligibility under § 4262.3(a)(3) or claims SFA eligibility under § 4262.3(a)(3) using a zone certification completed before January 1, 2021, enter N/A.</p> <p>Is the information for Checklist Items #31.a. and #31.b. contained in a single document and uploaded using the required filenaming convention?</p>		N/A		N/A		Financial Assistance Application	SFA Elig Cert C Plan Name
31.b.	Section E, Item (3)	<p>If the plan claims SFA eligibility under § 4262.3(a)(3) of PBGC's SFA regulation, does the application include a certification from the plan's enrolled actuary that the plan qualifies for SFA based on the applicable certification of plan status for SFA eligibility purposes for the specified year, and by meeting the other requirements of § 4262.3(c) of PBGC's SFA regulation. Does the provided certification include:</p> <p>(i) identification of the specified year for each component of eligibility (certification of plan status for SFA eligibility purposes, modified funding percentage, and participant ratio)</p> <p>(ii) derivation of the modified funded percentage</p> <p>(iii) derivation of the participant ratio</p> <p>Does the certification identify all assumptions and methods (including supporting rationale, and where applicable, reliance on the plan sponsor) used to develop the withdrawal liability that is utilized in the calculation of the modified funded percentage?</p> <p>Enter N/A if response to Checklist Item #31.a. is N/A.</p> <p>Is the information for Checklist Items #31.a. and #31.b. contained in a single document and uploaded using the required filenaming convention?</p>	Yes No N/A	N/A	N/A - included with SFA Elig Cert C Plan Name	N/A		Financial Assistance Application	N/A - included in SFA Elig Cert C Plan Name

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

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

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

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33.b.	Section E, Item (5)	<p>If the plan is a MPRA plan, does the certification by the plan's enrolled actuary identify the amount of SFA determined under the basic method described in § 4262.4(a)(1) and the amount determined under the increasing assets method in § 4262.4(a)(2)(i)?</p> <p>If the amount of SFA determined under the "present value method" described in § 4262.4(a)(2)(ii) is not the greatest amount of SFA under § 4262.4(a)(2), does the certification state as such?</p> <p>If the amount of SFA determined under the "present value method" described in § 4262.4(a)(2)(ii) is the greatest amount of SFA under § 4262.4(a)(2), does the certification identify that amount?</p> <p>Enter N/A if the plan is not a MPRA plan.</p>	Yes No N/A	N/A	N/A - included with SFA Amount Cert Plan Name	N/A		N/A - included in SFA Amount Cert Plan Name	N/A - included in SFA Amount Cert Plan Name
34.	Section E, Item (6)	<p>Does the application include the plan sponsor's identification of the amount of fair market value of assets at the SFA measurement date and certification that this amount is accurate? Does the application also include:</p> <p>(i) information that substantiates the asset value and how it was developed (e.g., trust or account statements, specific details of any adjustments)?</p> <p>(ii) a reconciliation of the fair market value of assets from the date of the most recent audited plan financial statements to the SFA measurement date (showing beginning and ending fair market value of assets for this period as well as the following items for the period: contributions, withdrawal liability payments, benefits paid, administrative expenses, and investment income)?</p> <p>With the exception of account statements and financial statements already provided as Checklist Items #8 and #9, is all information contained in a single document that is uploaded using the required filenaming convention?</p>	Yes No	Yes	FMV Cert PIUMPF.pdf	N/A		Financial Assistance Application	FMV Cert Plan Name
35.	Section E, Item (7)	<p>Does the application include a copy of the executed plan amendment required by § 4262.6(e)(1) of PBGC's SFA regulation which (i) is signed by authorized trustee(s) of the plan and (ii) includes the plan compliance language in Section E, Item (7) of the SFA Filing Instructions?</p>	Yes No	Yes	Compliance Amend PIUMPF.pdf	N/A		Pension plan documents, all versions available, and all amendments signed and dated	Compliance Amend Plan Name



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**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #39.a. through #48.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #49 through #62.**

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

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

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

v20221129p

APPLICATION CHECKLIST

Plan name:	PACE Industry Union-Management Pension Fund
EIN:	11-6166763
PN:	001
SFA Amount Requested:	\$1,302,115,122

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

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

Checklist Item #	SFA Filing Instructions Reference		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	In the e-Filing Portal, upload as Document Type	Use this Filenaming Convention
39.b.i.	Addendum A for Certain Events Section C, Item (4)	If the plan is a MPRA plan for which the requested amount of SFA is based on the <u>increasing assets method</u> described in § 4262.4(a)(2)(i), does the application also include an additional version of Checklist Item #16.b.i. that shows the determination of the SFA amount using the <u>increasing assets method</u> as if any events had not occurred? See Template 4A, sheet <i>4A-5 SFA Details .5(a)(2)(i)</i> .  Enter N/A if the plan is not a MPRA Plan or if the plan is a MPRA plan for which the requested amount of SFA is based on the present value method.	Yes No N/A		N/A - included as part of file in Checklist Item #39.a.	N/A		N/A	N/A - included as part of file in Checklist Item #39.a.
39.b.ii.	Addendum A for Certain Events Section C, Item (4)	If the plan is a MPRA plan for which the requested amount of SFA is based on the <u>increasing assets method</u> described in § 4262.4(a)(2)(i), does the application also include an additional version of Checklist Item #16.b.ii. that explicitly identifies the projected SFA exhaustion year based on the <u>increasing assets method</u> ? See Template 4A, <i>4A-5 SFA Details .4(a)(2)(i)</i> sheet and Addendum D.  Enter N/A if the plan is not a MPRA Plan or if the plan is a MPRA plan for which the requested amount of SFA is based on the present value method.	Yes No N/A			N/A		N/A	N/A - included as part of file in Checklist Item #39.a.
39.b.iii.	Addendum A for Certain Events Section C, Item (4)	If the plan is a MPRA plan for which the requested amount of SFA is based on the <u>present value method</u> described in § 4262.4(a)(2)(ii), does the application also include an additional version of Checklist Item #16.b.iii. that shows the determination of the SFA amount using the <u>present value method</u> as if any events had not occurred? See Template 4B, sheet <i>4B-1 SFA Ben Pmts</i> , sheet <i>4B-2 SFA Details .4(a)(2)(ii)</i> , and sheet <i>4B-3 SFA Exhaustion</i> .  Enter N/A if the plan is not a MPRA Plan or if the plan is a MPRA plan for which the requested amount of SFA is based on the increasing assets method.	Yes No N/A			N/A		Projections for special financial assistance (estimated income, benefit payments and expenses)	For additional submission due to any event: <i>Template 4B Plan Name CE</i> . For an additional submission due to a merger, <i>Template 4B Plan Name Merged</i> , where "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.
40.	Addendum A for Certain Events Section C, Item (4)	For any merger, does the application show the SFA determination for this plan <u>and for each plan merged into this plan</u> (each of these determined as if they were still separate plans)? See Template 4A for a non-MPRA plan using the basic method, and for a MPRA plan using the increasing assets method. See Template 4B for a MPRA Plan using the present value method.  Enter N/A if the plan has not experienced a merger.	Yes No N/A			N/A		Projections for special financial assistance (estimated income, benefit payments and expenses)	For an additional submission due to a merger, <i>Template 4A (or Template 4B) Plan Name Merged</i> , where "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.
41.a.	Addendum A for Certain Events Section D	Does the application include a narrative description of any event and any merger, including relevant supporting documents which may include plan amendments, collective bargaining agreements, actuarial certifications related to a transfer or merger, or other relevant materials?	Yes No		N/A - included as part of SFA App Plan Name		For each Checklist Item #41.a. through #44.b., identify the relevant page number(s) within the single document.	Financial Assistance Application	<i>SFA App Plan Name</i>

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

v20221129p

APPLICATION CHECKLIST

Plan name:	PACE Industry Union-Management Pension Fund
EIN:	11-6166763
PN:	001
SFA Amount Requested:	\$1,302,115,122

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

Checklist Item #	SFA Filing Instructions Reference		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	In the e-Filing Portal, upload as Document Type	Use this Filenaming Convention
41.b.	Addendum A for Certain Events Section D	For a transfer or merger event, does the application include identifying information for all plans involved including plan name, EIN and plan number, and the date of the transfer or merger?	Yes No		N/A - included as part of SFA App Plan Name			Financial Assistance Application	N/A - included as part of SFA App Plan Name
42.a.	Addendum A for Certain Events Section D	Does the narrative description in the application identify the amount of SFA reflecting any event, the amount of SFA determined as if the event had not occurred, and confirmation that the requested SFA is no greater than the amount that would have been determined if the event had not occurred, unless the event is a contribution rate reduction and such event lessens the risk of loss to plan participants and beneficiaries?	Yes No		N/A - included as part of SFA App Plan Name			Financial Assistance Application	N/A - included as part of SFA App Plan Name
42.b.	Addendum A for Certain Events Section D	For a merger, is the determination of SFA as if the event had not occurred equal to the sum of the amount that would be determined for this plan and each plan merged into this plan (each as if they were still separate plans)?  Enter N/A if the event described in Checklist Item #41.a. was not a merger.	Yes No N/A		N/A - included as part of SFA App Plan Name			Financial Assistance Application	N/A - included as part of SFA App Plan Name
43.a.	Addendum A for Certain Events Section D	Does the application include an additional version of Checklist Item #24 that shows the determination of SFA eligibility as if any events had not occurred?	Yes No		N/A - included as part of SFA App Plan Name			Financial Assistance Application	N/A - included as part of SFA App Plan Name
43.b.	Addendum A for Certain Events Section D	For any merger, does this item include demonstrations of SFA eligibility for this plan and for each plan merged into this plan (each of these determined as if they were still separate plans)?  Enter N/A if the event described in Checklist Item #42.a. was not a merger.	Yes No N/A		N/A - included as part of SFA App Plan Name			Financial Assistance Application	N/A - included as part of SFA App Plan Name
44.a.	Addendum A for Certain Events Section D	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 - included as part of SFA App Plan Name			Financial Assistance Application	N/A - included as part of SFA App Plan Name
44.b.	Addendum A for Certain Events Section D	Does the demonstration in Checklist Item #44.a. 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 #44.a.	Yes No N/A		N/A - included as part of SFA App Plan Name			Financial Assistance Application	N/A - included as part of SFA App Plan Name



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**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #39.a. through #48.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #49 through #62.**

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

Checklist Item #	SFA Filing Instructions Reference		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	In the e-Filing Portal, upload as Document Type	Use this Filenaming Convention
45.a.	Addendum A for Certain Events Section E, Items (2) and (3)	Does the application include an additional certification from the plan's enrolled actuary with respect to the plan's SFA eligibility but with eligibility determined as if any events had not occurred? This should be in the format of Checklist Item #30 if the SFA eligibility is based on the plan status of critical and declining using a zone certification completed on or after January 1, 2021. This should be in the format of Checklist Items #31.a. and #31.b. if the SFA eligibility is based on the plan status of critical using a zone certification completed on or after January 1, 2021.  If the above SFA eligibility is not based on § 4262.3(a)(1) or § 4262.3(a)(3) or is based on a zone certification completed prior to January 1, 2021, enter N/A.  Is all relevant information contained in a single document and uploaded using the required filenaming convention?	Yes No N/A			N/A		Financial Assistance Application	SFA Elig Cert Plan Name CE
45.b.	Addendum A for Certain Events Section E, Items (2) and (3)	For any merger, does the application include additional certifications of the SFA eligibility for this plan and for each plan merged into this plan (each of these determined as if they were still separate plans)?  If the above SFA eligibility is not based on § 4262.3(a)(1) or § 4262.3(a)(3) or is based on a zone certification completed prior to January 1, 2021, enter N/A.  Enter N/A if the event described in Checklist Item #41.a. was not a merger.	Yes No N/A			N/A		Financial Assistance Application	SFA Elig Cert Plan Name Merged CE  "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.
46.a.	Addendum A for Certain Events Section E, Item (5)	Does the application include an additional certification from the plan's enrolled actuary with respect to the plan's SFA amount (in the format of Checklist Item #33.a.), but with the SFA amount determined as if any events had not occurred?	Yes No			N/A		Financial Assistance Application	SFA Amount Cert Plan Name CE



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

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

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

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

Checklist Item #	SFA Filing Instructions Reference		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	In the e-Filing Portal, upload as Document Type	Use this Filenaming Convention
48.b.	Addendum A for Certain Events Section E	Does the demonstration in Checklist Item #48.a. also identify all assumptions used, supporting rationale for the assumptions and other relevant information?  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 - included in Cont Rate Cert Plan Name CE	N/A		N/A - included in Cont Rate Cert Plan Name CE	N/A - included in Cont Rate Cert Plan Name CE

**Additional Information for Certain Events under § 4262.4(f) - Applicable Only to Any Mergers in § 4262.4(f)(1)(ii)**

**Plans that have experienced mergers identified in § 4262.4(f)(1)(ii) must complete Checklist Items #49 through #62. If you are required to complete Checklist Items #49 through #62, your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #49 through #62. All other plans should not provide any responses for Checklist Items #49 through #62.**

49.	Addendum A for Certain Events Section B, Item (1)a.	In addition to the information provided with Checklist Item #1, does the application also include similar plan documents and amendments for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?	Yes No			N/A		Pension plan documents, all versions available, and all amendments signed and dated	N/A
50.	Addendum A for Certain Events Section B, Item (1)b.	In addition to the information provided with Checklist Item #2, does the application also include similar trust agreements and amendments for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?	Yes No			N/A		Pension plan documents, all versions available, and all amendments signed and dated	N/A
51.	Addendum A for Certain Events Section B, Item (1)c.	In addition to the information provided with Checklist Item #3, does the application also include the most recent IRS determination for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?  Enter N/A if the plan does not have a determination letter.	Yes No N/A			N/A		Pension plan documents, all versions available, and all amendments signed and dated	N/A
52.	Addendum A for Certain Events Section B, Item (2)	In addition to the information provided with Checklist Item #4, for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii), does the application include the actuarial valuation report for the 2018 plan year and each subsequent actuarial valuation report completed before the application filing date?	Yes No			N/A	Identify here how many reports are provided.	Most recent actuarial valuation for the plan	YYYYAVR Plan Name Merged , where "Plan Name Merged" is abbreviated version of the plan name for the plan merged into this plan.
53.	Addendum A for Certain Events Section B, Item (3)	In addition to the information provided with Checklist Items #5.a. and #5.b., does the application include similar rehabilitation plan information for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?	Yes No			N/A		Rehabilitation plan (or funding improvement plan, if applicable)	N/A

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

Checklist Item #	SFA Filing Instructions Reference		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	In the e-Filing Portal, upload as Document Type	Use this Filenaming Convention
54.	Addendum A for Certain Events Section B, Item (4)	In addition to the information provided with Checklist Item #6, does the application include similar Form 5500 information for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?	Yes No			N/A		Latest annual return/report of employee benefit plan (Form 5500)	YYYYForm5500 Plan Name Merged, "Plan Name Merged" is abbreviated version of the plan name for the plan merged into this plan.
55.	Addendum A for Certain Events Section B, Item (5)	In addition to the information provided with Checklist Items #7.a., #7.b., and #7.c., does the application include similar certifications of plan status for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?	Yes No			N/A	Identify how many zone certifications are provided.	Zone certification	YYYYZoneYYYYMMDD Plan Name Merged, where the first "YYYY" is the applicable plan year, and "YYYYMMDD" is the date the certification was prepared. "Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan.
56.	Addendum A for Certain Events Section B, Item (6)	In addition to the information provided with Checklist Item #8, does the application include the most recent cash and investment account statements for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?	Yes No			N/A		Bank/Asset statements for all cash and investment accounts	N/A
57.	Addendum A for Certain Events Section B, Item (7)	In addition to the information provided with Checklist Item #9, does the application include the most recent plan financial statement (audited, or unaudited if audited is not available) for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?	Yes No			N/A		Plan's most recent financial statement (audited, or unaudited if audited not available)	N/A
58.	Addendum A for Certain Events Section B, Item (8)	In addition to the information provided with Checklist Item #10, does the application include all of the written policies and procedures governing the plan's determination, assessment, collection, settlement, and payment of withdrawal liability for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?  Are all such items included in a single document using the required filenaming convention?	Yes No			N/A		Pension plan documents, all versions available, and all amendments signed and dated	WDL Plan Name Merged, where "Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan.
59.	Addendum A for Certain Events Section B, Item (9)	In addition to the information provided with Checklist Item #11, does the application include documentation of a death audit (with the information described in Checklist Item #11) for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?	Yes No					Pension plan documents, all versions available, and all amendments signed and dated	Death Audit Plan Name Merged, where "Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan.



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PN:	001
SFA Amount Requested:	\$1,302,115,122

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

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

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

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #39.a. through #48.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #49 through #62.**

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

Checklist Item #	SFA Filing Instructions Reference		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	In the e-Filing Portal, upload as Document Type	Use this Filenaming Convention
60.	Addendum A for Certain Events Section C, Item (1)	In addition to the information provided with Checklist Item #13, does the application include the same information in the format of Template 1 for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?  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 Plan Name Merged, where "Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan.
61.	Addendum A for Certain Events Section C, Item (2)	In addition to the information provided with Checklist Item #14, does the application include the same information in the format of Template 2 (if required based on the participant threshold) for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?  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 Plan Name Merged, where "Plan Name Merged" is an abbreviated version of the plan name fore the plan merged into this plan.
62.	Addendum A for Certain Events Section C, Item (3)	In addition to the information provided with Checklist Item #15, does the application include similar information in the format of Template 3 for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)?	Yes No					Historical Plan Financial Information (CBUs, contribution rates, contribution amounts, withdrawal liability payments)	Template 3 Plan Name Merged, where "Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan.

**REHABILITATION PLAN FOR THE  
PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**

**INCLUDING ALL UPDATES AND AMENDMENTS THROUGH DECEMBER 31, 2017**

**I. Introduction**

Under the Employee Retirement Income Security Act (“ERISA”) as amended by the Pension Protection Act of 2006 (“PPA”), on March 31, 2010, the Fund’s actuary certified that the Fund is in Critical Status for the Plan Year beginning January 1, 2010.

As required by law, the Board of Trustees sent a Notice of Critical Status (“Notice”) to the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union and its affiliated local unions and other unions that represent Fund participants employed by an employer that has an obligation to contribute to the Fund (“Union”) and the employers participating in the Fund (“Employers”) (referred to collectively as the “bargaining parties”), participants, beneficiaries, the Pension Benefit Guaranty Corporation and the Department of Labor. The Notice advised that (1) the Fund is in Critical Status for the 2010 Plan Year; (2) all non-level benefits previously available under the Fund’s plan of benefits (“Plan”), including certain lump sum benefits or any other payments in excess of the monthly amount paid under a single life annuity, are not payable in that form, effective as of the date of the Notice; and (3) Employers were obligated to pay a 5% contribution surcharge to the Fund, effective for work performed on and after June 1, 2010. The 5% surcharge increased to 10% beginning with contributions for work performed in January, 2011 and will continue until the earlier of (1) the date the Fund emerges from Critical Status or (2) the effective date of a collective bargaining agreement (“CBA”) between the Employer and the Union, or other agreement pursuant to which the Employer is required to contribute to the Fund, that includes terms consistent with the schedule of contribution increases and benefit reductions attached to this Rehabilitation Plan (“Schedule”) and the Fund’s governing documents and policies.

Notwithstanding the paragraph above, if a CBA that provided for automatic renewal with the same terms and conditions (a) was in effect on the date the Schedule was provided to the bargaining parties and (b) automatically renewed with the same terms and conditions for a successive period before June 17, 2011, the 10% surcharge will cease as of the date the contribution increases described below become effective with respect to the Employer as a result of the bargaining parties failing to adopt a CBA or other agreement in compliance with the Rehabilitation Plan within the time period required by Section 305(e)(C)(ii) of ERISA. Notwithstanding the foregoing, such Employer will be obligated to pay the 10% surcharge beginning on December 14, 2011 and continuing until the earlier of (1) the date the Fund emerges from Critical Status or (2) the effective date of a CBA between the Employer and the Union, or other agreement pursuant to which the Employer is required to contribute to the Fund, that includes terms consistent with the Schedule and the Fund’s governing documents and policies.

Under ERISA, the Fund generally will be considered to have emerged from Critical Status when the Fund actuary certifies that the Fund is not projected to have an accumulated

funding deficiency for the Plan Year, or any of the next nine Plan Years, using specified actuarial assumptions. Generally, the Fund must emerge from Critical Status by the end of its ten year Rehabilitation Period, as defined under ERISA. The Fund's Rehabilitation Period will begin on January 1, 2013 and end on December 31, 2022. However, the Fund's Board of Trustees has determined that based on reasonable actuarial assumptions, and upon exhaustion of all reasonable measures, the Fund cannot be reasonably expected to emerge from critical status by the end of the Rehabilitation Period. Therefore, the Board of Trustees adopted a Rehabilitation Plan described under ERISA Section 305(e)(3)(A)(ii) that consisted of reasonable measures to forestall the date of the Fund's possible insolvency (as defined by ERISA Section 4245).

The schedule of contribution increases and benefit reductions attached to this Rehabilitation Plan ("Schedule") will be provided to the bargaining parties. Any new CBA entered into by the bargaining parties or any other agreement calling for participation in the Fund after it is so provided must reflect the terms of the most recently issued Schedule. In the case of an Employer that contributes to the Fund only with respect to employees who are not covered by a CBA, the Employer's agreement with the Fund providing for contributions to the Fund will be treated as a CBA that expires on the first day of the Plan Year after the Employer is provided the Schedule. If the bargaining parties cannot reach an agreement concerning the adoption of the Schedule, the Schedule is to be treated as the default Schedule and will become effective 180 days after the date on which the CBA expires.

The Board of Trustees will review the Fund's Rehabilitation Plan and will update the Rehabilitation Plan as required by law to the extent necessary for the Fund to continue to forestall possible insolvency. In addition, the Board of Trustees will continue to consider all options available to the Fund, including but not limited to reducing Fund expenditures, taking advantage of any changes in law, or exploring a merger with another plan. The Board of Trustees has the sole discretion to amend and construe the Rehabilitation Plan.

## **II. Alternatives Considered for Emerging From Critical Status During the Rehabilitation Period**

Prior to the initial adoption of the Rehabilitation Plan, the Board of Trustees considered reasonable measures for emerging from Critical Status during the Rehabilitation Period. The alternatives considered included projections by the Fund's actuary that are based on reasonable actuarial assumptions. For instance, in connection with the initial adoption of the Rehabilitation Plan, the Fund's actuary determined that, with no changes to the Fund's current plan of benefits ("Plan"), for the Fund to emerge from Critical Status by the end of the Rehabilitation Period, Employer contribution rates would have to be increased by 24% annually for each of the next ten years, ultimately increasing to a rate that is more than 859% of the current contribution rate. The Fund's actuary also determined that, with a 50% reduction in future benefit accruals, ten annual increases in Employer contribution rates of approximately 20% per year would be needed for the Fund to emerge from Critical Status by the end of the Rehabilitation Period. Alternatively, the Fund's actuary determined that, if all early retirement benefits were subject to a full actuarial reduction, and a 50% reduction in future accruals was implemented, there would need to be ten annual increases of approximately 16% in Employer contribution rates to emerge from Critical



Status by the end of the Rehabilitation Period. The Fund's actuary determined that, if all adjustable benefits were eliminated and future benefit accruals are reduced to zero, the Fund would still require significant Employer contribution rate increases each year for ten years, to emerge from Critical Status by the end of the Rehabilitation Period.

The Board determined that any of these and similar measures were not reasonable. Previous experience has indicated that many of the groups participating in the Fund will not continue to participate in the Fund when presented with increases in contribution rates with no corresponding increases in future benefit accruals. The Fund's Board of Trustees previously took action to address the Fund's funding issues by requiring, for all CBAs effective January 1, 2006 or later, that groups participating in the Fund increase their contribution rates by 10% with no corresponding increase in future benefit accruals, or else a 25% reduction in participants' future benefit accrual rates would be implemented. Following this action, as of April 28, 2008, approximately 21% of the Employers withdrew from the Fund. They are unlikely to be agreed upon by the bargaining parties, and therefore the likely outcome of collective bargaining over these types of alternatives would be negotiated withdrawals from the Fund.

In connection with the initial adoption of the Rehabilitation Plan, the Fund's actuary determined that, if a mass withdrawal were to occur, and all withdrawal liability payments were collected (which is very unlikely), the Fund would not emerge from Critical Status and would become insolvent (as defined by ERISA Section 4245) in the year 2026. The Fund's actuary also determined that, if a mass withdrawal were to occur, and no withdrawal liability payments were collected, the Fund would not emerge from Critical Status and would become insolvent (as defined by ERISA Section 4245) in the year 2019. Based on the January 1, 2017 actuarial valuation, these dates are now 2030 and 2027, respectively. The Board understands that the Fund's ability to collect the full amount of withdrawal liability determined under Section 4211 of ERISA is limited to the scheduled payments under Section 4219 of ERISA, and is further impacted by the risk of non-payment due to withdrawn employers' insolvency. Based on reasonable expectations, the Fund is projected to become insolvent in September 2028.

In connection with the initial adoption of the Rehabilitation Plan, the Fund retained the services of an independent economic consultant to analyze data concerning the Fund's Employers, as well as data regarding the industries of the Fund's Employers, to determine whether it would be reasonable to expect groups participating in the Fund to negotiate the increased Employer contributions necessary for the Fund to emerge from Critical Status prior to the end of the Rehabilitation Period. The consultant concluded that a Rehabilitation Plan that increases contribution rates or decreases future benefit accruals by the amount necessary for the Fund to emerge from Critical Status during the Fund's Rehabilitation Period would likely result in withdrawals by the Fund's Employers.

The Board of Trustees has determined that the alternatives available to attempt to emerge from Critical Status by the end of the Rehabilitation Period would rather likely result in a mass withdrawal under ERISA. Therefore, the Board determined that, based on reasonable actuarial assumptions, and upon exhaustion of all reasonable measures, the Fund cannot reasonably be expected to emerge from Critical Status by the end of the Rehabilitation Period. Therefore, the

Trustees have adopted a Rehabilitation Plan described under Section 305(e)(3)(A)(ii) of ERISA that consists of reasonable measures to forestall the date of the Fund's possible insolvency.

### **III. Schedule of Reasonable Measures to Emerge From Critical Status at a Later Time Or Forestall the Date of Insolvency**

The Board of Trustees has determined that all combinations of benefits reductions and contribution increases designed to have the Fund emerge from Critical Status at a later time, as contemplated by ERISA Section 305(e)(3)(A)(ii), would likely have the same impact as the alternatives considered to emerge by the end of the Rehabilitation Period – negotiated withdrawals from the Fund. The Trustees looked at a variety of decreases in benefit accruals, and they only affected the projected date of insolvency by a few months. Thus, rather than emerging from Critical Status at a later time, adoption of any of these alternatives by the Fund would likely only hasten the date of insolvency due to a mass withdrawal as discussed above. Instead, the Board of Trustees has agreed to implement a Schedule of future contribution rates and benefit levels that it believes are most likely to result in continued participation in the Fund. It believes that higher required contributions and lower benefits than called for by the Schedule are more likely to result in withdrawals from the Fund. If, instead of withdrawing, groups continue to participate in the Fund, this will forestall insolvency as compared to the level of contributions and benefits in effect prior to the adoption of the Rehabilitation Plan on July 19, 2010, and the Fund would avoid a mass withdrawal and thus forestall insolvency as compared with the effect of a mass withdrawal. Therefore, the Board has adopted reasonable measures to forestall possible insolvency.

The contribution rate increases required by the attached Schedule are unchanged from the contribution rate increases required by the Schedule of the original Rehabilitation Plan adopted on July 19, 2010. Under the Schedule, the Fund is currently projected to become insolvent in the year 2031. This projected insolvency date, which is based on current economic conditions and the current legal framework that applies to the Fund, reflects that the Schedule forestalls the September 2028 insolvency date for the Fund that is projected to occur in the event of a mass withdrawal, based on the Board of Trustees' reasonable expectations regarding the collection of withdrawal liability.

The Schedule will also be treated as the default schedule for the purposes of ERISA Section 305(e)(3)(C)(iii) since the default schedule described in Section 305(e)(1) would not be a reasonable measure. As such, following the date the bargaining parties receive this Schedule, if the Schedule is not adopted by the bargaining parties within 180 days after the CBA (or other agreement, as applicable) providing for an Employer's contributions to the Fund that was in effect when the Fund entered Critical Status expires, the contribution increases set forth in the Schedule will apply beginning 180 days after the date on which the CBA expires, or as otherwise permitted by applicable law.

In addition, in the event an Employer withdraws during a Plan Year when the Fund has an accumulated funding deficiency, as determined under Section 304 of ERISA, the Employer shall be responsible for its pro rata share of such deficiency in addition to any withdrawal liability determined under Section 4211 of ERISA. The pro rata share is

determined by multiplying the accumulated funding deficiency and subsequent changes in that accumulated funding deficiency that arose in any Plan Year prior to the year in which the Employer withdraws, by the ratio of the withdrawn Employer's contributions made to the Fund to the total Employer contributions received by the Fund, in each applicable Plan Year prior to the Plan Year of withdrawal.

**IV. Standards for Meeting the Requirements of this Rehabilitation Plan**

The Fund will make adequate progress, to the extent reasonable based on financial markets activity and other relevant factors, toward enabling the Fund to forestall insolvency past the projected insolvency date set forth in Section II and in connection with this goal, the Board of Trustees will monitor the Fund's required contribution rate increases and benefits.

**REHABILITATION PLAN FOR THE  
PACE INDUSTRY UNION-MANAGEMENT PENSION FUND  
SCHEDULE**

All capitalized terms below, not otherwise defined, have the meaning in the PACE Industry Union-Management Pension Plan (“Plan”).

**I. Schedule of Contribution Increases**

Contribution rates will increase as follows, with no corresponding increase in Benefit Level or Pension Accrual Rate. The Board of Trustees of the Fund shall determine what benefit increases, if any, will be provided to Participants covered by a collective bargaining agreement (“CBA”) that provides for contributions in excess of those required by this Schedule. For the purpose of this Schedule, in the case of an employer participating in the Fund (“Employer”) that contributes to the Fund only with respect to employees who are not covered by a CBA, the Employer’s agreement with the Fund providing for contributions to the Fund will be treated as a CBA that expires on the first day of the Plan Year beginning after the Employer is provided this Schedule.

A. The following applies to CBAs that expire after July 30, 2010. For this purpose, if a CBA provides for automatic renewal with the same terms and conditions for successive periods, the CBA will be treated as having expired at the end of the term in effect on July 30, 2010.

1. Effective for contributions for work performed on and after the first day of the month immediately following the earlier of—
  - (a) the date on which the CBA in effect as of July 30, 2010 expires; or
  - (b) the effective date of any successor CBA negotiated after the CBA in effect as of July 30, 2010, but in no event earlier than July 30, 2010,

the contribution rate shall increase by 10% over the last rate(s) in effect under the CBA in effect as of July 30, 2010.

2. Effective for contributions for work performed after December 31, 2015, the contribution rate shall increase by an additional 5% of the last rate in effect under the CBA in effect on July 30, 2010, resulting in a cumulative increase of 15% over the last rate in effect under the CBA in effect as of July 30, 2010.

This Schedule shall be imposed in the absence of an agreement by the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, or one of its affiliated local unions, other unions that represent Plan participants employed by an employer that has an obligation to contribute to the Fund (“Union”), and the Employers, (all referred to collectively as the “bargaining parties”) 180 days after the expiration of a CBA

that was in effect when the Fund entered Critical Status. In such an event, the effective date of the first contribution increase shall be 180 days after the date on which the CBA in effect as of the date this Schedule is provided to the bargaining parties expires, or as otherwise permitted by applicable law. The amount of the first contribution increase will be actuarially adjusted to a rate that is actuarially equivalent to that which the Employer would have contributed under this Schedule had the contribution increase become effective for work performed on and after the first day of the month after the CBA in effect as of the date this Schedule is provided to the bargaining parties expired. If, after the date this Schedule is imposed pursuant to this Section I(A)(3), the collective bargaining parties adopt a CBA or other agreement consistent with Sections I(A)(1) and (2) that includes a retroactive effective date for the contribution increases described in Sections I(A)(1) and (2), this Section I(A)(3), including the actuarial increase described herein, shall not apply, retroactive to the date this Schedule was imposed.

B. Notwithstanding Section I(A) above, the following applies to CBAs of bargaining parties that had a CBA in effect at the time the Fund was certified in Critical Status on March 31, 2010 that expired prior to July 30, 2010 and no successor agreement had been entered into as of July 30, 2010. For this purpose, if a CBA expired prior to March 31, 2010 and no successor agreement had been entered into as of July 30, 2010, the CBA will be treated as in effect on March 31, 2010.

1. Effective for contributions for work performed after July 31, 2010, the contribution rate shall increase by 10% over the last rate in effect under the last CBA that expired prior to July 30, 2010.
2. Effective for contributions for work performed after December 31, 2015, the contribution rate shall increase by an additional 5% of the last rate in effect under the last CBA that expired prior to July 30, 2010, resulting in a cumulative increase of 15% over the last rate in effect under the last CBA that expired prior to July 30, 2010.
3. This Schedule shall be imposed in the absence of an agreement by the bargaining parties 180 days after the expiration of a CBA that was in effect when the Fund entered Critical Status. In such an event, the effective date of the first contribution increase shall be 180 days after the expiration of a CBA that was in effect when this Schedule is provided to the bargaining parties, or as otherwise permitted by applicable law. The amount of the first contribution increase shall be actuarially adjusted to a rate that is actuarially equivalent to that which the Employer would have contributed under this Schedule had its contribution increase become effective for work performed on and after the first day of the month after the CBA in effect as of the date this Schedule is provided to the bargaining parties expired. If, after the date this Schedule is imposed pursuant to this Section I(B)(3), the collective bargaining parties adopt a CBA or other agreement consistent with Sections I(B)(1) and (2) that includes a retroactive



effective date for the contribution increases described in Sections I(B)(1) and (2), this Section I(B)(3), including the actuarial increase described herein, shall not apply, retroactive to the date this Schedule was imposed.

C. For an employer that is not an Employer as of the date this Schedule is provided to the bargaining parties and that negotiates a CBA that first provides for contributions to the Fund on or after the date this Schedule is provided to the bargaining parties, the Board of Trustees will make a determination regarding the applicable contribution rates and Benefit Levels or Pension Accrual Rates that will apply with respect to such group prior to accepting a CBA that provides for contributions to the Fund.

D. In the event an Employer withdraws during a Plan Year when the Fund has an accumulated funding deficiency, as determined under Section 304 of ERISA, the Employer shall be responsible for its pro rata share of such deficiency in addition to any withdrawal liability determined under Section 4211 of ERISA. The pro rata share is determined by multiplying the accumulated funding deficiency and subsequent changes in that accumulated funding deficiency that arose in any Plan Year prior to the year in which the Employer withdraws, by the ratio of the withdrawn Employer's contributions made to the Fund to the total Employer contributions received by the Fund, in each applicable Plan Year prior to the Plan Year of withdrawal.

## **II. Benefit Reductions**

Participants with a Pension Starting Date before September 1, 2010, who do not return to Covered Employment, and their Beneficiaries and Spouses, will not be affected by the benefit reductions set forth below.

A. Effective for Pension Starting Dates on or after September 1, 2010, for all Participants, including participants who accrued benefits under a plan that merged into the Fund, regardless of when they terminated Covered Employment or otherwise ceased to be active Participants:

Elimination of Non-Social Security Disability Pension. If a Participant does not receive a disability award issued by the Social Security Administration, he or she will not be entitled to retire on a disability pension, including the Disability Pension described in Article IV, Sections 11 and 12 of the Plan, Appendix A, Article III, and Appendix B, Section 3.03 or a disability pension offered under the terms of a prior version of the Plan or a plan that merged into the Fund.

B. Effective for Pension Starting Dates on or after January 1, 2011, for all Participants, including participants who accrued benefits under a plan that merged into the Fund, regardless of when they terminated Covered Employment or otherwise ceased to be active Participants:

1. Reduction of Early Retirement Pension and Deferred Pension. The Early Retirement Pension under Article IV, Sections 7 and 8 and the Deferred Pension that starts before a Participant's Normal Retirement Age under Article IV,

Sections 9 and 10 of the Plan, and any prior versions of the Plan, shall be in an amount determined based on the Regular Pension (described under Article IV, Sections 3 and 4 of the Plan) to which the Participant would be entitled if he had attained his Normal Retirement Age at the time of his retirement, reduced by ½ of 1% for each month by which the Participant is younger than age 65 on the day his Early Retirement Pension or Deferred Pension starts. For an Age Pension under Appendix B, Section 3.02, in addition to the reductions applied for a Participant who has not attained age 60 on or before the Participant's Pension Starting Date, if the Participant has not attained age 65 on or before the Participant's Pension Starting Date, the amount of the Participant's Age Pension shall be reduced by ½ of 1% for each month by which the Participant is younger than age 65 and older than age 60. If a Participant commences his pension benefit with an effective date on or after January 1, 2011 and receives an early retirement benefit under the terms of a plan that merged into the Fund, the Participant will receive the lesser of the benefit calculated under the terms of the merged plan or the benefit calculated based on the benefit the Participant would receive at normal retirement age, reduced by ½ of 1% for each month by which the Participant is younger than age 65.

A group that

- (a) formerly participated in Programs A or D; and
- (b) on or after January 1, 2008, subsequently commenced participation in Programs B, C, E or F on behalf of Covered Employees,

may enter into a CBA before January 1, 2011 that provides for recommencement of participation in Program A or D on behalf of Covered Employees, effective January 1, 2011, if the contribution rate provided for in such a CBA under Program A or D results in the same Benefit Level or Pension Accrual Rate as when the CBA provided for participation in Program B, C, E or F. In the event such transfer occurs, the employer shall continue to contribute at the rate specified in its CBA for Program B, C, E, or F, as applicable, but the required 10% and 5% contribution increases under Section I (A) shall not apply.

2. Elimination of Service Pension. The provisions of the Plan, set forth in Article IV, Sections 5 and 6, and any prior versions of the Plan, that provide for a Service Pension to Participants in Programs D, E, or F who are age 62 or older and have earned at least 20 or more years of Vesting Credit or Pension Credit, or who at any age have earned 30 or more years of Vesting Credit or Pension Credit, shall not apply. Any similar provision in a plan that merged into the Fund that provides that, prior to normal retirement age, a participant will receive the same monthly amount he would receive at normal retirement age provided that specified service requirements are met, shall not apply.

3. Elimination of Normal Pension for Program G covered Participants covered by Plan 62 who are under age 65. The provisions of the Plan, set forth in Appendix A, Exhibit 1, Section 6, and any prior versions of the Plan, that provide for a Normal Pension for Program G covered Participants covered by Plan 62 who have attained age 62 and have at least 5 years of Pension Credit (including one year of Future Service Credit), shall not apply. Any similar provision in a plan that merged into the Fund that provides that, prior to normal retirement age, a participant will receive the same monthly amount he would receive at normal retirement age provided that specified service or pension credit requirements are met, shall not apply to benefits accrued on or after January 1, 2011.
  
4. Elimination of Post-Retirement Payment Guarantees. The 60 and 120 certain payments guarantees in Article IV, Sections 13, 19 and 21 and Appendix A, Sections 6.1 and 6.2 of the Plan, and any prior versions of the Plan, shall not apply. Effective for benefit commencement dates on or after January 1, 2011, all other subsidized post-retirement payment guarantees offered under a plan that merged into the Fund, shall not apply. For the purpose of this paragraph, a post-retirement payment guarantee is considered “subsidized” unless, under the terms of the applicable Plan or merged plan, the life annuity associated with the post-retirement payment guarantee is actuarially reduced so that the actuarial value of the life annuity and post-retirement payment guarantee is equal to, or less than, the actuarial value of the life annuity under the terms of the applicable Plan or merged plan without a post-retirement payment guarantee. In addition, if a plan that merged into the Fund did not offer a life annuity form of benefit without a post-retirement payment guarantee, all post-retirement payment guarantees under such prior merged plan are considered “subsidized” for the purpose of this paragraph.

Because the payment guarantees specified above will not apply, the actuarial value of the normal form of benefit for Programs A-G is reduced. Therefore, all optional forms of benefit payment that are determined based on the value of the normal form of benefit for Programs A-G will be similarly reduced. All optional forms of benefit payment that are determined based on the actuarial value of a normal form of benefit under a plan that merged into the Fund that was reduced under this subsection 4, will be similarly reduced.

5. Elimination of Subsidized “Pop-Up” Benefit. The subsidized “pop-up” benefit in Article IV, Section 15(a)(v)(B) of the Plan, and any prior versions of the Plan, providing that Participants who are receiving a Husband and Wife form of benefit payment and whose spouse predeceases them will receive an unreduced single life annuity, shall not apply. Any similar subsidized “pop-up” benefit under a plan that merged into the Fund shall not apply. However, Participants who elect a Husband and Wife form of benefit, 100% Surviving Spouse payment form, or other applicable form benefit offered under a prior merged plan, will be offered the opportunity to elect an unsubsidized “pop-up” benefit that will result in a reduction in their monthly benefit to account for the “pop-up” feature. For the

purpose of this paragraph, a “pop-up” benefit offered under the applicable Plan or merged plan is considered “subsidized” unless the form of benefit associated with the “pop-up” is actuarially reduced so that the actuarial value of the form of benefit with the “pop-up” is equal to, or less than, the actuarial value of the same form of benefit offered without the “pop-up.”

C. Effective for Hours of Service earned on and after January 1, 2011:

1. Future Benefit Accruals. For all Participants in Programs A-G, rather than the rules in Article IV, Sections 1 and 2(b) and Appendix A, Section 3.3 of the Plan, future benefit accruals will be based on the contribution rate(s) in effect for the Plan Year in which the benefit is accrued, in the same manner as set forth in Article IV, Section 2(a) of the Plan.

For Participants in Programs A-G, for purposes of determining a Participant’s accrued benefit as of December 31, 2010, the applicable Benefit Level under Article IV, Section 1(a)(ii) and Pension Accrual Rate under Appendix A, Section 3.3 shall be determined as of December 31, 2010.

2. Increase in Hours of Service Required to Treat Highest Contribution Rate as Average Hourly Contribution Rate. The provisions of the Plan in Article IV, Section 2(a)(ii) providing that, if a Participant is credited with at least 1,760 Hours of Service at the highest contribution rate in any calendar year, then such highest contribution rate shall be considered his Average Hourly Contribution Rate for that calendar year, shall require at least 2,040 Hours of Service, rather than 1,760.

Notwithstanding the above, upon a determination by the Board of Trustees after July 30, 2010 that facts and circumstances warrant an exception from this provision based on the particular facts and circumstances, the Board of Trustees may provide for such an exception in an existing or future amendment to the Plan.

3. Increase in Hours of Service Required for Pension Credit for Accrual Purposes. Rather than the rules in Article III, Section 2 and Appendix A, Section 4.4 of the Plan, Participants will receive credit for Future Service as follows:

<u>Hours of Service for Which Contributions Are Due in Calendar Year</u>	<u>Quarters of Credit</u>
2,040 or more	4
1,530 – 2,039	3
1,020 – 1,529	2
510 – 1,019	1
Less than 510	0

Notwithstanding the above, upon a determination by the Board of Trustees after July 30, 2010 that facts and circumstances warrant an exception from this provision based on the particular facts and circumstances, the Board of Trustees may provide for such an exception in an existing or future amendment to the Plan.

4. Elimination of Credit for Periods of Absence from Covered Employment Due to Disability. Participants will no longer be credited for periods of absence from Covered Employment due to disability as if they were periods of work in Covered Employment, as provided in Article III, Section 5(a)(ii) and Article IV, Section 11(a)(iv), except to the extent such periods of absence from Covered Employment constitute Hours of Service for paid non-working time under Article I, Section 12(b).
5. Elimination of Partial Years of Vesting Service. In a calendar year after the Contribution Date, a Participant must complete 1,000 Hours of Service in Covered Employment to receive one year of Vesting Service. There shall be no partial years of Vesting Service as previously provided under Appendix A, Section 4.6 of the Plan.
6. Elimination of "90 Day Rule." The provisions of the Plan, set forth in Article IV, Section 1(a)(ii), that result in a Participant's eligibility for a higher Benefit Level, corresponding to an increased Employer contribution rate, if the Participant was credited with an Hour of Service during the ninety (90) day period immediately preceding the change in Benefit Level and certain additional requirements are met, shall not apply.
7. Increase in Hours Required to Receive Higher Benefit Level. The provisions of the Plan, set forth in Article IV, Section 1(a)(iii), that result in a Participant's eligibility for a higher Benefit Level if the Participant was credited with at least 880 hours for which contributions were required to be made to the Pension Fund under that Benefit Level over a period of two consecutive calendar years, shall not apply.

D. Effective on and after January 1, 2011 for all Participants, including participants under a plan that merged into the Fund, regardless of when they terminated Covered Employment or otherwise ceased to be active Participants:

1. Elimination of Preretirement Lump Sum Death Benefit. The preretirement lump sum death benefits for beneficiaries of single Participants in Article IV, Section 17 and Appendix A, Section 5.4 of the Plan and the preretirement lump sum death benefit for beneficiaries of Participants in Program H who continue to be credited with an Account Balance at the time of their death in Appendix B, Section 6.03 of the Plan in effect prior to February 1, 2011, shall not apply.



2. Elimination of 60 Month Preretirement Death Benefit. The 60 month preretirement death benefit for beneficiaries of single Participants in Appendix A, Section 5.4 of the Plan shall not apply.

E. Effective February 1, 2011, for all Program H Participants, the non-Vested Withdrawal Benefit in Appendix B, Section 3.13(a) of the Plan in effect prior to February 1, 2011, is eliminated.

F. The following benefit reductions shall apply to all benefits payable to a participant who has accrued a benefit under a plan that merged into the Fund (“Merged Plan”) and whose Pension Starting Date is on or after the date that is 30 days following the date that the Plan provides the participant with a notice of the reductions (“Merged Plan Participants”):

1. For all Merged Plan Participants whose accrued benefit under the Plan is attributable to service both before and after the date on which the Merged Plan merged into the Fund:
  - The only optional forms of benefit will be those set forth in Article IV, Section 12 of the Plan.
2. For all Merged Plan Participants whose only accrued benefit under the Plan is attributable to service under a Merged Plan:
  - The only optional forms of benefit will be those set forth in Article IV, Section 12 of the Plan.
  - The only death benefit payable will be the death benefit available under the Plan (that is, a survivor annuity payable pursuant to the qualified preretirement survivor annuity and qualified joint and survivor annuity).
  - All optional forms of benefit will be determined using the actuarial factors set forth in Article IV, Section 12 of the Plan, unless using the actuarial factors set forth in the applicable Merged Plan would result in a lower benefit.
  - The early retirement pension will be reduced as provided in subsection (B) of this Article II, unless using the actuarial factors set forth in the applicable Merged Plan would result in a lower benefit.
  - Any actuarial increase for delayed retirement will be determined in accordance with the provisions of Article V, Section 1(e) of the Plan, unless using the actuarial factors set forth in the applicable Merged Plan would result in a smaller increase.

**PACE Industry Union-  
Management Pension Fund  
Actuarial Valuation and  
Review as of January 1, 2018**

This report has been prepared at the request of the Board of Trustees to assist in administering the Fund and meeting filing requirements of federal government agencies. This valuation report may not otherwise be copied or reproduced in any form without the consent of the Board of Trustees and may only be provided to other parties in its entirety. The measurements shown in this actuarial valuation may not be applicable for other purposes.



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T 212.251.5000 www.segalco.com

December 11, 2018

Board of Trustees  
PACE Industry Union-Management Pension Fund  
1101 Kermit Drive, Suite 800  
Nashville, TN 37217

Dear Trustees:

We are pleased to submit the Actuarial Valuation and Review as of January 1, 2018. It establishes the funding requirements for the current year and analyzes the preceding year's experience. It also summarizes the actuarial data and includes the actuarial information that is required to be filed with Form 5500 to federal government agencies.

The census information upon which our calculations were based was prepared by the Fund Office. That assistance is gratefully acknowledged. The actuarial calculations were completed under the supervision of Susan L. Boyle, FSA, FCA, MAAA, Enrolled Actuary.

We look forward to reviewing this report with you at your next meeting and to answering any questions you may have.

Sincerely,

Segal Consulting, a Member of The Segal Group

By:

---

Darrin Owens  
Senior Vice President

cc: Fund Administrator  
Fund Counsel  
Fund Auditor

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# Introduction

There are several ways of evaluating funding adequacy for a pension plan. In monitoring the Plan’s financial position, the Trustees should keep in mind all of these concepts.

	<b>Funding Standard Account</b>	The ERISA Funding Standard Account (FSA) measures the cumulative difference between actual contributions and the minimum required contributions. If actual contributions exceed the minimum required contributions, the excess is called the credit balance. If actual contributions fall short of the minimum required contributions, a funding deficiency occurs.
	<b>Zone Information</b>	The Pension Protection Act of 2006 (PPA'06) called on plan sponsors to actively monitor the projected FSA credit balance, the funded percentage (the ratio of the actuarial value of assets to the present value of benefits earned to date) and cash flow sufficiency. Based on these measures, plans are then categorized as critical ( <i>Red Zone</i> ), endangered ( <i>Yellow Zone</i> ), or neither ( <i>Green Zone</i> ). The Multiemployer Pension Reform Act of 2014 (MPRA), among other things, made the zone provisions permanent.
	<b>Solvency Projections</b>	Pension plan funding anticipates that, over the long term, both contributions and investment earnings will be needed to cover benefit payments and expenses. To the extent that contributions are less than benefit payments, investment earnings and fund assets will be needed to cover the shortfall. In some situations, a plan may be faced with insufficient assets to cover its current obligations and may need assistance from the Pension Benefit Guaranty Corporation (PBGC). MPRA provides options for some plans facing insolvency.
	<b>Withdrawal Liability</b>	ERISA provides for assessment of withdrawal liability to employers who withdraw from a multiemployer plan based on unfunded vested benefit liabilities.

## Important Information about Actuarial Valuations

An actuarial valuation is a budgeting tool with respect to the financing of future uncertain obligations of a pension plan. As such, it will never forecast the precise future contribution requirements or the precise future stream of benefit payments. In any event, it is an estimated forecast — the actual cost of the plan will be determined by the benefits and expenses paid, not by the actuarial valuation.

In order to prepare a valuation, Segal Consulting (“Segal”) relies on a number of input items. These include:



### Plan Provisions

Plan provisions define the rules that will be used to determine benefit payments, and those rules, or the interpretation of them, may change over time. Even where they appear precise, outside factors may change how they operate. For example, a plan may require the award of a Social Security disability pension as a condition for receiving a disability pension from the plan. If so, changes in the Social Security law or administration may change the plan’s costs without any change in the terms of the plan itself. It is important for the Trustees to keep Segal informed with respect to plan provisions and administrative procedures, and to review the plan summary included in our report to confirm that Segal has correctly interpreted the plan of benefits.



### Participant Information

An actuarial valuation for a plan is based on data provided to the actuary by the plan. Segal does not audit such data for completeness or accuracy, other than reviewing it for obvious inconsistencies compared to prior data and other information that appears unreasonable. For most plans, it is not possible nor desirable to take a snapshot of the actual workforce on the valuation date. It is not necessary to have perfect data for an actuarial valuation: the valuation is an estimated forecast, not a prediction. The uncertainties in other factors are such that even perfect data does not produce a “perfect” result. Notwithstanding the above, it is important for Segal to receive the best possible data and to be informed about any known incomplete or inaccurate data.



### Financial Information

Part of the cost of a plan will be paid from existing assets – the balance will need to come from future contributions and investment income. The valuation is based on the asset values as of the valuation date, typically reported by the auditor. Some plans include assets, such as private equity holdings, real estate, or hedge funds, that are not subject to valuation by reference to transactions in the marketplace. A snapshot as of a single date may not be an appropriate value for determining a single year’s contribution requirement, especially in volatile markets. Plan sponsors often use an “actuarial value of assets” that differs from market value to gradually reflect year-to-year changes in the market value of assets in determining the contribution requirements.



### Actuarial Assumptions

In preparing an actuarial valuation, Segal starts by developing a forecast of the benefits to be paid to existing plan participants for the rest of their lives and the lives of their beneficiaries. This requires actuarial assumptions as to the probability of death, disability, withdrawal, and retirement of participants in each year, as well as forecasts of the plan’s benefits for each of those events. The forecasted benefits are then discounted to a present value, typically based on an estimate of the rate of return that will be achieved on the plan’s assets. All of these factors are uncertain and unknowable. Thus, there will be a range of reasonable assumptions, and the results may vary materially based on which assumptions the actuary selects within that range. That is, there is no right answer (except with hindsight). It is important for any user of an actuarial valuation to understand and accept this constraint. The actuarial model may use approximations and estimates that will have an immaterial impact on our results and will have no impact on the actual cost of the plan (the total of benefits and expenses paid out over time). In addition, the actuarial assumptions may change over time, and while this can have a significant impact on the reported results, it does not mean that the previous assumptions or results were unreasonable or wrong.

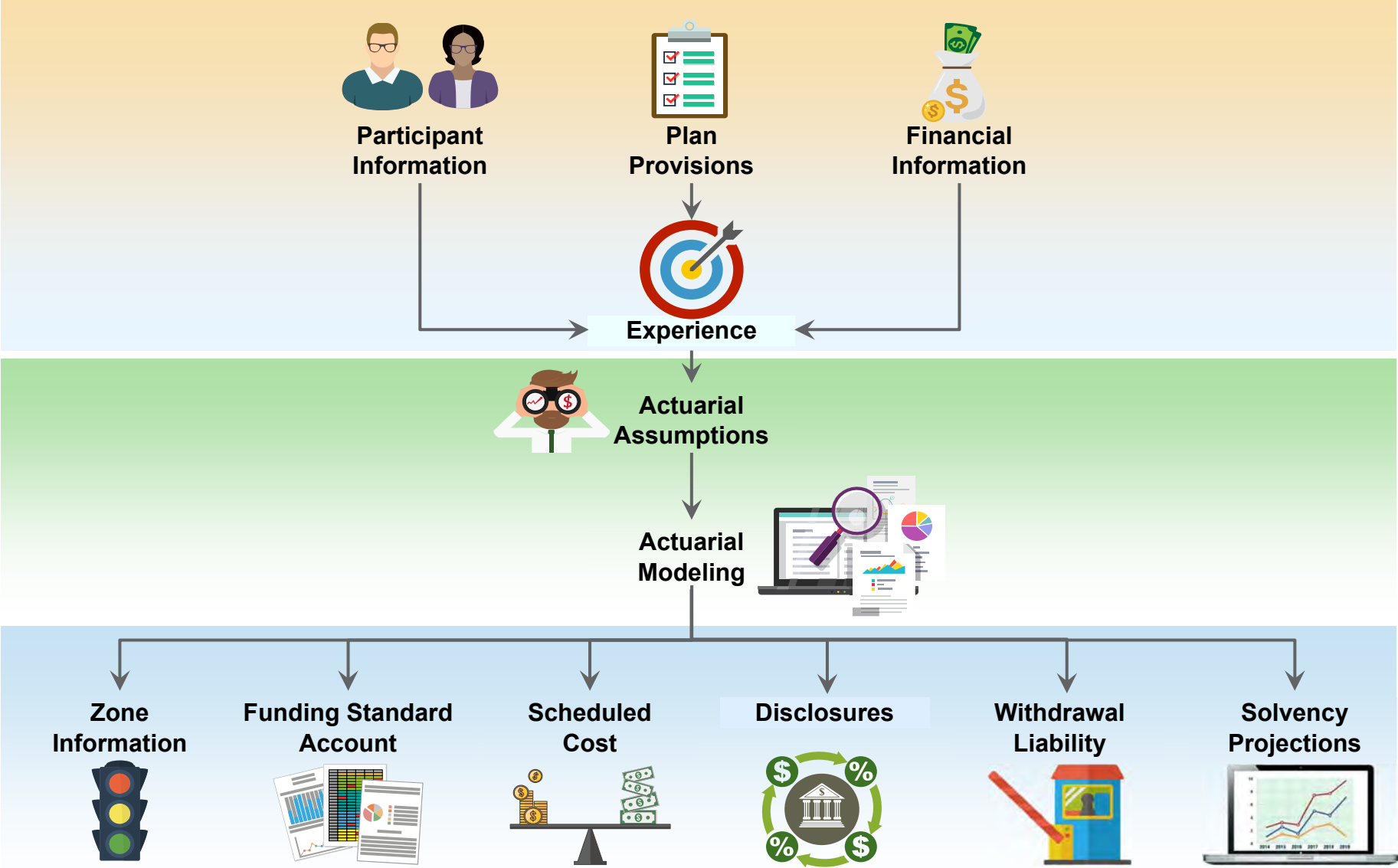


Given the above, the user of Segal's actuarial valuation (or other actuarial calculations) needs to keep the following in mind:

- The actuarial valuation is prepared for use by the Trustees. It includes information for compliance with federal filing requirements and for the plan's auditor. Segal is not responsible for the use or misuse of its report, particularly by any other party.
- An actuarial valuation is a measurement at a specific date — it is not a prediction of a plan's future financial condition. Accordingly, Segal did not perform an analysis of the potential range of financial measurements, except where otherwise noted.
- Actuarial results in this report are not rounded, but that does not imply precision.
- Critical events for a plan include, but are not limited to, decisions about changes in benefits and contributions. The basis for such decisions needs to consider many factors such as the risk of changes in employment levels and investment losses, not just the current valuation results.
- ERISA requires a plan's enrolled actuary to provide a statement for inclusion in the plan's annual report disclosing any event or trend that the actuary has not taken into account, if, to the best of the actuary's knowledge, such an event or trend may require a material increase in plan costs or required contribution rates. If the Trustees are currently aware of any event that was not considered in this valuation and that may materially increase the cost of the Plan, they must advise Segal, so that we can evaluate it and take it into account.
- A certification of "zone" status under PPA'06 is a separate document from the actuarial valuation.
- Segal does not provide investment, legal, accounting, or tax advice. This valuation is based on Segal's understanding of applicable guidance in these areas and of the plan's provisions, but they may be subject to alternative interpretations. The Trustees should look to their other advisors for expertise in these areas.
- While Segal maintains extensive quality assurance procedures, an actuarial valuation involves complex computer models and numerous inputs. In the event that an inaccuracy is discovered after presentation of Segal's valuation, Segal may revise that valuation or make an appropriate adjustment in the next valuation.
- Segal's report shall be deemed to be final and accepted by the Trustees upon delivery and review. Trustees should notify Segal immediately of any questions or concerns about the final content.

As Segal Consulting has no discretionary authority with respect to the management or assets of the Plan, it is not a fiduciary in its capacity as actuaries and consultants with respect to the Plan.

# ACTUARIAL VALUATION OVERVIEW



# Section 1: Actuarial Valuation Summary

## Summary of Key Valuation Results

		2017	2018
<b>Certified Zone Status</b>		<b>Critical and Declining</b>	<b>Critical and Declining</b>
<b>Demographic Data:</b>	<ul style="list-style-type: none"> <li>Number of active participants</li> <li>Number of inactive participants with vested rights</li> <li>Number of retired participants and beneficiaries</li> </ul>	6,282 32,175 31,168	6,046 31,009 31,665
<b>Assets:</b>	<ul style="list-style-type: none"> <li>Market value of assets (MVA)</li> <li>Actuarial value of assets (AVA)</li> <li>AVA as a percent of MVA</li> </ul>	\$1,569,644,922 1,601,757,471 102.0%	\$1,693,474,951 1,613,682,419 95.3%
<b>Cash Flow:</b>	<ul style="list-style-type: none"> <li>Projected employer contributions (including withdrawal liability payments)</li> <li>Actual contributions</li> <li>Projected benefit payments and expenses</li> <li>Insolvency projected in Plan Year beginning</li> </ul>	\$50,659,232 68,155,809 192,248,979 2031	\$52,960,146 -- 206,480,065 2032
<b>Statutory Funding Information:</b>	<ul style="list-style-type: none"> <li>Minimum required contribution</li> <li>Maximum deductible contribution</li> <li>Annual Funding Notice percentage</li> <li>FSA funding deficiency</li> </ul>	\$440,508,398 4,810,998,262 59.0% \$249,856,997	\$541,361,796 5,222,673,448 59.2% \$370,009,733
<b>Cost Elements on an FSA Cost Basis:</b>	<ul style="list-style-type: none"> <li>Normal cost, including administrative expenses</li> <li>Actuarial accrued liability</li> <li>Unfunded actuarial accrued liability (based on AVA)</li> </ul>	\$17,914,155 2,715,051,995 \$1,113,294,524	\$19,081,453 2,726,820,917 \$1,113,138,498
<b>Withdrawal Liability:<sup>1</sup></b>	<ul style="list-style-type: none"> <li>Present value of vested benefits</li> <li>Unfunded present value of vested benefits (based on MVA)</li> </ul>	3,602,030,574 2,032,385,652	3,619,786,257 1,926,311,306

<sup>1</sup> Using the assumptions described in *Section 2: Withdrawal Liability Assumptions*.

## Comparison of Funded Percentages

	Funded Percentages as of January 1		2018	
	2017	2018	Liabilities	Assets
1. PPA'06 Liability and Annual Funding Notice	59.0%	59.2%	2,726,820,917	1,613,682,419
2. Accumulated Benefits Liability	57.8%	62.1%	2,726,820,917	1,693,474,951
3. Withdrawal Liability	43.6%	46.8%	3,619,786,257	1,693,474,951
4. Current Liability	34.5%	35.0%	4,844,534,958	1,693,474,951

Notes:

1. The present value of benefits earned through the valuation date (accrued benefits) defined by PPA'06, based on the long-term funding investment return assumption of 7.50% and compared to the actuarial value of assets. The funded percentage using market value of assets is 57.8% for 2017 and 62.1% for 2018.
2. The present value of accrued benefits for disclosure in the audited financial statements, based on the long-term funding investment return assumption of 7.50%, and compared to the market value of assets.
3. The present value of vested benefits for withdrawal liability purposes based on the blended interest rate and other assumptions described in *Section 2: Withdrawal Liability Assumptions* and compared to the market value of assets.
4. The present value of accrued benefits based on a government-prescribed mortality table and investment return assumption of 3.05% for 2017 and 2.98% for 2018, and compared to the market value of assets. Used to develop the maximum tax-deductible contribution and shown on the Schedule MB if less than 70%.

Disclosure: These measurements are not necessarily appropriate for assessing the sufficiency of Plan assets to cover the estimated cost of settling the Plan's benefit obligations or the need for or the amount of future contributions.

This January 1, 2018 actuarial valuation report is based on financial and demographic information as of that date. Changes subsequent to that date are not reflected unless specifically identified, and will affect future results. Segal is prepared to work with the Trustees to analyze the effects of any subsequent developments. The current year's actuarial valuation results follow.

## A. Developments Since Last Valuation

1. The active population declined by 3.8% during 2017 to 6,046. In addition, the active population is expected to decline approximately 31% due to employers that withdrew during or after 2017. The breakdown of active employees by pension program as of December 31, 2016 and 2017 is as follows:

Program	12/31/2016	12/31/2017
A	4,911	4,726
B	344	312
C	38	39
D	467	467
G	522	502

2. The rate of return on the market value of plan assets was 17.53% for the 2017 plan year. The rate of return on the actuarial value of assets was 9.81%. We will continue to monitor the Plan's actual and anticipated investment returns and time horizon, relative to the assumed long-term rate of return on investments of 7.50%.
3. The Trustees first adopted a Rehabilitation Plan on July 19, 2010, with the last update in December 2017, that included a schedule of plan changes and contribution rate increases designed to forestall insolvency. As a result of collective bargaining, approximately 99% of employees have negotiated contribution rate increases in accordance with the Rehabilitation plan, based on information as of October 2018.
4. Based on past experience and future expectation, we have increased the annual administrative expense assumption from \$8.0 million to \$9.5 million for the year beginning January 1, 2018.
5. The 2018 certification, issued on March 29, 2018, based on the liabilities calculated in the 2017 actuarial valuation, projected to December 31, 2017, and estimated asset information as of December 31, 2017, classified the Plan as critical and declining (in the *Red Zone*) because the funded percentage was 59.1 %, there was a deficiency in the FSA, and the Plan was projected to be insolvent within 15 years.



## B. Solvency Projections

The Plan is projected to be unable to pay benefits in 2032, assuming experience is consistent with the January 1, 2018 assumptions. This is one year later than projected with the prior valuation, which is primarily due to the market value investment gain during 2017. This cash-flow crisis has been addressed by the Trustees with the adoption of the Rehabilitation Plan and is being closely monitored. The projected assets are shown in *Section 2*. If requested by the Trustees, we can perform additional projections of the financial status of the Plan.



## C. Funded Percentage and Funding Standard Account

1. Based on this January 1, 2018 actuarial valuation, the funded percentage that will be reported on the 2018 Annual Funding Notice is 59.2%.
2. The funding deficiency in the FSA as of December 31, 2017 was \$370,009,733, an increase of \$120,152,736 from the prior year. A projection of the FSA indicates that the funding deficiency is expected to continue to increase.





## D. Funding Concerns and Risk

1. The imbalance between the benefit levels in the Plan and the resources available to pay for them have been addressed by the Trustees through the Rehabilitation Plan.
2. We are available to work with the Trustees to develop alternatives that may address the imbalance between the benefit levels in the Plan and the resources available to pay for them.
3. The actuarial valuation results are dependent on a single set of assumptions; however, there is a risk that emerging results may differ significantly as actual experience proves to be different from the current assumptions. We have included a discussion of various risks that may affect the Plan in *Section 2: Risk*.
4. We have not been engaged to perform a detailed analysis of the potential range of the impact of risk relative to the Plan's future financial condition, but have included a brief discussion of some risks that may affect the Plan. A more detailed assessment of the risks would provide the Trustees with a better understanding of the risks inherent in the Plan. This is important because the Plan is currently in critical and declining status.



## E. Withdrawal Liability

1. The unfunded present value of vested benefits for withdrawal liability purposes (UVB) is \$1,926,311,306 (using the assumptions outlined in *Section 2: Withdrawal Liability Assumptions*). Compared to \$2,032,385,652 as of the prior year, the decrease of \$106.1 million is primarily due to the investment gain on a market value basis.
2. The Trustees have adopted the method outlined in PBGC Technical Update 10-3 to account for benefit reductions implemented by the Rehabilitation Plan. The unamortized value of those benefit reductions is included in the unfunded vested benefit amount shown above.

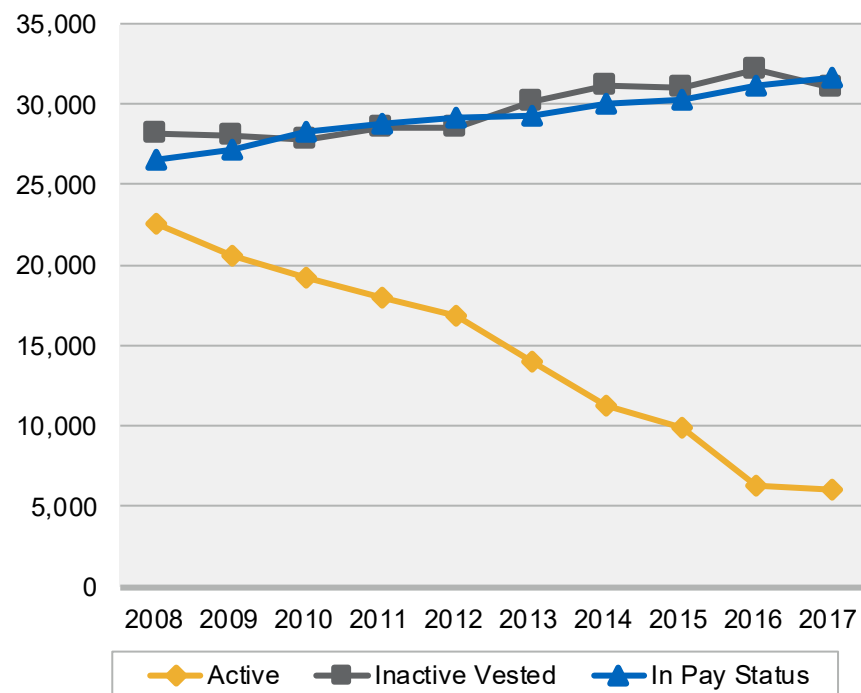


## Section 2: Actuarial Valuation Results

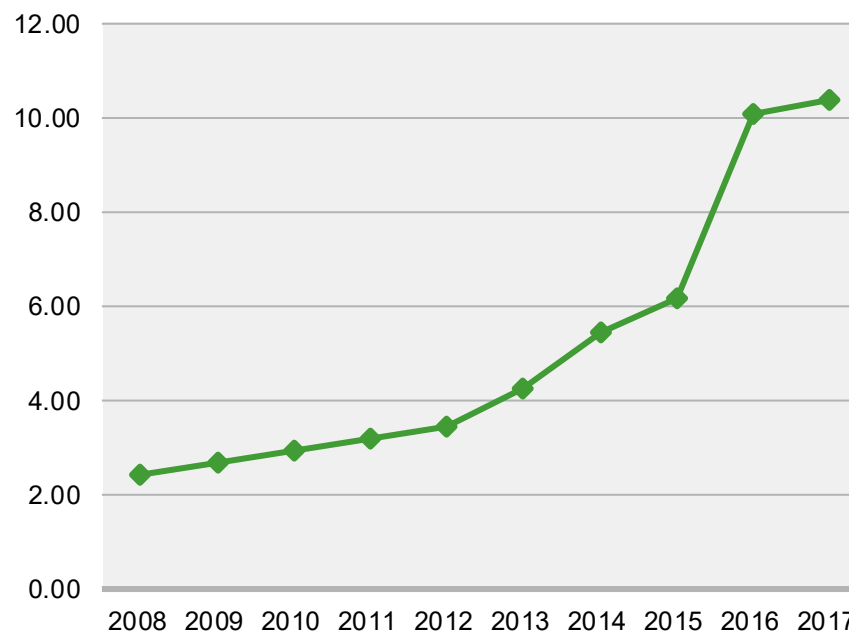
### Participant Information

- The Actuarial Valuation is based on demographic data as of December 31, 2017.
- There are 68,720 total participants in the current valuation, compared to 69,625 in the prior valuation.
- The number of active participants has declined from 22,595 to 6,046 since December 31, 2008.
- The ratio of non-actives to actives has increased to 10.37 from 10.08 in the prior year and from 2.42 in 2008.
- More details on the historical information are included in *Section 3, Exhibits A and B*.

POPULATION AS OF  
DECEMBER 31



RATIO OF NON-ACTIVES TO ACTIVES  
AS OF DECEMBER 31

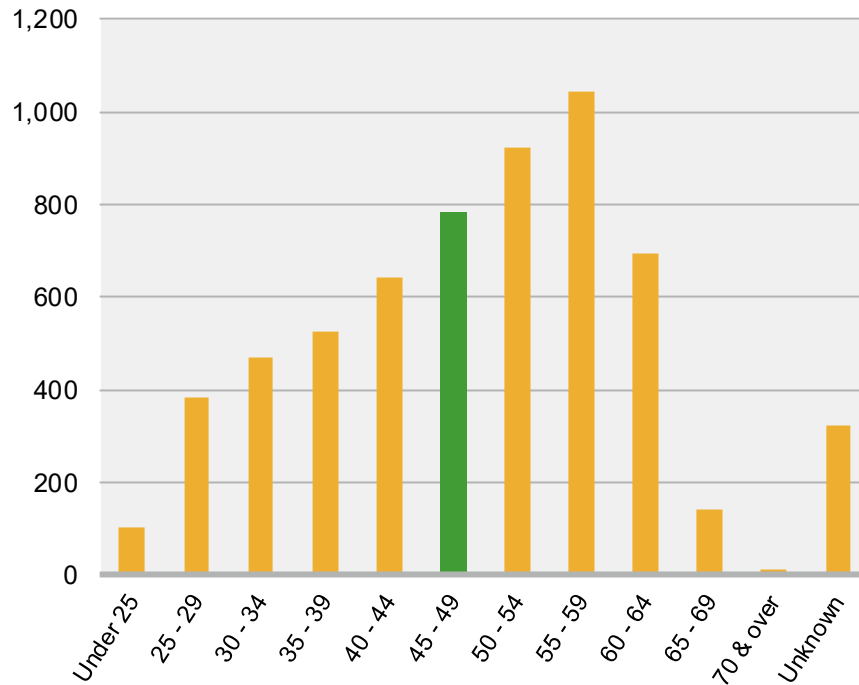


## Active Participants

- There were 6,046 active participants this year, a decrease of 3.8% compared to 6,282 in the prior year.
- The age and service distribution is included in *Section 4, Exhibit 6*.

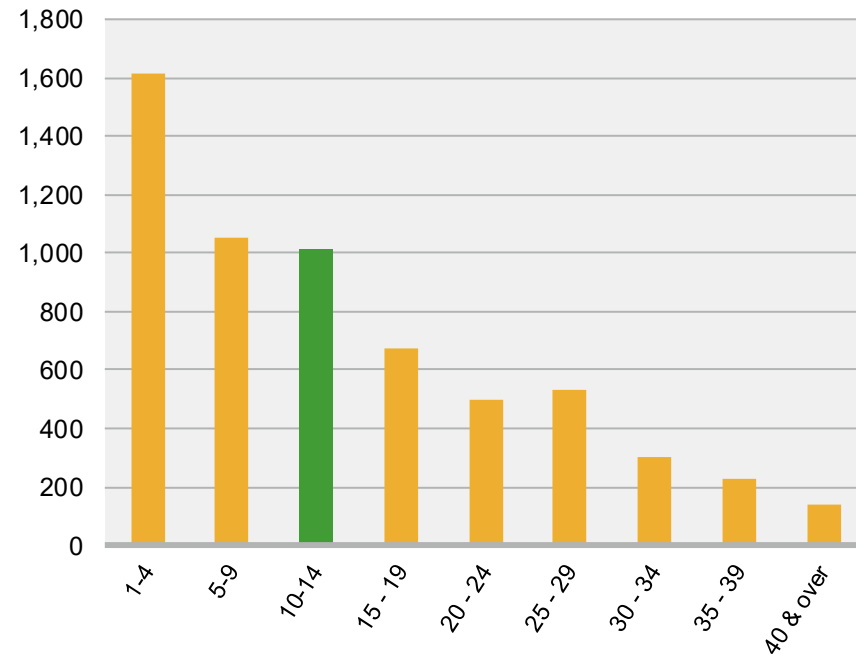
### Distribution of Active Participants as of December 31, 2017

**BY AGE**



<b>Average age</b>	<b>47.3</b>
Prior year average age	<u>47.3</u>
<b>Difference</b>	<b>0.0</b>

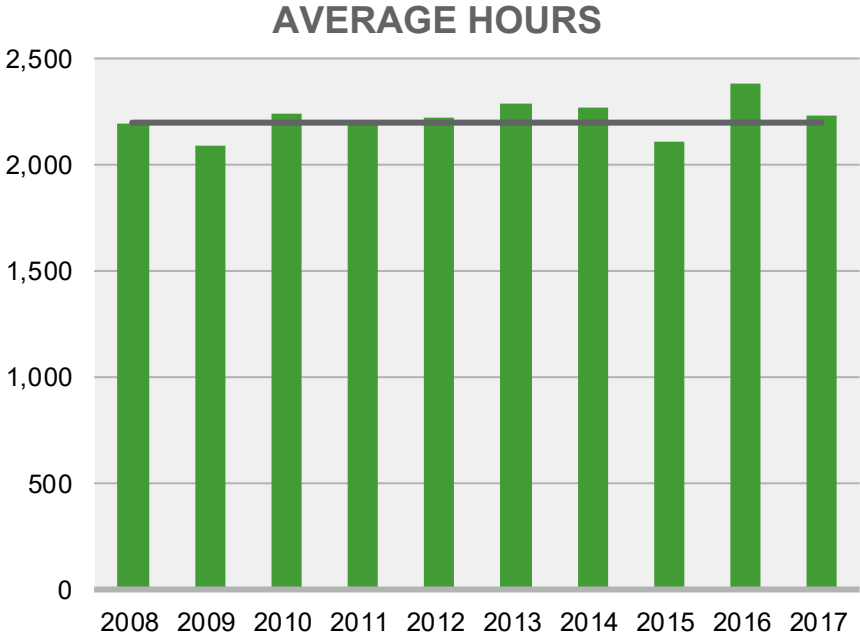
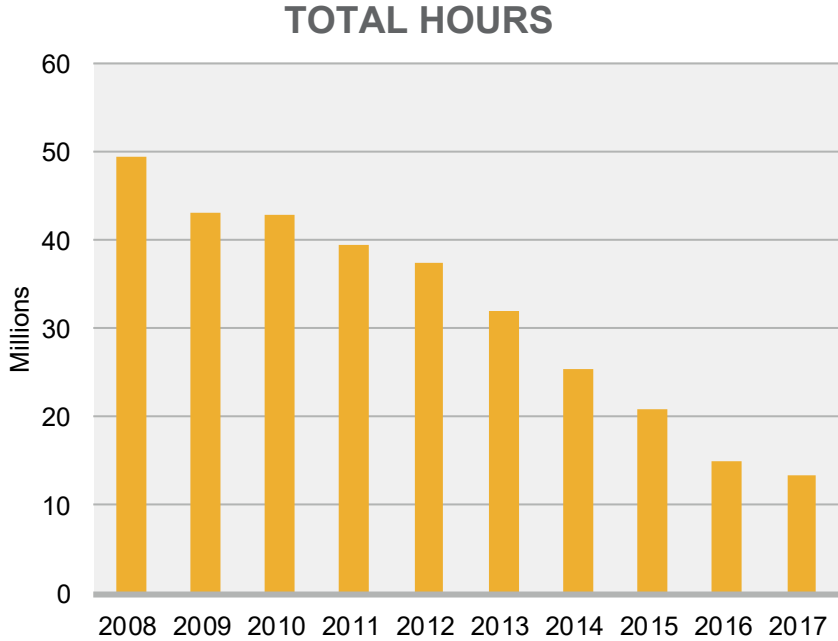
**BY PENSION CREDITS**



<b>Average pension credits</b>	<b>14.2</b>
Prior year average pension credits	<u>14.3</u>
<b>Difference</b>	<b>-0.1</b>

# Historical Employment

- The charts below show a history of hours worked over the last ten years. Additional detail is in *Section 3, Exhibit C*.
- The valuation is based on 6,046 actives, decreasing by participants from known employers withdrawn during or after 2017, 15% the following year, and 4% per year thereafter, and a long-term employment projection of 2,200 hours per active per year.



Historical Average Hours	
Last year	2,228
Last five years	2,254
Last 10 years	2,221
Long-term assumption	2,200

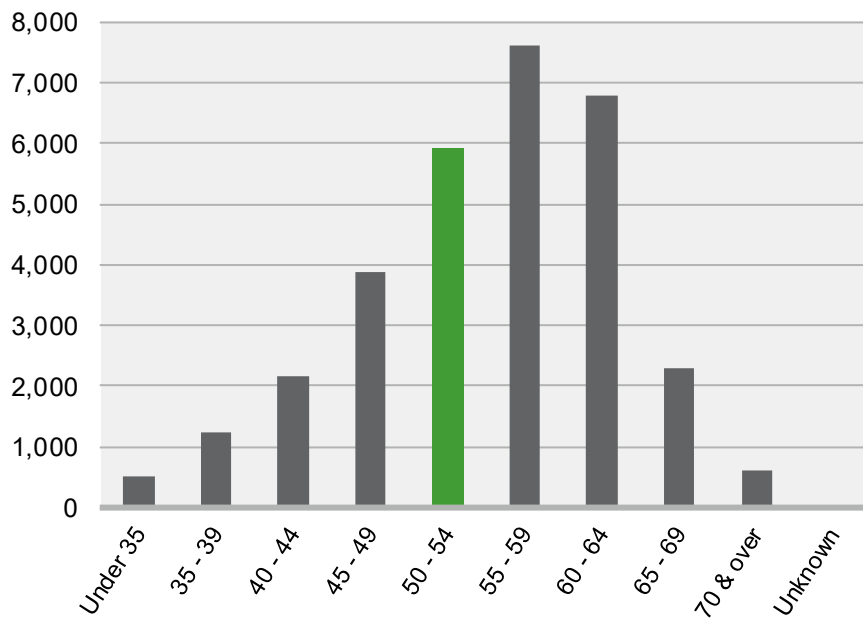
Note: The total hours of contributions are based on total contributions divided by the average contribution rate for the year, which may differ from the hours reported to the Fund Office.

## Inactive Vested Participants

- A participant who is not currently active and has satisfied the requirements for, but has not yet commenced, a pension is considered an “inactive vested” participant.
- There were 31,009 inactive vested participants this year, a decrease of 3.6% compared to 32,175 last year.

### Distribution of Inactive Vested Participants as of December 31, 2017

**BY AGE**

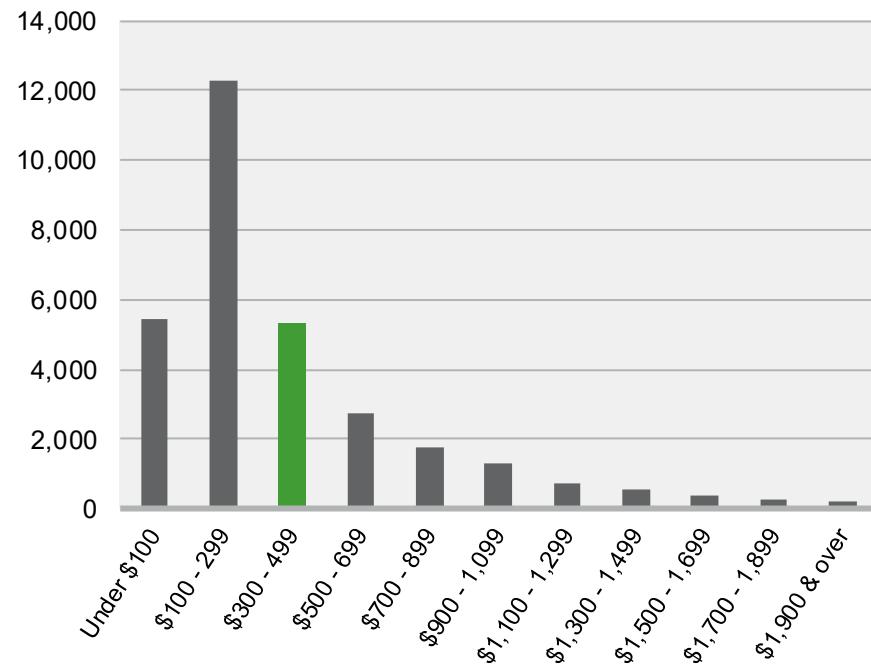


**Average age** 54.7

Prior year average age 54.3

**Difference** 0.4

**BY MONTHLY AMOUNT**



**Average amount** \$398

Prior year average amount \$415

**Difference** -\$17



## New Pensions Awarded

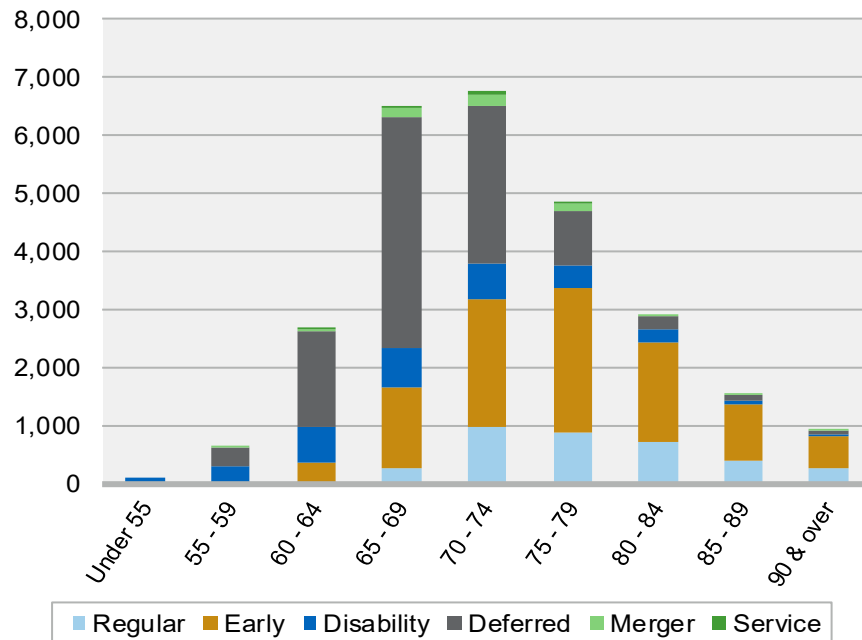
Year Ended December 31	Total		Regular		Early		Disability		Deferred		Merger		Service	
	Number	Average Amount	Number	Average Amount	Number	Average Amount	Number	Average Amount	Number	Average Amount	Number	Average Amount	Number	Average Amount
2008	1,248	\$590	194	\$690	267	\$1,006	128	\$1,007	631	\$313	17	\$228	11	\$326
2009	1,498	515	215	699	256	957	129	901	854	288	21	303	23	350
2010	1,831	670	281	828	421	1,223	127	1,106	934	339	35	277	33	367
2011	1,303	530	244	674	339	674	126	871	564	319	19	242	11	272
2012	1,321	481	243	521	292	647	110	969	653	318	21	188	2	608
2013	1,074	606	196	792	247	828	80	1,030	548	379	3	303	–	–
2014	1,655	567	195	858	202	1,013	116	1,179	1,119	376	23	374	–	–
2015	1,182	589	86	1,113	100	1,163	78	1,231	886	424	32	397	–	–
2016	1,569	620	81	881	101	1,440	85	1,151	1,259	511	43	335	–	–
2017	1,438	551	52	1,033	51	1,618	53	1,251	1,238	464	44	330	–	–

## Pay Status Information

- There were 26,828 pensioners and 4,837 beneficiaries this year, compared to 26,493 and 4,675, respectively, in the prior year.
- Monthly benefits for the Plan Year ending December 31, 2017 total \$15,818,039, as compared to \$15,419,782 in the prior year.

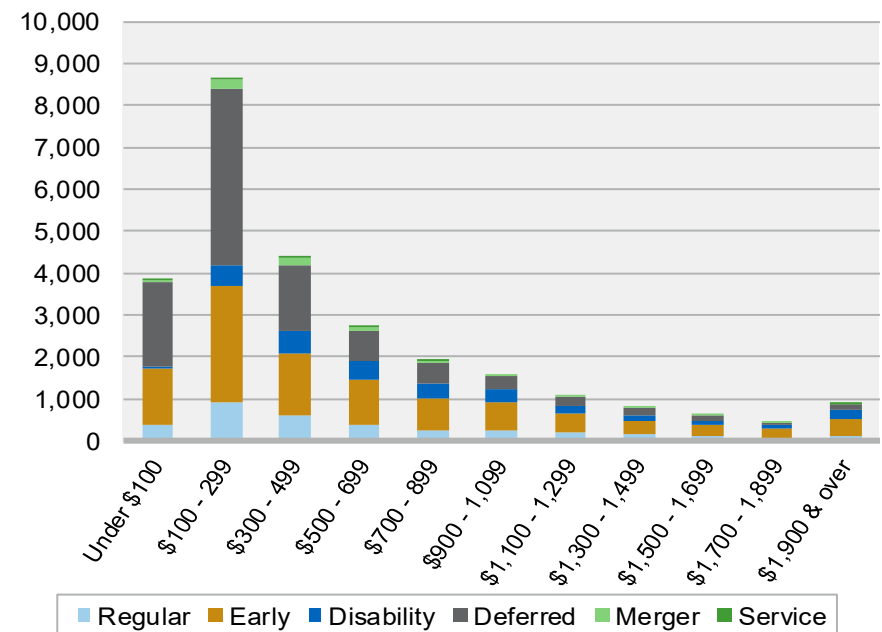
## Distribution of Pensioners as of December 31, 2017

### BY TYPE AND AGE



<b>Average age</b>	<b>72.9</b>
Prior year average age	<u>72.7</u>
<b>Difference</b>	<b>0.2</b>

### BY TYPE AND MONTHLY AMOUNT

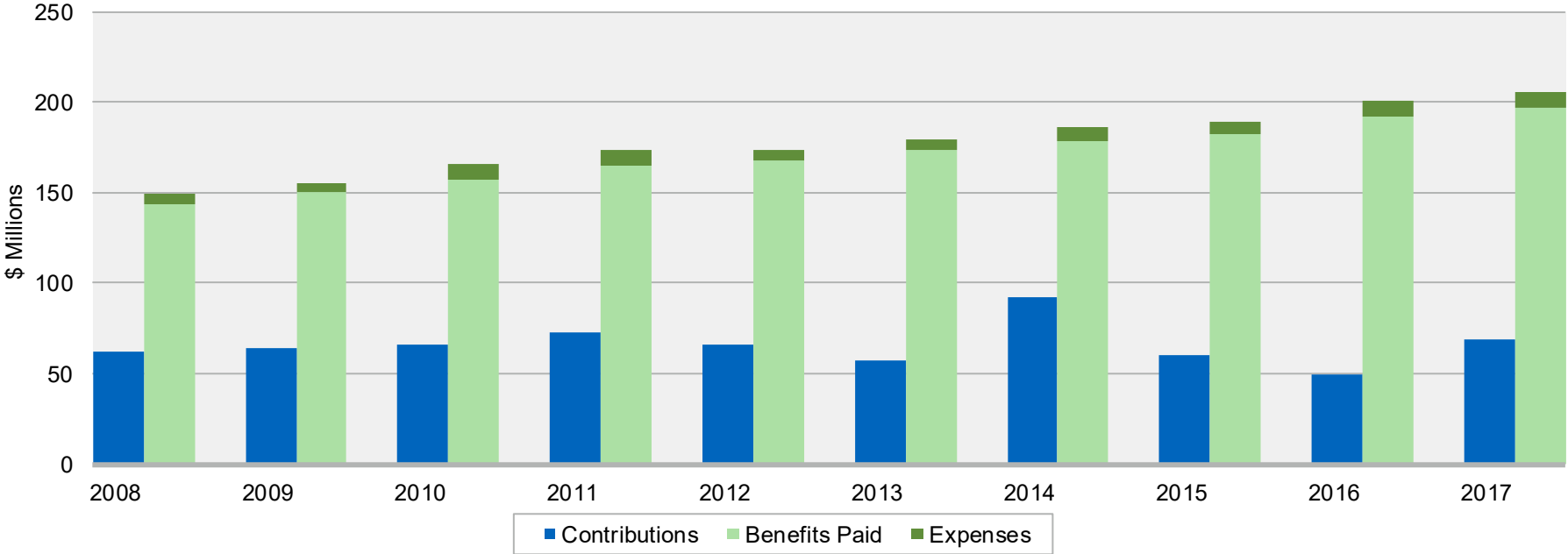


<b>Average amount</b>	<b>\$543</b>
Prior year average amount	<u>\$538</u>
<b>Difference</b>	<b>\$5</b>

## Financial Information

- Benefits and expenses are funded solely from contributions and investment earnings.
- Additional detail is in *Section 3, Exhibit E*.
- For the most recent year, benefit payments and expenses were 3.0 times contributions including withdrawal liability and funding deficiency payments.

**COMPARISON OF EMPLOYER CONTRIBUTIONS WITH BENEFITS AND EXPENSES PAID**



## Determination of Actuarial Value of Assets

- The asset valuation method gradually recognizes annual market value fluctuations to help mitigate volatility in the actuarial cost calculations.
- Less volatility in the actuarial cost better aligns with negotiated contribution rates.

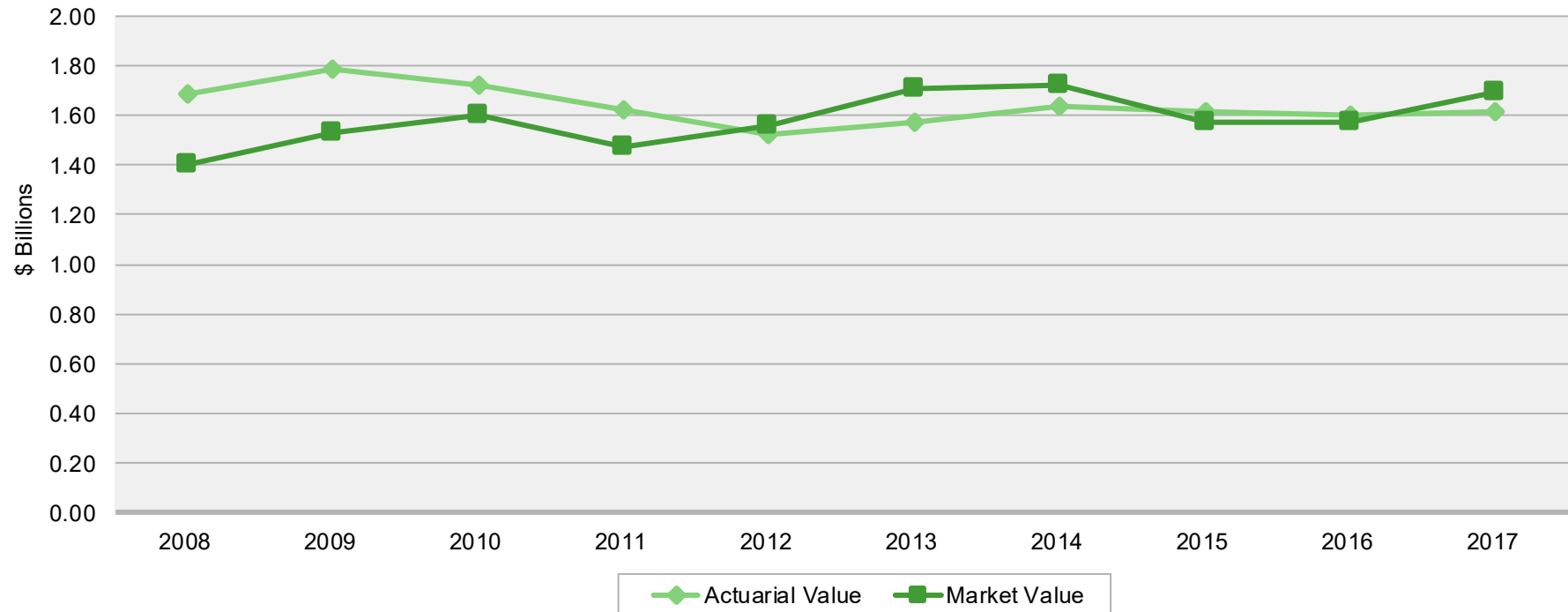
1	Market value of assets, December 31, 2017			\$1,693,474,951
2	Calculation of unrecognized return	<b>Original Amount<sup>1</sup></b>	<b>Unrecognized Return<sup>2</sup></b>	
	(a) Year ended December 31, 2017	\$149,410,076	\$119,528,060	
	(b) Year ended December 31, 2016	35,349,803	21,209,882	
	(c) Year ended December 31, 2015	-143,336,168	-57,334,467	
	(d) Year ended December 31, 2014	-18,054,715	-3,610,943	
	(e) Year ended December 31, 2013	164,155,978	<u>0</u>	
	(f) Total unrecognized return			\$79,792,532
3	Preliminary actuarial value: (1) - (2f)			1,613,682,419
4	Adjustment to be within 20% corridor			0
5	Final actuarial value of assets as of December 31, 2017: (3) + (4)			1,613,682,419
6	Actuarial value as a percentage of market value: (5) ÷ (1)			95.3%
7	Amount deferred for future recognition: (1) - (5)			\$79,792,532

1 Total return minus expected return on a market value basis

2 Recognition at 20% per year over 5 years

## Asset History for Years Ended December 31

### ACTUARIAL VALUE OF ASSETS VS. MARKET VALUE OF ASSETS



## Actuarial Experience

- Assumptions should reflect experience and should be based on reasonable expectations for the future.
- Each year actual experience is compared to that projected by the assumptions. Differences are reflected in the contribution requirement as an experience gain or loss.
- Assumptions are not changed if experience is believed to be a short-term development and that, over the long run, experience will return to assumed levels.
- The net experience variation for the year, other than investment experience, was less than 0.1% of the projected actuarial accrued liability from the prior valuation, and was not significant when compared to that liability.

### EXPERIENCE FOR THE YEAR ENDED DECEMBER 31, 2017

1	Gain from investments	\$35,096,553
2	Loss from administrative expenses	-1,245,102
3	Net loss from other experience	<u>-1,439,283</u>
4	<b>Net experience gain: 1 + 2 + 3</b>	<b><u>\$32,412,168</u></b>



## Actuarial Value Investment Experience

- Net investment income consists of expected investment income at the actuarially assumed rate of return, and an adjustment for market value changes. Investment expenses are subtracted.
- The actuarial value of assets does not yet fully recognize past investment gains and losses, which will affect future actuarial investment returns.

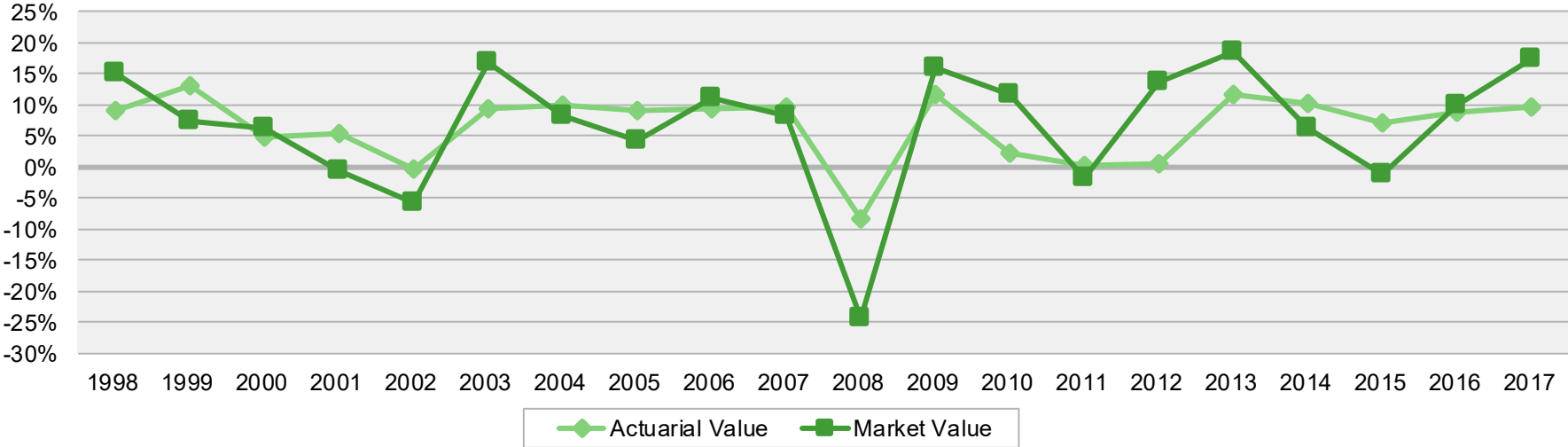
### INVESTMENT EXPERIENCE FOR THE YEAR ENDED DECEMBER 31, 2017

1	Net investment income	\$149,277,189
2	Average actuarial value of assets	1,522,408,474
3	Rate of return: $1 \div 2$	9.81%
4	Assumed rate of return	7.50%
5	Expected net investment income: $2 \times 4$	\$114,180,636
6	<b>Actuarial gain from investments: <math>1 - 5</math></b>	<b><u>\$35,096,553</u></b>

## Historical Investment Returns

- Actuarial planning is long term. The obligations of a pension plan are expected to continue for the lifetime of all its participants.
- The assumed long-term rate of return of 7.50% considers past experience, the Trustees’ asset allocation policy and future expectations.

**MARKET VALUE AND ACTUARIAL RATES OF RETURN FOR YEARS ENDED DECEMBER 31**



Average Rates of Return	Actuarial Value	Market Value
Most recent year return:	9.81%	17.53%
Most recent five-year average return:	9.51%	9.91%
Most recent ten-year average return:	5.03%	5.55%
20-year average return:	6.38%	6.23%

## Non-Investment Experience

### Administrative Expenses

- Administrative expenses for the year ended December 31, 2017 totaled \$9,204,246, as compared to the assumption of \$8,000,000. For the year beginning January 1, 2018, we have increased this assumption to \$9,500,000.

### Mortality Experience

- Mortality experience (more or fewer than expected deaths) yields actuarial gains or losses.
- The average number of deaths for nondisabled pensioners over the past five years was 947.6 per year compared to 780.4 projected deaths per year. The average number of deaths for disabled pensioners over the past five years was 130.4 per year compared to 124.7 projected deaths per year. However, the average number of deaths for pensioners is too small to be statistically credible. The mortality table used was published by the SOA in 2014 and is appropriate for the valuation of this plan.

### Other Experience

- Other differences between projected and actual experience include the extent of turnover among the participants, retirement experience (earlier or later than projected) and the number of disability retirements. We will continue to monitor all experience and evaluate if changes in assumptions are warranted.

## Actuarial Assumptions

- There were no other changes in assumptions since the prior valuation.
- Details on actuarial assumptions and methods are in *Section 4, Exhibit 8*.

## Plan Provisions and Contribution Rates

- There were no changes in plan provisions or contribution rates since the prior valuation.
- As of January 1, 2018, the average contribution rate is \$1.5410 per hour, compared to \$1.5300 per hour as of January 1, 2017.
- A summary of plan provisions is in *Section 4, Exhibit 9*.

## Pension Protection Act of 2006

### 2018 Actuarial Status Certification

- PPA '06 requires trustees to actively monitor their plans' financial prospects to identify emerging funding challenges so they can be addressed effectively. Details are shown in *Section 3, Exhibit I*.
- The 2018 certification, completed on March 29, 2018, was based on the liabilities calculated in the January 1, 2017 actuarial valuation, adjusted for subsequent events and projected to December 31, 2017, and estimated asset information as of December 31, 2017. The Trustees provided an industry activity assumption of active participants declining by 15% in each of 2017 and 2018 and 4% each year thereafter and that, on the average, contributions will be made for each active for 2,200 hours each year.
- This Plan was classified as critical and declining (in the *Red Zone*) because the funded percentage was 59.1% and there was a funding deficiency in the FSA, and the Plan was expected to be insolvent within 15 years.
- In addition, the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan.

Year	Zone Status
2008	GREEN
2009	GREEN
2010	RED
2011	RED
2012	RED
2013	RED
2014	RED
2015	RED
2016	RED
2017	RED
2018	RED

### Rehabilitation Plan Update

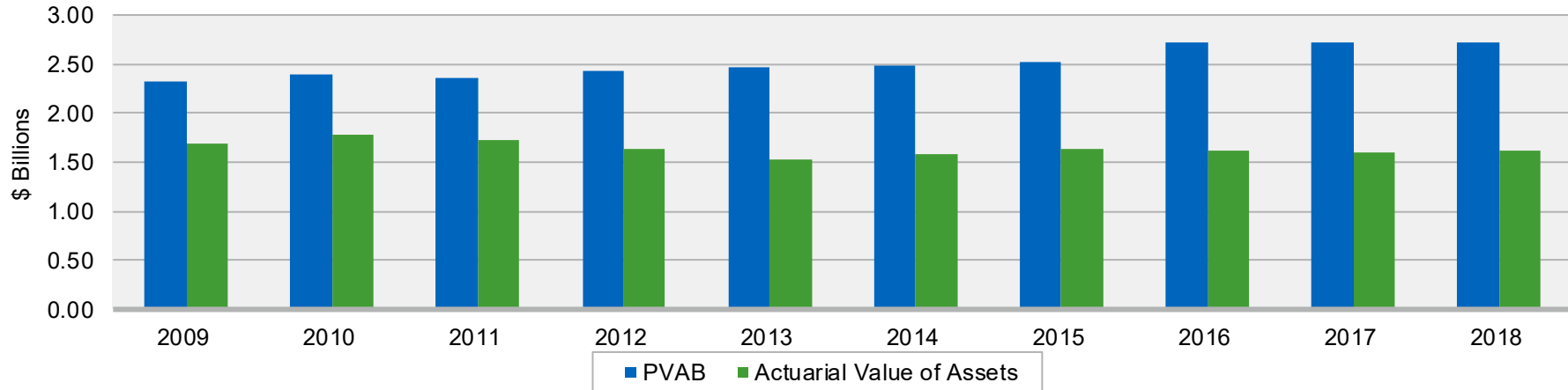
- Section 432(e)(3)(B) requires that the Trustees annually update the Rehabilitation Plan and Schedules.
- The Plan is operating under a Rehabilitation Plan first adopted on July 19, 2010, and reviewed in 2017, that is intended to forestall insolvency. That plan indicates that, based on reasonable expectations, the Fund's assets are projected to be exhausted in 2028 and therefore PBGC financial assistance will be needed to continue payment of Plan benefits at the reduced PBGC guaranteed benefit level.
- The annual standards in the Rehabilitation Plan are projected to be met based on this valuation.
- Segal will continue to assist the Trustees to evaluate and update the Rehabilitation Plan and prepare the required assessment of Scheduled Progress in meeting the requirements of the Rehabilitation Plan.

## Funding Standard Account (FSA)

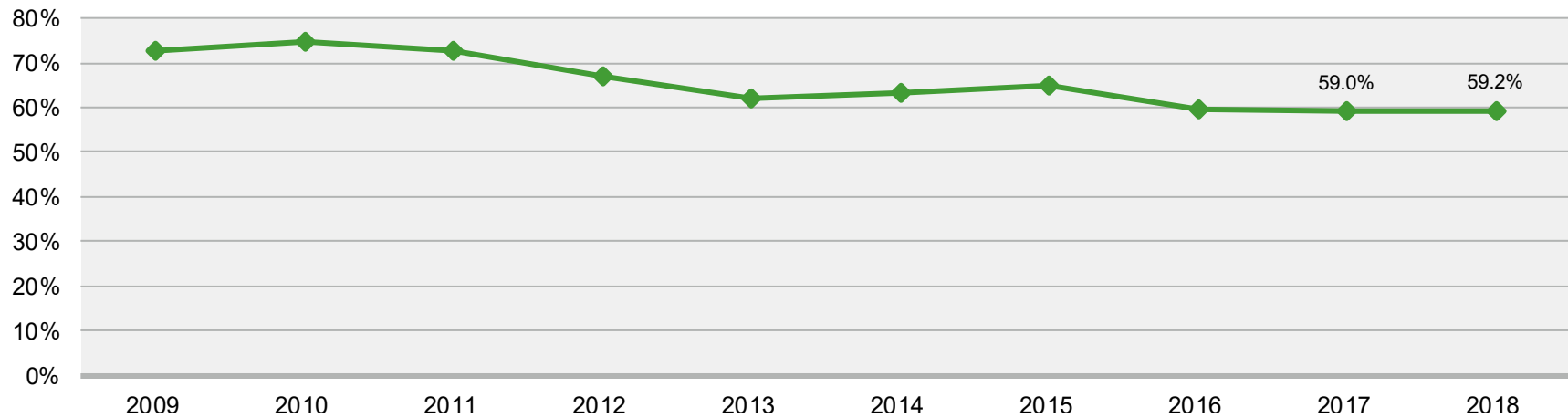
- On December 31, 2017, the FSA had a funding deficiency of \$370,009,733, as shown on the 2017 Schedule MB. Contributions meet the legal requirement on a cumulative basis if that account shows no deficiency. The funding deficiency is projected to continue to increase.
- Employers contributing to plans in critical status will generally not be penalized if a funding deficiency develops, provided the parties fulfill their obligations under the Rehabilitation Plan, including negotiation of bargaining agreements consistent with Schedules provided by the Trustees.
- The minimum funding requirement for the year beginning January 1, 2018 is \$541,361,796.
- The projected employer contributions for the year beginning January 1, 2018 are \$14,133,318. This takes into account the expected decline in the active population due to withdrawn employers. Including expected withdrawal liability payments of \$38,826,828 from previously withdrawn employers who have started making payments, total contributions projected for 2018 amount to \$52,960,146. Taking into account these contributions, the funding deficiency is projected to increase by approximately \$116.6 million to \$486.6 million as of December 31, 2018.
- A summary of the ERISA minimum funding requirements and the FSA for the year ended December 31, 2017 is included in *Section 3, Exhibit H*.

## PPA'06 Funded Percentage Historical Information

**PRESENT VALUE OF ACCRUED BENEFITS (PVAB) VS. ACTUARIAL VALUE OF ASSETS AS OF JANUARY 1**



**PPA '06 FUNDED PERCENTAGE AS OF JANUARY 1**

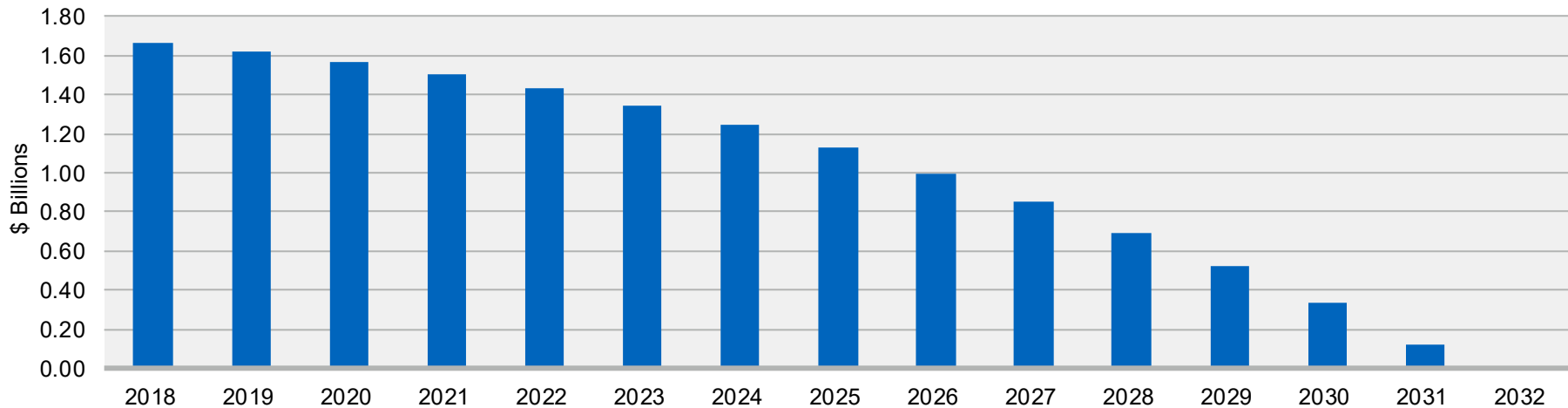




## Solvency Projection

- PPA '06 requires Trustees to monitor plan solvency - the ability to pay benefits and expenses when due. MPRA classifies red zone plans that are projected to become insolvent within 15 or 20 years as “critical and declining.” See *Section 3, Exhibit J* for more information.
- This Plan was certified as critical and declining based on a projected insolvency in 15 years.
- Based on this valuation, assets are projected to be exhausted in 2032, as shown below. This is one year later than projected in the prior year’s valuation.
- This projection is based on the plan of benefits and assumptions used for minimum funding and the most recent rehabilitation plan, adjusted for the following:
  - The active population decreasing by participants from known employers withdrawn during or after 2017, 15.0% the following year, and 4% each year thereafter
  - 3% inflation on administrative expenses
- The Plan is operating under a Rehabilitation Plan that is intended to forestall insolvency.

### PROJECTED ASSETS AS OF DECEMBER 31



**Additional scenarios would demonstrate sensitivity to investment return, employment and other alternative assumptions.**

## Funding Concerns and Risk

- The imbalance between the benefit levels in the Plan and the resources available to pay for them must be continue to monitored.
- The actions already taken to address this issue include are detailed in the Rehabilitation Plan.
- The imbalance between the benefit levels in the Plan and the resources available to pay for them should be reviewed.
- We are available to work with the Trustees to develop alternatives that may help address this imbalance.
- The actuarial valuation results are dependent on a single set of assumptions; however, there is a risk that emerging results may differ significantly as actual experience proves to be different from the current assumptions.
- We have not been engaged to perform a detailed analysis of the potential range of the impact of risk relative to the Plan's future financial condition, but have included a brief discussion of some risks that may affect the Plan.
- A more detailed assessment of the risks would provide the Trustees with a better understanding of the risks inherent in the Plan. This assessment may include scenario testing, sensitivity testing, stress testing and stochastic modeling.
- A detailed risk assessment could be important for your Plan because the Plan assets are projected to diminish within 15 years.

- Investment Risk (the risk that returns will be different than expected)

If the actual return on market value for the 2018 Plan Year were less than -13.6%, we project the Plan would no longer meet the annual standards for the Rehabilitation Plan for the 2019 Plan Year, based on a continuation of the industry activity assumption in this report.

As can be seen in Section 3, the market value rate of return over the last 20 years has ranged from a low of -24.41% to a high of 18.54%.

- Employment Risk (the risk that actual contributions will be different from projected contributions)

If withdrawal liability payments from all previously withdrawn employers are not received, we project insolvency to occur three years sooner.

- Longevity Risk (the risk that mortality experience will be different than expected)

➤ Other Demographic Risk (the risk that participant experience will be different than assumed)

Examples of this risk include:

- Actual retirements occurring earlier or later than assumed.
- More or less active participant turnover than assumed.
- Return to covered employment of previously inactive participants.

➤ Actual Experience over the Last 10 years and Implications for the Future

Past experience can help demonstrate the sensitivity of key results to the Plan's actual experience. Over the past ten years:

- The investment gain(loss) on market value for a year has ranged from a loss of \$607.6 million to a gain of \$164.2 million. If all investment returns were equal to the assumed return over the last ten years, the market value of assets as of the current valuation date would be approximately \$2.4 billion as opposed to the actual value of \$1.7 billion.
- The non-investment gain(loss) for a year has ranged from a loss of \$32.7 million, to a gain of \$11.2 million.
- The unfunded present value of vested benefits for withdrawal liability purposes has increased from a low of \$0.8 billion in 2009 to a high of \$2.0 billion in 2017.
- The funded percentage for PPA purposes has ranged from a low of 59.0% to a high of 72.5% since 2009.

➤ Maturity Measures

The risk associated with a pension plan increases as it becomes more mature, meaning that the actives represent a smaller portion of the liabilities of the plan. When this happens, there is a greater risk that fluctuations in the experience of the non-active participants or of the assets of the plan can result in large swings in the contribution requirements.

- Over the past ten years, the ratio of non-active participants to active participants has increased from a low of 2.42 to a high of 10.37.
- As of December 31, 2017, the retired life actuarial accrued liability represents 62% of the total actuarial accrued liability. In addition, the actuarial accrued liability for inactive vested participants represents 31% of the total. The higher the non-active actuarial accrued liability is as a percent of the total liability, the greater the danger of volatility in results.
- Benefits and administrative expenses less contributions totaled \$137.4 million as of December 31, 2017, 8% of the market value of assets. As the number of active participants continues to decline, the Plan is more dependent upon investment returns in order to pay benefits.

## Withdrawal Liability

- As of December 31, 2017, the preliminary actuarial present value of vested plan benefits for withdrawal liability purposes is \$3,517,890,900.
- For purposes of determining the present value of vested benefits, we excluded all benefits that are not protected by IRC Section 411(d)(6), including pre-retirement death benefits.
- Reductions in accrued benefits or contribution surcharges for a plan in critical status (*Red Zone*) are disregarded in determining an employer's allocation of the UVB. The Trustees have adopted a method for calculating the UVB effective for withdrawals that occur on and after January 1, 2012. The method is based on the PBGC's Technical Update 10-3, which describes how to account for the effect of benefit reductions that are implemented as part of a Rehabilitation Plan ("Affected Benefits") when a pension plan is in critical status.
- The unamortized value of all Affected Benefits pools (as shown in the chart below) is also included in the total present value of vested benefits of \$3,619,786,257 as of December 31, 2017.
- The \$106,074,346 decrease in the unfunded present value of vested benefits from the prior year is primarily due to the market value investment gain during 2017.

	December 31	
	2016	2017
1 Present value of vested benefits (PVVB) measured as of valuation date	\$3,492,384,804	\$3,517,890,900
2 Unamortized value of Affected Benefits pools	<u>109,645,770</u>	<u>101,895,357</u>
3 Total present value of vested benefits: 1 + 2	\$3,602,030,574	\$3,619,786,257
4 Market value of assets	<u>1,569,644,922</u>	<u>1,693,474,951</u>
5 Unfunded present value of vested benefits (UVB): 3 - 4, not less than \$0	\$2,032,385,652	\$1,926,311,306

## Withdrawal Liability Assumptions

- The actuarial assumptions and methods are reasonable (taking into account the experience of the Plan and reasonable expectations) and, in combination, represent the actuary's best estimate of anticipated experience under the Plan to determine the unfunded vested benefits for withdrawal liability purposes.
- The interest rate is based on a blend, which includes rates selected based on estimated annuity purchase rates for benefits being settled, because withdrawal liability is a final settlement of an employer's obligations to the Plan. For benefits that could be settled immediately, because assets on hand are sufficient, the annuity purchase rates are those promulgated by PBGC under ERISA Sec. 4044 for multiemployer plans terminating by mass withdrawal on the measurement date. For benefits that cannot be settled immediately because they are not currently funded, the calculation uses rates equal to the interest rate used for plan funding calculations.

<b>Interest</b>	For liabilities up to market value of assets, 2.34% for 20 years and 2.63% beyond (1.98% for 20 years and 2.67% beyond, in the prior year valuation). For liabilities in excess of market value of assets, same as used for plan funding.
<b>Administrative Expenses</b>	Calculated as prescribed by PBGC formula (29 CFR Part 4044, Appendix C); not applicable to those liabilities determined using funding interest rates.
<b>Mortality</b>	Same as used for plan funding.
<b>Retirement Rates</b>	Same as used for plan funding.

## Disclosure Requirements

### Annual Funding Notice

- The actuarial information to be provided in the annual funding notice is shown in *Section 3, Exhibit G*.
- The value of plan benefits earned to date as of January 1, 2018 is \$2,726,820,917 using the long-term funding interest rate of 7.50%. As the actuarial value of assets is \$1,613,682,419, the Plan's funded percentage is 59.2%, compared to 59.0% in the prior year.

### Current Liability

- The Plan's current liability as of January 1, 2018 is \$4,844,534,958 using an interest rate of 2.98%. As the market value of assets is \$1,693,474,951, the funded current liability percentage is 35.0%. This is required to be disclosed on the 2018 Schedule MB of IRS Form 5500 since it is less than 70%. Details are shown in *Section 4, Exhibit 3*.

### Accounting Information

- The Financial Accounting Standards Board (FASB) requires determination of the present value of accumulated plan benefits - the single-sum value of the benefits, vested or not, earned by participants as of the valuation date. Additional details on the present value of the accumulated plan benefits can be found in *Section 4, Exhibit 2*.



## Section 3: Supplementary Information

### EXHIBIT A - TABLE OF PLAN COVERAGE

Category	Year Ended December 31		Change from Prior Year
	2016	2017	
<b>Participants in Fund Office tabulation</b>	6,833	6,638	-2.9%
Less: Participants with less than one pension credit	551	592	N/A
<b>Active participants in valuation:</b>			
• Number	6,282	6,046	-3.8%
• Average age	47.3	47.3	0.0
• Average pension credits	14.3	14.2	-0.1
• Average contribution rate for upcoming year	\$1.545	\$1.541	-0.3%
• Average accrual rate for upcoming year	\$44.35	\$44.65	0.7%
• Number with unknown age	261	323	23.8%
• Total active vested participants	4,838	4,648	-3.9%
<b>Inactive participants with rights to a pension:</b>			
• Number	32,175	31,009	-3.6%
• Average age	54.3	54.7	0.4
• Average monthly benefit	\$415	\$398	-4.1%
<b>Pensioners:</b>			
• Number in pay status	26,493	26,828	1.3%
• Average age	72.7	72.9	0.2
• Average monthly benefit	\$538	\$543	0.9%
• Number of alternate payees in pay status	377	412	9.3%
<b>Beneficiaries:</b>			
• Number in pay status	4,675	4,837	3.5%
• Average age	74.1	74.4	0.3
• Average monthly benefit	\$252	\$259	2.8%
<b>Total Participants</b>	<b>69,625</b>	<b>68,720</b>	<b>-1.3%</b>

## EXHIBIT B - PARTICIPANT POPULATION

Year Ended December 31	Active Participants	Inactive Vested Participants	Pensioners and Beneficiaries	Ratio of Non-Actives to Actives
2008	22,595	28,188	26,533	2.42
2009	20,622	28,071	27,191	2.68
2010	19,183	27,839	28,344	2.93
2011	17,932	28,530	28,786	3.20
2012	16,819	28,577	29,220	3.44
2013	13,980	30,196	29,292	4.26
2014	11,224	31,171	30,083	5.46
2015	9,934	31,042	30,346	6.18
2016	6,282	32,175	31,168	10.08
2017	6,046	31,009	31,665	10.37

## EXHIBIT C - EMPLOYMENT HISTORY

Year Ended December 31	Total Hours of Contributions <sup>1</sup>		Active Participants		Average Hours of Contributions	
	Number	Percent Change	Number	Percent Change	Number	Percent Change
2008	49,551,831	-4.6%	22,595	-3.2%	2,193	-1.5%
2009	43,038,525	-13.1%	20,622	-8.7%	2,087	-4.8%
2010	42,951,714	-0.2%	19,183	-7.0%	2,239	7.3%
2011	39,389,046	-8.3%	17,932	-6.5%	2,197	-1.9%
2012	37,396,433	-5.1%	16,819	-6.2%	2,223	1.2%
2013	31,922,037	-14.6%	13,980	-16.9%	2,283	2.7%
2014	25,509,783	-20.1%	11,224	-19.7%	2,273	-0.4%
2015	20,905,919	-18.0%	9,934	-11.5%	2,104	-7.4%
2016	14,965,823	-28.4%	6,282	-36.8%	2,382	13.2%
2017	13,470,674	-10.0%	6,046	-3.8%	2,228	-6.5%
<b>Five-year average hours:</b>					<b>2,254</b>	
<b>Ten-year average hours:</b>					<b>2,221</b>	

<sup>1</sup> The total hours of contributions are based on total contributions divided by the average contribution rate for the year, which may differ from the hours reported to the Fund Office.

**EXHIBIT D – PROGRESS OF PENSION ROLLS OVER THE PAST TEN YEARS**  
**IN PAY STATUS AT YEAR END**

Year	Number	Average Age	Average Amount	Terminations <sup>1</sup>	Additions <sup>2</sup>
2008	23,087	71.3	\$478	965	1,462
2009	23,651	71.4	483	1,065	1,629
2010	24,600	71.4	499	976	1,925
2011	24,925	71.6	505	1,026	1,351
2012	25,241	71.8	508	1,038	1,354
2013	25,212	72.1	516	1,138	1,109
2014	25,825	72.2	523	1,100	1,713
2015	25,941	72.5	530	1,133	1,249
2016	26,493	72.7	538	1,075	1,627
2017	26,828	72.9	543	1,152	1,487

<sup>1</sup> Terminations include pensioners who died or were suspended during the prior plan year.

<sup>2</sup> Additions to the pension rolls include new pensions awarded, previously unreported pensioners and suspended pensioners who have been reinstated.

## EXHIBIT E - SUMMARY STATEMENT OF INCOME AND EXPENSES ON AN ACTUARIAL BASIS

	Year Ended December 31, 2016	Year Ended December 31, 2017
<b>Contribution income:</b>		
• Employer contributions	\$22,401,783	\$20,758,603
• Withdrawal liability payments	26,613,551	46,013,658
• Funding deficiency payments	<u>488,275</u>	<u>1,383,548</u>
<i>Net contribution income</i>	\$49,503,609	\$68,155,809
<b>Investment income:</b>		
• Expected investment income	\$114,843,766	\$114,180,636
• Adjustment toward market value	<u>21,610,031</u>	<u>35,096,553</u>
<i>Net investment income</i>	136,453,797	149,277,189
<i>Other Income</i>	352,184	446,830
<b>Total income available for benefits</b>	<b>\$186,309,590</b>	<b>\$217,879,828</b>
<b>Less benefit payments and expenses:</b>		
• Pension benefits	-\$191,977,170	-\$196,750,634
• Administrative expenses	<u>-9,161,032</u>	<u>-9,204,246</u>
<i>Total benefit payments and expenses</i>	-\$201,138,202	-\$205,954,880
<b>Change in reserve for future benefits</b>	<b>-\$14,828,612</b>	<b>\$11,924,948</b>
<b>Net assets at market value</b>	<b>\$1,569,644,922</b>	<b>\$1,693,474,951</b>
<b>Net assets at actuarial value</b>	<b>\$1,601,757,471</b>	<b>\$1,613,682,419</b>

## EXHIBIT F - INVESTMENT RETURN – ACTUARIAL VALUE VS. MARKET VALUE

Year Ended December 31	Actuarial Value Investment Return		Market Value Investment Return		Year Ended December 31	Actuarial Value Investment Return		Market Value Investment Return	
	Amount	Percent	Amount	Percent		Amount	Percent	Amount	Percent
1998	\$95,411,713	9.10%	\$173,030,938	15.15%	2008	-\$154,409,191	-8.24%	-\$464,748,570	-24.41%
1999	145,200,483	12.98%	95,233,318	7.39%	2009	189,294,732	11.61%	214,659,851	15.90%
2000	58,388,667	4.72%	83,929,388	6.18%	2010	38,829,217	2.25%	172,141,502	11.72%
2001	69,112,131	5.47%	-7,126,582	-0.51%	2011	3,893,495	0.23%	-26,444,503	-1.72%
2002	-6,428,213	-0.43%	-91,579,779	-5.83%	2012	8,080,971	0.52%	191,658,195	13.60%
2003	133,971,662	9.37%	241,145,061	16.87%	2013	168,203,765	11.55%	275,661,775	18.54%
2004	150,411,031	9.98%	133,762,572	8.29%	2014	154,401,904	10.19%	105,940,595	6.41%
2005	145,041,478	9.09%	72,518,279	4.30%	2015	113,002,433	7.25%	-19,679,976	-1.19%
2006	158,518,633	9.38%	187,514,401	10.98%	2016	136,453,797	8.91%	146,994,570	9.87%
2007	171,090,405	9.58%	152,823,572	8.34%	2017	149,277,189	9.81%	261,182,270	17.53%
					Total	\$1,927,746,302		\$1,898,616,877	
							<b>9.51%</b>		<b>9.91%</b>
							<b>5.03%</b>		<b>5.55%</b>
							<b>6.38%</b>		<b>6.23%</b>

Note: Each year's yield is weighted by the average asset value in that year.



## EXHIBIT G - ANNUAL FUNDING NOTICE FOR PLAN YEAR BEGINNING JANUARY 1, 2018 AND ENDING DECEMBER 31, 2018

	2018 Plan Year	2017 Plan Year	2016 Plan Year
Actuarial valuation date	January 1, 2018	January 1, 2017	January 1, 2016
Funded percentage	59.2%	59.0%	59.5%
Value of assets	\$1,613,682,419	\$1,601,757,471	\$1,616,586,083
Value of liabilities	2,726,820,917	2,715,051,995	2,717,999,140
Fair market value of assets as of plan year end	Not available	1,693,474,951	1,569,644,922

### Critical or Endangered Status

The Plan was in critical and declining status in the plan year because there was a funding deficiency in the Funding Standard Account and the Plan is projected to be insolvent within 15 years. In an effort to improve the Plan's funding situation, the Trustees adopted a Rehabilitation Plan that is intended to forestall insolvency.

## EXHIBIT H - FUNDING STANDARD ACCOUNT

- ERISA imposes a minimum funding standard that requires the Plan to maintain an FSA. The accumulation of contributions in excess of the minimum required contributions is called the FSA credit balance. If actual contributions fall short on a cumulative basis, a funding deficiency has occurred. For a plan that is in critical status under PPA '06, employers will generally not be penalized if a funding deficiency develops, provided the parties fulfill their obligations in accordance with the Rehabilitation Plan developed by the Trustees and the negotiated bargaining agreements reflect that Rehabilitation Plan.
- The FSA is charged with the normal cost and the amortization of increases or decreases in the unfunded actuarial accrued liability due to plan amendments, experience gains or losses and changes in actuarial assumptions and funding methods. The FSA is credited with employer contributions, funding deficiency payments and withdrawal liability payments. All items, including the prior credit balance or deficiency, are adjusted with interest at the actuarially assumed rate.
- Increases or decreases in the unfunded actuarial accrued liability are amortized over 15 years except that short-term benefits, such as 13<sup>th</sup> checks, are amortized over the scheduled payout period.

### FSA FOR THE YEAR ENDED DECEMBER 31, 2017

Charges		Credits			
1	Prior year funding deficiency	\$249,856,997	6	Prior year credit balance	\$0
2	Normal cost, including administrative expenses	17,914,155	7	Employer contributions	68,155,809
3	Total amortization charges	202,576,048	8	Total amortization credits	60,571,946
4	Interest to end of the year	<u>35,276,040</u>	9	Interest to end of the year	6,885,752
5	<i>Total charges</i>	<i>\$505,623,240</i>	10	Full-funding limitation credit	<u>0</u>
			11	<i>Total credits</i>	<i>\$135,613,507</i>
				<b>Credit balance (Funding deficiency):</b>	<b><u>-\$370,009,733</u></b>
				11 - 5	

## EXHIBIT I - MAXIMUM DEDUCTIBLE CONTRIBUTION

- Employers that contribute to defined benefit pension plans are allowed a current deduction for payments to such plans. There are various measures of a plan’s funded level that are considered in the development of the maximum deductible contribution amount.
- One of the limits is the excess of 140% of “current liability” over assets. “Current liability” is one measure of the actuarial present value of all benefits earned by the participants as of the valuation date. This limit is significantly higher than the current contribution level.
- Contributions in excess of the maximum deductible amount are not prohibited; only the deductibility of these contributions is subject to challenge and may have to be deferred to a later year. In addition, if contributions are not fully deductible, an excise tax in an amount equal to 10% of the non-deductible contributions may be imposed. However, the plan sponsor may elect to exempt the non-deductible amount up to the ERISA full-funding limitation from the excise tax.
- The Trustees should review the interpretation and applicability of all laws and regulations concerning any issues as to the deductibility of contribution amounts with Fund Counsel.

1	Normal cost, including administrative expenses	\$19,081,453
2	Amortization of unfunded actuarial accrued liability	150,854,525
3	Preliminary maximum deductible contribution: 1 + 2, with interest to the end of the plan year	\$182,681,176
4	Full-funding limitation (FFL)	2,814,714,123
5	Preliminary maximum deductible contribution, adjusted for FFL: lesser of 3 and 4	182,681,176
6	Current liability for maximum deductible contribution, projected to the end of the plan year	4,815,918,651
7	Actuarial value of assets, projected to the end of the plan year	1,519,612,663
8	Excess of 140% of current liability over projected assets at end of plan year: [140% of (6)] - (7), not less than zero	5,222,673,448
9	End of year minimum required contribution	541,361,796
	<b>Maximum deductible contribution: greatest of 5, 8, and 9</b>	<b>\$5,222,673,448</b>

## EXHIBIT J - PENSION PROTECTION ACT OF 2006

### PPA'06 Zone Status

- Based on projections of the credit balance in the FSA, the funded percentage, and cash flow sufficiency tests, plans are categorized in one of three “zones”: critical status, endangered status, or neither.
- The funded percentage is determined using the actuarial value of assets and the present value of benefits earned to date, based on the actuary’s best estimate assumptions.

#### Critical Status (Red Zone)

A plan is classified as being in critical status (the *Red Zone*) if:

- The funded percentage is less than 65%, and either there is a projected FSA deficiency within five years or the plan is projected to be unable to pay benefits within seven years, or
- There is a projected FSA deficiency within four years, or
- There is a projected inability to pay benefits within five years, or
- The present value of vested benefits for inactive participants exceeds that for actives, contributions are less than the value of the current year’s benefit accruals plus interest on existing unfunded accrued benefit liabilities, and there is a projected FSA deficiency within five years, or
- As permitted by the Multiemployer Pension Reform Act of 2014, the plan is projected to be in the *Red Zone* within the next five years and the plan sponsor elects to be in critical status.

A critical status plan is further classified as being in critical and declining status if:

- The ratio of inactives to actives is at least 2 to 1, and there is an inability to pay benefits projected within 20 years, or
- The funded percentage is less than 80%, and there is an inability to pay benefits projected within 20 years, or
- There is an inability to pay benefits projected within 15 years.

Any amortization extensions are ignored for testing initial entry into the *Red Zone*.

The Trustees are required to adopt a formal Rehabilitation Plan, designed to allow the plan to emerge from critical status by the end of the rehabilitation period. If they determine that such emergence is not reasonable, the Rehabilitation Plan must be designed to emerge as of a later time or to forestall possible insolvency.

Trustees of *Red Zone* plans have tools, such as the ability to reduce or eliminate early retirement subsidies, to remedy the situation. Accelerated forms of benefit payment (such as lump sums) are prohibited. However, unless the plan is critical and declining, Trustees may not reduce benefits of participants who retired before being notified of the plan’s critical status (other than rolling back recent benefit increases) or alter core retirement benefits payable at normal retirement age.

**Endangered Status (Yellow Zone)**

A plan not in critical status (*Red Zone*) is classified as being in endangered status (the *Yellow Zone*) if:

- The funded percentage is less than 80%, or
- There is a projected FSA deficiency within seven years.

A plan that has both of the endangered conditions present is classified as seriously endangered.

Trustees of a plan that was in the *Green Zone* in the prior year can elect not to enter the *Yellow Zone* in the current year (although otherwise required to do so) if the plan's current provisions would be sufficient (with no further action) to allow the plan to emerge from the *Yellow Zone* within 10 years.

The Trustees are required to adopt a formal Funding Improvement Plan, designed to improve the current funded percentage, and avoid a funding deficiency as of the emergence date.

**Green Zone**

A plan not in critical status (the *Red Zone*) nor in endangered status (the *Yellow Zone*) is classified as being in the *Green Zone*.

**Early Election of Critical Status**

Trustees of a *Green* or *Yellow Zone* plan that is projected to enter the *Red Zone* within the next five years must elect whether or not to enter the *Red Zone* for the current year.

## Section 4: Certificate of Actuarial Valuation

DECEMBER 11, 2018

### CERTIFICATE OF ACTUARIAL VALUATION

This is to certify that Segal Consulting, a Member of The Segal Group, Inc. (“Segal”) has prepared an actuarial valuation of the PACE Industry Union-Management Pension Fund as of January 1, 2018 in accordance with generally accepted actuarial principles and practices. It has been prepared at the request of the Board of Trustees to assist in administering the Fund and meeting filing requirements of federal government agencies. This valuation report may not otherwise be copied or reproduced in any form without the consent of the Board of Trustees and may only be provided to other parties in its entirety.

The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law.

The valuation is based on the assumption that the Plan is qualified as a multiemployer plan for the year and on information supplied by the auditor with respect to contributions and assets and reliance on the Plan Administrator with respect to the participant data. Segal Consulting does not audit the data provided. The accuracy and comprehensiveness of the data is the responsibility of those supplying the data. To the extent we can, however, Segal does review the data for reasonableness and consistency. Based on our review of the data, we have no reason to doubt the substantial accuracy of the information on which we have based this report and we have no reason to believe there are facts or circumstances that would affect the validity of these results. Adjustments for incomplete or apparently inconsistent data were made as described in the attached *Exhibit 8*.

I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of my knowledge, the information supplied in this actuarial valuation is complete and accurate, except as noted in *Exhibit 1*. Each prescribed assumption for the determination of Current Liability 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.




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Susan L. Boyle, FSA, FCA, MAAA  
Senior Vice President and Actuary  
Enrolled Actuary No. 17-06862



## EXHIBIT 1 - SUMMARY OF ACTUARIAL VALUATION RESULTS

The valuation was made with respect to the following data supplied to us by the Plan Administrator:

Pensioners as of the valuation date (including 4,837 beneficiaries in pay status)		31,665
Participants inactive during year ended December 31, 2017 with vested rights (including six participants with unknown age)		31,009
Participants active during the year ended December 31, 2017 (including 323 participants with unknown age)		6,046
• Fully vested	4,648	
• Not vested	1,398	
<b>Total participants</b>		<b>68,720</b>

The actuarial factors as of the valuation date are as follows:

Normal cost, including administrative expenses		\$19,081,453
Actuarial present value of projected benefits		2,799,227,422
Present value of future normal costs		72,406,505
<b>Actuarial accrued liability</b>		2,726,820,917
• Pensioners and beneficiaries <sup>1</sup>	\$1,679,580,001	
• Inactive participants with vested rights	834,010,398	
• Active participants	213,230,518	
Actuarial value of assets (\$1,693,474,951 at market value as reported by Fraser, Dean and Howard PLLC)		\$1,613,682,419
Unfunded actuarial accrued liability		1,113,138,498

<sup>1</sup> Includes liabilities for 412 former spouses in pay status.

## EXHIBIT 2 - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

The actuarial present value of accumulated plan benefits calculated in accordance with FASB ASC 960 is shown below as of January 1, 2017 and as of January 1, 2018. In addition, the factors that affected the change between the two dates follow.

	Benefit Information Date	
	January 1, 2017	January 1, 2018
Actuarial present value of vested accumulated plan benefits:		
• Participants currently receiving payments	\$1,636,788,781	\$1,679,580,001
• Other vested benefits	<u>1,066,256,955</u>	<u>1,035,378,133</u>
• Total vested benefits	\$2,703,045,736	\$2,714,958,134
Actuarial present value of non-vested accumulated plan benefits	12,006,259	11,862,783
<b>Total actuarial present value of accumulated plan benefits</b>	<b>\$2,715,051,995</b>	<b>\$2,726,820,917</b>

Factors	Change in Actuarial Present Value of Accumulated Plan Benefits
Benefits accumulated, net experience gain or loss, changes in data	\$12,883,651
Benefits paid	-196,750,634
Interest	195,635,905
<b>Total</b>	<b>\$11,768,922</b>

### EXHIBIT 3 - CURRENT LIABILITY

The table below presents the current liability for the Plan Year beginning January 1, 2018.

Item <sup>1</sup>	Amount
Retired participants and beneficiaries receiving payments	\$2,505,866,866
Inactive vested participants	1,855,388,648
Active participants	
• Non-vested benefits	\$19,687,614
• Vested benefits	<u>463,591,830</u>
• <i>Total active</i>	\$483,279,444
<b>Total</b>	<b>\$4,844,534,958</b>
Expected increase in current liability due to benefits accruing during the plan year	\$26,665,963
Expected release from current liability for the plan year	197,259,953
Expected plan disbursements for the plan year, including administrative expenses of \$9,500,000	206,759,953
Current value of assets	\$1,693,474,951
Percentage funded for Schedule MB	34.9%

<sup>1</sup> The actuarial assumptions used to calculate these values are shown in Exhibit 8.

## EXHIBIT 4 - INFORMATION ON PLAN STATUS AS OF JANUARY 1, 2018

Plan status (as certified on March 29, 2018, for the 2018 zone certification)	<b><i>Critical and Declining</i></b>
Scheduled progress (as certified on March 29, 2018, for the 2018 zone certification)	Yes
Actuarial value of assets for FSA	\$1,613,682,419
Accrued liability under unit credit cost method	2,726,820,917
Funded percentage for monitoring plan's status	59.2%
Year in which insolvency is expected	2032

**EXHIBIT 5 - SCHEDULE OF PROJECTION OF EXPECTED BENEFIT PAYMENTS**  
 (SCHEDULE MB, LINE 8b(1))

Plan Year	Expected Annual Benefit Payments <sup>1</sup>
2018	\$196,975,305
2019	200,749,982
2020	204,652,294
2021	208,802,028
2022	213,334,603
2023	217,915,089
2024	222,559,539
2025	226,359,478
2026	229,645,469
2027	232,232,163

<sup>1</sup> Assuming as of the valuation date:

- no additional accruals,
- experience is in line with valuation assumptions, and
- no new entrants are covered by the plan.

**EXHIBIT 6 - SCHEDULE OF ACTIVE PARTICIPANT DATA**  
(SCHEDULE MB, LINE 8b(2))

The participant data is for the year ended December 31, 2017.

Age	Total	Pension Credits								
		1-4	5-9	10-14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 & over
Under 25	104	101	3	–	–	–	–	–	–	–
25 - 29	383	279	95	9	–	–	–	–	–	–
30 - 34	469	238	158	72	1	–	–	–	–	–
35 - 39	525	172	167	122	59	5	–	–	–	–
40 - 44	644	159	165	147	111	59	3	–	–	–
45 - 49	785	131	142	178	136	111	83	4	–	–
50 - 54	921	98	123	163	135	133	185	79	5	–
55 - 59	1,043	73	128	175	135	106	163	130	121	12
60 - 64	694	29	56	112	82	63	85	86	89	92
65 - 69	141	9	15	29	11	18	13	6	11	29
70 & over	14	1	1	2	1	–	2	–	2	5
Unknown	323	323	–	–	–	–	–	–	–	–
<b>Total</b>	<b>6,046</b>	<b>1,613</b>	<b>1,053</b>	<b>1,009</b>	<b>671</b>	<b>495</b>	<b>534</b>	<b>305</b>	<b>228</b>	<b>138</b>

Note: Excludes 592 participants with less than one pension credit.



## EXHIBIT 7 - FUNDING STANDARD ACCOUNT

The table below presents the FSA for the Plan Year ending December 31, 2018.

Charges		Credits			
1	Prior year funding deficiency	\$370,009,733	6	Prior year credit balance	\$0
2	Normal cost, including administrative expenses	19,081,453	7	Amortization credits	63,987,654
3	Amortization charges	178,488,836	8	Interest on 6 and 7	4,799,074
4	Interest on 1, 2 and 3	42,568,502	9	Full-funding limitation credit	0
5	<b>Total charges</b>	<b>\$610,148,524</b>	10	<b>Total credits</b>	<b>\$68,786,728</b>
Minimum contribution with interest required to avoid a funding deficiency: 5 - 10, not less than zero					\$541,361,796

Full Funding Limitation (FFL) and Credits	
ERISA FFL (accrued liability FFL)	\$1,217,136,447
RPA'94 override (90% current liability FFL)	2,814,714,123
FFL credit	0

## EXHIBIT 7 - FUNDING STANDARD ACCOUNT (CONTINUED)

### Schedule of FSA Bases (Charges) (Schedule MB, Line 9c)

Type of Base	Date Established	Amortization Amount	Years Remaining	Outstanding Balance
Initial unfunded liability	01/01/1979	\$8,080,195	1	\$8,080,195
Plan amendment	01/01/1980	1,525,649	2	2,944,858
L107 merger-plan amendment	01/01/1981	71,519	3	199,937
Plan amendment	01/01/1981	1,144,413	3	3,199,280
L35 merger-initial unfunded liability	01/01/1982	186,376	1	186,376
L107 merger-plan amendment	01/01/1989	11,136	1	11,136
Fort Smith merger-plan amendment	01/01/1989	38,099	1	38,099
Plan amendment	01/01/1989	2,167,855	1	2,167,855
Plan amendment	01/01/1990	2,251,725	2	4,346,352
Plan amendment	01/01/1991	1,110,840	3	3,105,427
Plan amendment	01/01/1992	1,280,009	4	4,608,707
Plan amendment	01/01/1993	2,081,009	5	9,050,989
Plan amendment	01/01/1994	2,226,953	6	11,236,946
Plan amendment	01/01/1995	1,023,511	7	5,827,712
Plan amendment	01/01/1996	1,036,805	8	6,528,345
Plan amendment	01/01/1997	2,094,347	9	14,361,576
Assumption change	01/01/1998	1,875,529	10	13,839,320
Plan amendment	01/01/1998	9,439,839	10	69,655,502
Plan amendment	01/01/1999	7,281,926	11	57,265,657
Plan amendment	01/01/2000	5,488,127	12	45,636,107
Plan amendment	01/01/2001	3,875,522	13	33,853,763
Assumption change	01/01/2002	902,377	14	8,234,947

## EXHIBIT 7 - FUNDING STANDARD ACCOUNT (*CONTINUED*)

### Schedule of FSA Bases (Charges) (Schedule MB, Line 9c)

Type of Base	Date Established	Amortization Amount	Years Remaining	Outstanding Balance
OCAW/PACE UIPF merger - combined and offset bases	01/01/2002	6,294,326	4	22,662,884
Plan amendment	01/01/2002	2,742,203	14	25,024,902
Plan amendment	01/01/2003	3,927,224	15	37,266,030
Actuarial loss	01/01/2004	2,683,395	1	2,683,395
Plan amendment	01/01/2004	1,702,254	16	16,728,249
Plan amendment	01/01/2005	2,114,141	17	21,440,580
Assumption change	01/01/2006	585,333	18	6,107,339
Plan amendment	01/01/2007	767,179	19	8,213,420
Plan amendment	01/01/2008	1,185,886	5	5,157,807
Plan amendment	01/01/2009	897,834	6	4,530,365
Actuarial loss	01/01/2009	34,532,707	6	174,248,064
Plan amendment	01/01/2010	555,880	7	3,165,098
Assumption change	01/01/2011	6,996,991	8	44,057,260
Actuarial loss	01/01/2011	11,708,235	8	73,722,085
Assumption change	01/01/2012	1,881,451	9	12,901,678
Actuarial loss	01/01/2012	13,618,986	9	93,389,518
Actuarial loss	01/01/2013	11,220,078	10	82,791,690
Assumption change	01/01/2016	19,880,972	13	173,665,820
<b>Total</b>		<b>\$178,488,836</b>		<b>\$1,112,135,270</b>

## EXHIBIT 7 - FUNDING STANDARD ACCOUNT (*CONTINUED*)

### Schedule of FSA Bases (Credits) (Schedule MB, Line 9h)

Type of Base	Date Established	Amortization Amount	Years Remaining	Outstanding Balance
Actuarial gain	01/01/2010	\$6,173,478	7	\$35,150,836
Change in funding method	01/01/2011	21,719,405	3	60,718,013
Plan amendment	01/01/2011	15,762,982	8	99,253,211
Actuarial gain	01/01/2014	7,396,236	11	58,164,595
Actuarial gain	01/01/2015	4,140,475	12	34,429,809
Actuarial gain	01/01/2016	546,404	13	4,772,991
Actuarial gain	01/01/2017	1,335,841	14	12,190,669
Assumption change	01/01/2017	3,497,126	14	31,914,213
Actuarial gain	01/01/2018	3,415,707	15	32,412,168
<b>Total</b>		<b>\$63,987,654</b>		<b>\$369,006,505</b>

**EXHIBIT 8 - STATEMENT OF ACTUARIAL ASSUMPTIONS/METHODS**  
(SCHEDULE MB, LINE 6)

**Mortality Rates**

*Non-annuitant:* RP-2014 Blue Collar Employee Mortality Table with generational projection using Scale MP-2016

*Healthy annuitant:* RP-2014 Blue Collar Healthy Annuitant Mortality Table with generational projection using Scale MP-2016

*Disabled annuitant:* RP-2014 Disabled Retiree Mortality Table with generational projection using Scale MP-2016

The underlying tables with the generational projection to the age of the participants as of the measurement date reasonably reflect the mortality experience of the Plan as of the measurement date. These mortality tables were then adjusted to future years using the generational projection to reflect mortality improvement between the measurement date and these years.

The mortality rates were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of deaths and the projected number based on the prior year’s assumption over recent years.

**Termination Rates**

Age	Rate (%)			
	Mortality <sup>1</sup>		Disability	Withdrawal <sup>2</sup>
	Male	Female		
20	0.05	0.02	0.05	26.91
25	0.06	0.02	0.05	17.22
30	0.06	0.02	0.05	15.83
35	0.07	0.03	0.06	13.70
40	0.08	0.04	0.09	11.25
45	0.13	0.07	0.18	8.43
50	0.22	0.12	0.40	5.06
55	0.36	0.19	0.85	1.73
60	0.61	0.27	1.74	0.16

<sup>1</sup> Mortality rates shown are for base table.  
<sup>2</sup> Withdrawal rates are cut out at early retirement age and rates are adjusted by 150% for ages younger than 25.

The termination rates and disability rates were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of terminations and disability retirements by age and the projected number based on the prior year’s assumption over recent years.

**Retirement Rates for Actives**

Age	Annual Retirement Rates
55 – 59	1%
60 – 61	5%
62	25%
63 – 64	15%
65 – 69	30%
70 or older	100%

The retirement rates were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of retirements by age and the projected number based on the prior year's assumption over recent years.

**Description of Weighted Average Retirement Age**

Age 65, determined as follows: The weighted average retirement age for each participant is calculated as the sum of the product of each potential current or future retirement age times the probability of surviving from current age to that age and then retiring at that age, assuming no other decrements. The overall weighted retirement age is the average of the individual retirement ages based on all the active participants included in the January 1, 2018 actuarial valuation.

**Retirement Rates for Inactive Vested Participants**

Age	Annual Retirement Rates
55 – 61	5%
62	15%
63 – 64	7%
65	40%
66 – 69	5%
70 or older	100%

The retirement rates for inactive vested participants were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of retirements by age and the projected number based on the prior year's assumption over recent years.

**Future Benefit Accruals**

One pension credit per year.  
 The future benefit accruals were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the assumed and actual benefit accruals over recent years.

**Unknown Data for Participants**

Same as those exhibited by participants with similar known characteristics. If not specified, participants are assumed to be male.

**Definition of Active Participants**

Active participants are defined as those with at least 510 hours in the most recent plan year and who have accumulated at least one pension credit, excluding those who have retired as of the valuation date.

<b>Percent Married</b>	75% of male participants and 50% of female participants are assumed married
<b>Age of Spouse</b>	Females three years younger than males.
<b>Benefit Election</b>	<p>All non-married participants are assumed to elect the single life annuity form of payment and all married participants are assumed to elect the 50% joint and survivor form of payment.</p> <p>The benefit elections were based on historical and current demographic data, adjusted to reflect the plan design, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the assumed and the actual option election patterns over recent years.</p>
<b>Delayed Retirement Factors</b>	Active participants assumed to work enough hours each month to not qualify for delayed retirement adjustment. Inactive vested participants who are assumed to commence receipt of benefits after attaining normal retirement age qualify for delayed retirement increases, but not beyond age 70.
<b>Net Investment Return</b>	<p>7.50%</p> <p>The net investment return assumption is a long-term estimate derived from historical data, current and recent market expectations, and professional judgment. As part of the analysis, a building block approach was used that reflects inflation expectations and anticipated risk premiums for each of the portfolio's asset classes as provided by both SEI and Segal Marco Advisors, as well as the Plan's target asset allocation.</p>
<b>Annual Administrative Expenses</b>	<p>\$9,500,000 for the year beginning January 1, 2018 (equivalent to \$9,137,022 payable at the beginning of the year)</p> <p>The annual administrative expenses were based on historical and current data, estimated future experience and professional judgment.</p>
<b>Actuarial Value of Assets</b>	The market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five – year period. The actuarial value is further adjusted, if necessary, to be within 20% of the market value.
<b>Actuarial Cost Method</b>	Unit Credit Actuarial Cost Method. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are allocated by service.
<b>Benefits Valued</b>	Unless otherwise indicated, includes all benefits summarized in <i>Exhibit 9</i> .
<b>Current Liability Assumptions</b>	<p><i>Interest</i>: 2.98%, within the permissible range prescribed under IRC Section 431(c)(6)(E)</p> <p><i>Mortality</i>: Mortality prescribed under IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1(a)(2): RP-2014 employee and annuitant mortality tables, adjusted backwards to the base year (2006) using Scale MP-2014, projected forward generationally using Scale MP-2016</p>
<b>Estimated Rate of Investment Return</b>	<p><i>On actuarial value of assets (Schedule MB, line 6g)</i>: 9.7%, for the Plan Year ending December 31, 2017</p> <p><i>On current (market) value of assets (Schedule MB, line 6h)</i>: 17.4%, for the Plan Year ending December 31, 2017</p>



**FSA Contribution  
Timing (Schedule MB,  
line 3a)**

Unless otherwise noted, contributions are paid periodically throughout the year pursuant to collective bargaining agreements. The interest credited in the FSA is therefore assumed to be equivalent to a July 15 contribution date.

**Justification for  
Change in Actuarial  
Assumptions****(Schedule MB, line 11)**

Based on past experience and future expectations, the following assumption was revised as of January 1, 2018:

- Annual administrative expenses, previously \$8,000,000.

For purposes of determining current liability, the current liability interest rate was changed from 3.05% to 2.98% due to a change in the permissible range and recognizing that any rate within the permissible range satisfies the requirements of IRC Section 431(c)(6)(E) and the mortality tables were changed in accordance with IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1.

## EXHIBIT 9 - SUMMARY OF PLAN PROVISIONS

### (SCHEDULE MB, LINE 6)

This exhibit summarizes the major provisions of the Plan included in the valuation. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions.

<b>Plan Year</b>	January 1 through December 31
<b>Pension Credit Year</b>	January 1 through December 31
<b>Plan Status</b>	Ongoing plan
<b>Regular Pension</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> 65</li> <li>• <i>Service Requirement:</i> 5 pension credits or years of vesting service</li> <li>• <i>Amount:</i> Accrual rates are based on contribution rates and differ by employer. Accrued benefits as of December 31, 2010 based on the accrual rate as of December 31, 2010. Effective January 1, 2011, future benefits earned will be based on the contribution rate(s) in effect for the plan year in which the benefit is accrued.</li> </ul>
<b>Early Retirement</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> 55</li> <li>• <i>Service Requirement:</i> 10 pension credits or years of vesting service for Programs A through F; 5 years for Program G</li> <li>• <i>Amount:</i> Regular pension accrued, reduced by 1/2 of 1% for each month the participant is younger than age 65</li> </ul>
<b>Disability</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Service Requirement:</i> 10 pension credits for Programs A, B, C and G. 5 years of vesting service for Programs D, E and F</li> <li>• <i>Amount:</i> Regular pension accrued for Programs A through F. For Program G, early retirement amount plus 10%, not reduced below age 55 and not greater than the benefit payable at age 65.</li> </ul>
<b>Vesting</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Service Requirement:</i> Five years of vesting service or pension credit.</li> <li>• <i>Amount:</i> Regular pension accrued payable at Normal Retirement Age, or early retirement amount payable beginning at age 55, based on plan in effect when last active</li> <li>• <i>Normal Retirement Age:</i> 65, or if later, the participant's age on the fifth anniversary of date of participation</li> </ul>

<b>Spouse's Pre-Retirement Death Benefit</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Service Requirement:</i> Vested status</li> <li>• <i>Amount:</i> 50% of the benefit participant would have received had he or she retired the day before death and elected the husband and wife option. If the employee was active at the time of death and under age 55, the early retirement factor is determined as if the employee were age 55. Under Program G, the surviving spouse will not receive a pension until the earliest date the deceased participant could have retired.</li> <li>• <i>Charge for Coverage:</i> None</li> </ul>
<b>Post-Retirement Death Benefit</b>	<p>If married, pension benefits are paid in the form of a 50% Husband-and-Wife annuity unless this form is rejected by the participant and spouse. If not rejected, the benefit amount otherwise payable is reduced to reflect the 50% Husband and Wife coverage.</p> <p>If rejected, or if not married, benefits are payable for the life of the employee without reduction, or in any other available optional form elected by the employee in an actuarially equivalent amount.</p>
<b>Optional Forms of Benefits</b>	<p>75% or 100% Husband and Wife option under Programs A through F.</p> <p>50%, 75% or 100% Husband and Wife with popup option under Programs A through F</p> <p>50%, 75% or 100% Joint and Survivor option under Programs A through F.</p> <p>75% or 100% Joint and Survivor option for married participants under Program G.</p>
<b>Participation</b>	Earliest January 1 <sup>st</sup> or July 1 <sup>st</sup> after completion of 12 consecutive months during which the employee worked 1,000 hours (150 hours for participation in Program G) in covered employment.
<b>Pension Credit</b>	<p>Less than 510 hours = 0 year of pension credit</p> <p>510 – 1,019 hours = ¼ year of pension credit</p> <p>1,020 – 1,529 hours = ½ year of pension credit</p> <p>1,530 – 2,039 hours = ¾ year of pension credit</p> <p>2,040 or more hours = 1 year of pension credit</p>
<b>Vesting Credit</b>	One year of vesting service for each calendar year during the contribution period in which the employee works 1000 hours or more.
<b>Contribution Rate</b>	The average contribution rate as of January 1, 2018 is \$1.5410 per hour.
<b>Changes in Plan Provisions</b>	There were no changes in plan provisions reflected in this actuarial valuation

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**PACE Industry Union-Management Pension Fund**

*Actuarial Certification of Plan Status as of  
January 1, 2018 under IRC Section 432*



333 WEST 34TH STREET, 3RD FLOOR NEW YORK, NY 10001  
T 212.251.5000 www.segalco.com

*March 29, 2018*

*Board of Trustees  
PACE Industry Union-Management Pension Fund  
1101 Kermit Drive, Suite 800  
Nashville, TN 37217*

*Dear Trustees:*

*As required by ERISA Section 305 and Internal Revenue Code (IRC) Section 432, we have completed the Plan's actuarial status certification as of January 1, 2018. The attached exhibits outline the projections performed and the results of the various tests required by the statute. These projections have been prepared based on the Actuarial Valuation as of January 1, 2017 and in accordance with generally accepted actuarial principles and practices and a current understanding of the law. The actuarial calculations were completed under the supervision of Susan L. Boyle, FSA, FCA, MAAA, Senior Vice President and Actuary.*

*As of January 1, 2018, the Plan is in critical and declining status. This certification also notifies the IRS that the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan, based on the annual standards in the rehabilitation plan. This certification is being filed with the Internal Revenue Service, pursuant to ERISA section 305(b)(3) and IRC section 432(b)(3).*

*Segal Consulting ("Segal") does not practice law and, therefore, cannot and does not provide legal advice. Any statutory interpretation on which the certification is based reflects Segal's understanding as an actuarial firm. Due to the complexity of the statute and the significance of its ramifications, Segal recommends that the Board of Trustees consult with legal counsel when making any decisions regarding compliance with ERISA and the Internal Revenue Code.*

*We look forward to reviewing this certification with you at your next meeting and to answering any questions you may have. We are available to assist the Trustees in communicating this information to plan stakeholders as well as in reviewing and updating the Rehabilitation Plan, as required.*

*Sincerely,*

*Segal Consulting, a Member of the Segal Group*

By:

A handwritten signature in blue ink, appearing to read "D. Owens", is written over a horizontal line.

*Darrin Owens*

*Senior Vice President*

*cc: Fund Administrator  
Legal Counsel  
Auditor*



 **Segal Consulting**

*March 29, 2018*

*Internal Revenue Service  
Employee Plans Compliance Unit  
Group 7602 (TEGE:EP:EPCU)  
230 S. Dearborn Street  
Room 1700 - 17th Floor  
Chicago, IL 60604*

*To Whom It May Concern:*

*As required by ERISA Section 305 and the Internal Revenue Code (IRC) Section 432, we have completed the actuarial status certification as of January 1, 2018 for the following plan:*

*Name of Plan: PACE Industry Union-Management Pension Fund  
Plan number: EIN 11-6166763 / PN 001  
Plan sponsor: Board of Trustees, PACE Industry Union-Management Pension Fund  
Address: 1101 Kermit Drive, Suite 800, Nashville, TN 37217  
Phone number: 1.800.474.8673*

*As of January 1, 2018, the Plan is in critical and declining status.*

*This certification also notifies the IRS that the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan, based on the annual standards of the rehabilitation plan.*

*If you have any questions on the attached certification, you may contact me at the following:*

*Segal Consulting  
333 West 34th Street, 3rd Floor  
New York, NY 10001  
Phone number: 212.251.5000*

*Sincerely,*



*Susan L. Boyle, FSA, FCA, MAAA  
Senior Vice President and Actuary  
Enrolled Actuary No. 17-06862*

March 29, 2018

**ACTUARIAL STATUS CERTIFICATION AS OF JANUARY 1, 2018 UNDER IRC SECTION 432**

This is to certify that Segal Consulting, a Member of The Segal Group, Inc. ("Segal") has prepared an actuarial status certification under Internal Revenue Code Section 432 for the PACE Industry Union-Management Pension Fund as of January 1, 2018 in accordance with generally accepted actuarial principles and practices. It has been prepared at the request of the Board of Trustees to assist in administering the Fund and meeting filing and compliance requirements under federal law. This certification may not otherwise be copied or reproduced in any form without the consent of the Board of Trustees and may only be provided to other parties in its entirety.

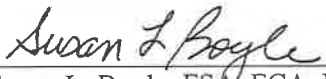
The measurements shown in this actuarial certification may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); differences in statutory interpretation and changes in plan provisions or applicable law.

This certification is based on the January 1, 2017 actuarial valuation, dated December 7, 2017. This certification reflects the changes in the law made by the Multiemployer Pension Reform Act of 2014 (MPRA). Additional assumptions required for the projections (including those under MPRA), and sources of financial information used are summarized in Exhibit VI.

Segal Consulting does not practice law and, therefore, cannot and does not provide legal advice. Any statutory interpretations on which this certification is based reflect Segal's understanding as an actuarial firm.

This certification was based on the assumption that the Plan was qualified as a multiemployer plan for the year.

I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of my knowledge, the information supplied in this actuarial certification is complete and accurate. As required by IRC Section 432(b)(3)(B)(iii), the projected industry activity is based on information provided by the plan sponsor. In my opinion, the projections are based on reasonable actuarial estimates, assumptions and methods that (other than projected industry activity offer my best estimate of anticipated experience under the Plan.

  
Susan L. Boyle, FSA, FCA, MAAA  
Senior Vice President and Actuary  
Enrolled Actuary No. 17-06862

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**Certificate Contents**

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<b>EXHIBIT I</b>	Status Determination as of January 1, 2018
<b>EXHIBIT II</b>	Summary of Actuarial Valuation Projections
<b>EXHIBIT III</b>	Funding Standard Account Projection
<b>EXHIBIT IV</b>	Funding Standard Account – Projected Bases Assumed Established After January 1, 2017
<b>EXHIBIT V</b>	Solvency Projection
<b>EXHIBIT VI</b>	Actuarial Assumptions and Methodology

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Actuarial Status Certification as of January 1, 2018 under IRC Section 432 for the PACE Industry Union-Management Pension Fund

EIN 11-6166763 / PN 001

**EXHIBIT I**

**Status Determination as of January 1, 2018**

Status	Condition	Component Result	Final Result
<b>Critical Status:</b>			
<b>I. Initial critical status tests:</b>			
	C1. A funding deficiency is projected in four years? .....	Yes	Yes
	C2. (a) A funding deficiency is projected in five years, .....	Yes	
	(b) AND the present value of vested benefits for non-actives is more than present value of vested benefits for actives,.....	Yes	
	(c) AND the normal cost plus interest on unfunded actuarial accrued liability (unit credit basis) is greater than contributions for current year?.....	Yes	Yes
	C3. (a) A funding deficiency is projected in five years, .....	Yes	
	(b) AND the funded percentage is less than 65%?.....	Yes	Yes
	C4. (a) The funded percentage is less than 65%, .....	Yes	
	(b) AND the present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over seven years? .....	No	No
	C5. The present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over five years? .....	No	No
	<b>II. In Critical Status? .....</b>		<b>Yes</b>
<b>III. Determination of critical and declining status:</b>			
	C6. (a) Any of (C1) through (C5) are Yes?.....	Yes	Yes
	(b) AND EITHER Insolvency is projected within 15 years? .....	Yes	Yes
	(c) OR		
	(i) The ratio of inactives to actives is at least 2 to 1, .....	Yes	
	(ii) AND insolvency is projected within 20 years? .....	Yes	Yes
	(d) OR		
	(i) The funded percentage is less than 80%,.....	Yes	
	(ii) AND insolvency is projected within 20 years? .....	Yes	Yes
	<b>In Critical and Declining Status?.....</b>		<b>Yes</b>

Actuarial Status Certification as of January 1, 2018 under IRC Section 432 for the PACE Industry Union-Management Pension Fund

EIN 11-6166763 / PN 001

EXHIBIT I (continued)  
Status Determination as of January 1, 2018

Status	Condition	Component Result	Final Result
<b>Endangered Status:</b>			
E1. (a)	Is not in critical status, .....	No	
(b)	AND the funded percentage is less than 80%? .....	Yes	No
E2. (a)	Is not in critical status,.....	No	
(b)	AND a funding deficiency is projected in seven years? .....	Yes	No
<b>In Endangered Status? .....</b>			<b>No</b>
<b>Neither Critical Status Nor Endangered Status:</b>			
<b>Neither Critical nor Endangered Status?.....</b>			<b>No</b>

This certification notifies the IRS that the plan is making the scheduled progress in meeting the requirements of its rehabilitation plan, based on the annual standards of the Rehabilitation Plan.

The Rehabilitation Plan states that the Fund will make adequate progress, to the extent reasonable based on financial markets activity and other relevant factors, toward enabling the Fund to forestall insolvency past 2028. Currently, a projected insolvency during 2032 meets this standard.

Actuarial Status Certification as of January 1, 2018 under IRC Section 432 for the PACE Industry Union-Management Pension Fund

EIN 11-6166763 / PN 001

**EXHIBIT II**

**Summary of Actuarial Valuation Projections**

The actuarial factors as of January 1, 2018 (based on projections from the January 1, 2017 valuation certificate):

**I. Financial Information**

1. Market value of assets				\$1,687,659,422
2. Actuarial value of assets				1,611,947,531
3. Reasonably anticipated contributions, including withdrawal liability payments				
a. Upcoming year				55,372,206
b. Present value for the next five years				219,586,708
c. Present value for the next seven years				280,010,891
4. Projected benefit payments				195,620,775
5. Projected administrative expenses (beginning of year)				7,925,164

**II. Liabilities**

1. Present value of vested benefits for active participants				210,808,807
2. Present value of vested benefits for non-active participants				2,502,136,206
3. Total unit credit accrued liability				2,724,925,924
4. Present value of payments	<b>Benefit Payments</b>	<b>Administrative Expenses</b>		<b>Total</b>
a. Next five years	\$860,250,466	\$36,444,301		\$896,694,767
b. Next seven years	1,152,846,663	48,975,588		1,201,822,251
5. Unit credit normal cost plus expenses				16,768,375
6. Ratio of inactive participants to active participants				10.0833

**III. Funded Percentage (I.2)/(II.3)**

59.1%

**IV. Funding Standard Account**

1. Credit Balance as of the end of prior year				(\$369,719,927)
2. Years to projected funding deficiency				0

**V. Years to Projected Insolvency**

15

Actuarial Status Certification as of January 1, 2018 under IRC Section 432 for the PACE Industry Union-Management Pension Fund

EIN 11-6166763 / PN 001

**EXHIBIT III**  
**Funding Standard Account Projection**

The tables below presents the Funding Standard Account Projection for the Plan Years beginning January 1, 2017 through 2027.

	Year Beginning January 1,					
	2017	2018	2019	2020	2021	2022
1. Credit balance (BOY)	(\$249,856,997)	(\$369,719,927)	(\$481,302,761)	(\$587,766,621)	(\$697,706,569)	(\$832,885,297)
2. Interest on (1)	(18,739,275)	(27,728,995)	(36,097,707)	(44,082,497)	(52,327,993)	(62,466,397)
3. Normal cost	10,219,821	8,843,211	7,652,030	7,478,176	7,308,272	7,142,228
4. Administrative expenses	7,694,334	7,925,164	8,162,919	8,407,807	8,660,041	8,919,842
5. Net amortization charges	142,004,102	114,514,848	100,364,354	95,251,878	110,345,779	99,501,763
6. Interest on (3), (4) and (5)	11,993,869	9,846,242	8,713,448	8,335,339	9,473,557	8,667,288
7. Expected contributions	68,435,984	55,372,206	52,714,536	51,833,957	51,177,681	50,417,094
8. Interest on (7)	<u>2,352,487</u>	<u>1,903,420</u>	<u>1,812,062</u>	<u>1,781,792</u>	<u>1,759,233</u>	<u>1,733,088</u>
9. Credit balance (EOY): (1) + (2) - (3) - (4) - (5) - (6) + (7) + (8)	(\$369,719,927)	(\$481,302,761)	(\$587,766,621)	(\$697,706,569)	(\$832,885,297)	(\$967,432,633)
	2023	2024	2025	2026	2027	
1. Credit balance (BOY)	(\$967,432,633)	(\$1,111,119,111)	(\$1,228,113,954)	(\$1,360,017,606)	(\$1,499,190,486)	
2. Interest on (1)	(72,557,447)	(83,333,933)	(92,108,547)	(102,001,320)	(112,439,286)	
3. Normal cost	6,979,957	6,821,372	6,666,390	6,514,930	6,366,911	
4. Administrative expenses	9,187,437	9,463,060	9,746,952	10,039,361	10,340,542	
5. Net amortization charges	96,234,866	58,577,376	63,171,462	59,192,415	41,597,628	
6. Interest on (3), (4) and (5)	8,430,171	5,614,636	5,968,859	5,681,003	4,372,881	
7. Expected contributions	48,051,625	45,259,731	44,237,881	42,785,401	42,315,322	
8. Interest on (7)	<u>1,651,775</u>	<u>1,555,803</u>	<u>1,520,677</u>	<u>1,470,748</u>	<u>1,454,589</u>	
9. Credit balance (EOY): (1) + (2) - (3) - (4) - (5) - (6) + (7) + (8)	(\$1,111,119,111)	(\$1,228,113,954)	(\$1,360,017,606)	(\$1,499,190,486)	(\$1,630,537,823)	



Actuarial Status Certification as of January 1, 2018 under IRC Section 432 for the PACE Industry Union-Management Pension Fund

EIN 11-6166763 / PN 001

EXHIBIT IV

Funding Standard Account – Projected Bases Assumed Established After January 1, 2017

Schedule of Funding Standard Account Bases

Type of Base	Date Established	Base Established	Amortization Period	Amortization Payment
Actuarial gain	1/1/2018	(\$32,282,466)	15	(\$3,402,038)
Actuarial gain	1/1/2019	(9,332,031)	15	(983,442)
Actuarial gain	1/1/2020	(12,668,951)	15	(1,335,098)
Actuarial gain	1/1/2021	(40,791,341)	15	(4,298,733)
Actuarial gain	1/1/2022	(31,026,494)	15	(3,269,680)

Actuarial Status Certification as of January 1, 2018 under IRC Section 432 for the PACE Industry Union-Management Pension Fund

EIN 11-6166763 / PN 001

**EXHIBIT V**  
**Solvency Projection**

The table below presents the projected Market Value of Assets for the Plan Years beginning January 1, 2018 through 2032.

	Year Beginning January 1,							
	2018	2019	2020	2021	2022	2023	2024	
1. Market Value at beginning of year	\$1,687,659,422	\$1,659,422,084	\$1,621,865,817	\$1,575,692,570	\$1,519,591,675	\$1,450,777,173	\$1,368,250,252	
2. Contributions	17,632,319	14,987,471	14,387,972	13,812,453	13,259,955	12,729,557	12,220,375	
3. Withdrawal liability payments	37,739,887	37,727,065	37,445,985	37,365,228	37,157,139	35,322,068	33,039,356	
4. Benefit payments	195,620,775	199,653,461	204,099,018	209,398,398	216,547,968	222,137,767	227,682,591	
5. Administrative expenses	8,240,000	8,487,200	8,741,816	9,004,070	9,274,192	9,552,418	9,838,991	
6. Interest earnings	<u>120,251,231</u>	<u>117,869,858</u>	<u>114,833,630</u>	<u>111,123,892</u>	<u>106,590,564</u>	<u>101,111,639</u>	<u>94,591,168</u>	
7. Market Value at end of year: (1)+(2)+(3)-(4)-(5)+(6)	\$1,659,422,084	\$1,621,865,817	\$1,575,692,570	\$1,519,591,675	\$1,450,777,173	\$1,368,250,252	\$1,270,579,569	
	2025	2026	2027	2028	2029	2030	2031	2032
1. Market Value at beginning of year	\$1,270,579,569	\$1,159,425,424	\$1,033,851,294	\$894,260,424	\$740,360,018	\$571,789,732	\$387,798,807	\$187,831,332
2. Contributions	11,731,560	11,262,297	10,811,805	10,379,333	9,964,160	9,565,594	9,182,970	8,815,651
3. Withdrawal liability payments	32,506,321	31,523,104	31,503,517	31,495,700	31,495,700	31,129,394	30,329,303	29,302,741
4. Benefit payments	232,291,360	236,391,469	240,032,235	242,964,429	245,226,933	246,796,097	247,362,540	247,289,373
5. Administrative expenses	10,134,161	10,438,186	10,751,332	11,073,872	11,406,088	11,748,271	12,100,719	12,463,741
6. Interest earnings	<u>87,033,495</u>	<u>78,470,124</u>	<u>68,877,375</u>	<u>58,262,862</u>	<u>46,602,875</u>	<u>33,858,455</u>	<u>19,983,511</u>	<u>4,928,692</u>
7. Market Value at end of year: (1)+(2)+(3)-(4)-(5)+(6)	\$1,159,425,424	\$1,033,851,294	\$894,260,424	\$740,360,018	\$571,789,732	\$387,798,807	\$187,831,332	0

**EXHIBIT VI**

**Actuarial Assumptions and Methodology**

The actuarial assumptions and plan of benefits are as used in the January 1, 2017 actuarial valuation certificate, dated December 7, 2017, except as specifically described below. We also assumed that experience would emerge as projected, except as described below. The calculations are based on a current understanding of the requirements of ERISA Section 305 and IRC Section 432.

**Asset Information:**

The financial information as of December 31, 2017 was based on an unaudited financial statement provided by the Fund Administrator.

For projections after that date, the administrative expenses were assumed to increase by 3% per year and the benefit payments were projected based on the January 1, 2017 actuarial valuation. The projected net investment return was assumed to be 7.5% of the average market value of assets for the 2018 - 2032 Plan Years. Any resulting investment gains or losses due to the operation of the asset valuation method are amortized over 15 years in the Funding Standard Account.

**Projected Industry Activity:**

As required by Internal Revenue Code Section 432, assumptions with respect to projected industry activity are based on information provided by the plan sponsor. Based on this information, the number of active participants assumed to decline by 15% in each of 2017 and 2018 and 4% each year thereafter and, on the average, contributions will be made for each active for 2,200 hours each year.

Actuarial Status Certification as of January 1, 2018 under IRC Section 432 for the PACE Industry Union-Management Pension Fund

EIN 11-6166763 / PN 001

In addition to projections of industry activity directly linked to the level of ongoing employment, these determinations also project the following contribution amounts derived from withdrawal liability assessments, based on information from the Trustees:

<u>Plan Year Ending</u> <u>December 31</u>	<u>Amount</u>
2018	\$37,739,887
2019	37,727,065
2020	37,445,985
2021	37,365,228
2022	37,157,139
2023	35,322,068
2024	33,039,356
2025	32,506,321
2026	31,523,104
2027	31,503,517
2028	31,495,700
2029	31,495,700
2030	31,129,394
2031	30,329,303
2032	29,302,741

**Future Normal Cost:**

Based on the assumed industry activity and the unit credit cost method, we have assumed an increase of 0.18% per year due to projected mortality improvement. Total normal cost is also adjusted in accordance with the industry activity assumption.

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**PACE Industry Union-  
Management Pension  
Fund**

**Actuarial Valuation and  
Review as of January 1, 2019**

This report has been prepared at the request of the Board of Trustees to assist in administering the Fund and meeting filing requirements of federal government agencies. This valuation report may not otherwise be copied or reproduced in any form without the consent of the Board of Trustees and may only be provided to other parties in its entirety. The measurements shown in this actuarial valuation may not be applicable for other purposes.



333 West 34th Street, 3rd Floor New York, NY 10001  
T 212.251.5000 www.segalco.com

January 23, 2020

Board of Trustees  
PACE Industry Union-Management Pension Fund  
1101 Kermit Drive, Suite 800  
Nashville, TN 37217

Dear Trustees:

We are pleased to submit the Actuarial Valuation and Review as of January 1, 2019. It establishes the funding requirements for the current year and analyzes the preceding year's experience. It also summarizes the actuarial data and includes the actuarial information that is required to be filed with Form 5500 to federal government agencies.

The census information upon which our calculations were based was prepared by the Fund Office, under the direction of Mr. Charles Knight. That assistance is gratefully acknowledged. The actuarial calculations were completed under the supervision of Susan L. Boyle, FSA, FCA, MAAA, Enrolled Actuary.

We look forward to reviewing this report with you at your next meeting and to answering any questions you may have.

Sincerely,

Segal Consulting, a Member of The Segal Group

By: 

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Darrin Owens  
Senior Vice President

cc: Fund Administrator  
Fund Counsel  
Fund Auditor

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## Introduction

There are several ways of evaluating funding adequacy for a pension plan. In monitoring the Plan's financial position, the Trustees should keep in mind all of these concepts.

	<b>Funding Standard Account</b>	The ERISA Funding Standard Account (FSA) measures the cumulative difference between actual contributions and the minimum required contributions. If actual contributions exceed the minimum required contributions, the excess is called the credit balance. If actual contributions fall short of the minimum required contributions, a funding deficiency occurs.
	<b>Zone Information</b>	The Pension Protection Act of 2006 (PPA'06) called on plan sponsors to actively monitor the projected FSA credit balance, the funded percentage (the ratio of the actuarial value of assets to the present value of benefits earned to date) and cash flow sufficiency. Based on these measures, plans are then categorized as critical ( <i>Red Zone</i> ), endangered ( <i>Yellow Zone</i> ), or neither ( <i>Green Zone</i> ). The Multiemployer Pension Reform Act of 2014 (MPRA), among other things, made the zone provisions permanent.
	<b>Solvency Projections</b>	Pension plan funding anticipates that, over the long term, both contributions and investment earnings will be needed to cover benefit payments and expenses. To the extent that contributions are less than benefit payments, investment earnings and fund assets will be needed to cover the shortfall. In some situations, a plan may be faced with insufficient assets to cover its current obligations and may need assistance from the Pension Benefit Guaranty Corporation (PBGC). MPRA provides options for some plans facing insolvency.
	<b>Withdrawal Liability</b>	ERISA provides for assessment of withdrawal liability to employers who withdraw from a multiemployer plan based on unfunded vested benefit liabilities.

## Important Information about Actuarial Valuations

An actuarial valuation is a budgeting tool with respect to the financing of future uncertain obligations of a pension plan. As such, it will never forecast the precise future contribution requirements or the precise future stream of benefit payments. In any event, the actual cost of the plan will be determined by the benefits and expenses paid, not by the actuarial valuation.

In order to prepare a valuation, Segal Consulting (“Segal”) relies on a number of input items. These include:



### Plan Provisions

Plan provisions define the rules that will be used to determine benefit payments, and those rules, or the interpretation of them, may change over time. Even where they appear precise, outside factors may change how they operate. It is important for the Trustees to keep Segal informed with respect to plan provisions and administrative procedures, and to review the plan summary included in our report to confirm that Segal has correctly interpreted the plan of benefits.



### Participant Information

An actuarial valuation for a plan is based on data provided to the actuary by the plan. Segal does not audit such data for completeness or accuracy, other than reviewing it for obvious inconsistencies compared to prior data and other information that appears unreasonable. For most plans, it is not possible nor desirable to take a snapshot of the actual workforce on the valuation date. It is not necessary to have perfect data for an actuarial valuation. The uncertainties in other factors are such that even perfect data does not produce a “perfect” result. Notwithstanding the above, it is important for Segal to receive the best possible data and to be informed about any known incomplete or inaccurate data.



### Financial Information

Part of the cost of a plan will be paid from existing assets – the balance will need to come from future contributions and investment income. The valuation is based on the asset values as of the valuation date, typically reported by the auditor. A snapshot as of a single date may not be an appropriate value for determining a single year’s contribution requirement, especially in volatile markets. Plan sponsors often use an “actuarial value of assets” that differs from market value to gradually reflect year-to-year changes in the market value of assets in determining the contribution requirements.



### Actuarial Assumptions

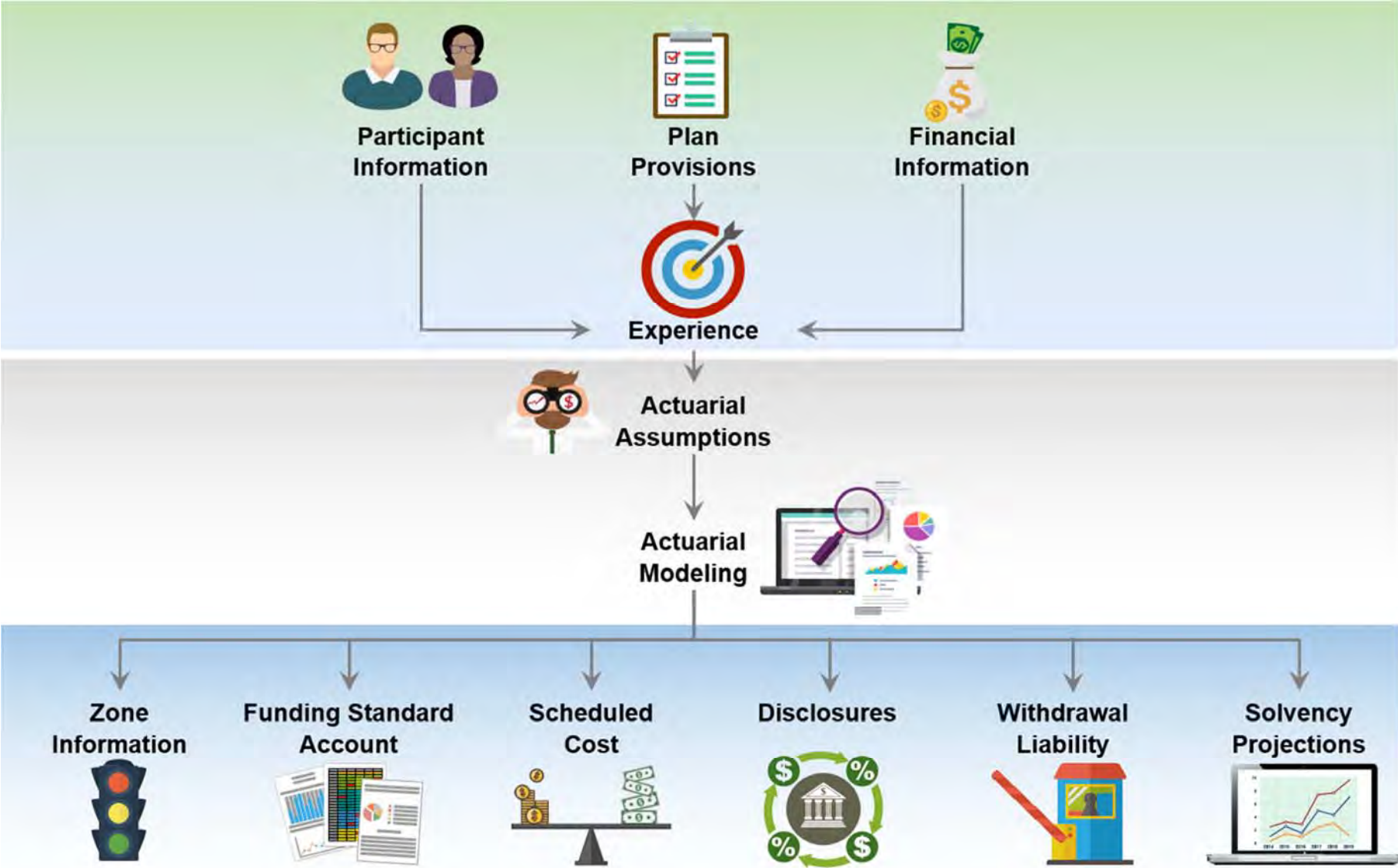
In preparing an actuarial valuation, Segal starts by developing a forecast of the benefits to be paid to existing plan participants for the rest of their lives and the lives of their beneficiaries. This requires actuarial assumptions as to the probability of death, disability, withdrawal, and retirement of participants in each year, as well as forecasts of the plan’s benefits for each of those events. The forecasted benefits are then discounted to a present value, typically based on an estimate of the rate of return that will be achieved on the plan’s assets. All of these factors are uncertain and unknowable. Thus, there will be a range of reasonable assumptions, and the results may vary materially based on which assumptions the actuary selects within that range. That is, there is no right answer (except with hindsight). It is important for any user of an actuarial valuation to understand and accept this constraint. The actuarial model may use approximations and estimates that will have an immaterial impact on our results. In addition, the actuarial assumptions may change over time, and while this can have a significant impact on the reported results, it does not mean that the previous assumptions or results were unreasonable or wrong.

Given the above, the user of Segal's actuarial valuation (or other actuarial calculations) needs to keep the following in mind:

- The actuarial valuation is prepared for use by the Trustees. It includes information for compliance with federal filing requirements and for the plan's auditor. Segal is not responsible for the use or misuse of its report, particularly by any other party.
- An actuarial valuation is a measurement at a specific date — it is not a prediction of a plan's future financial condition. Accordingly, Segal did not perform an analysis of the potential range of financial measurements, except where otherwise noted.
- Critical events for a plan include, but are not limited to, decisions about changes in benefits and contributions. The basis for such decisions needs to consider many factors such as the risk of changes in employment levels and investment losses, not just the current valuation results.
- ERISA requires a plan's enrolled actuary to provide a statement in the plan's annual report disclosing any event or trend that the actuary has not taken into account, if, to the best of the actuary's knowledge, such an event or trend may require a material increase in plan costs or required contribution rates. If the Trustees are aware of any event that was not considered in this valuation and that may materially increase the cost of the Plan, they must advise Segal, so that an appropriate statement can be included.
- Segal does not provide investment, legal, accounting, or tax advice. This valuation is based on Segal's understanding of applicable guidance in these areas and of the plan's provisions, but they may be subject to alternative interpretations. The Trustees should look to their other advisors for expertise in these areas.
- While Segal maintains extensive quality assurance procedures, an actuarial valuation involves complex computer models and numerous inputs. In the event that an inaccuracy is discovered after presentation of Segal's valuation, Segal may revise that valuation or make an appropriate adjustment in the next valuation.
- Segal's report shall be deemed to be final and accepted by the Trustees upon delivery and review. Trustees should notify Segal immediately of any questions or concerns about the final content.

As Segal Consulting has no discretionary authority with respect to the management of assets of the Plan, it is not a fiduciary in its capacity as actuaries and consultants with respect to the Plan.

# ACTUARIAL VALUATION OVERVIEW



# Section 1: Actuarial Valuation Summary

## Summary of Key Valuation Results

		2018	2019
<b>Certified Zone Status</b>		<i>Critical and Declining</i>	<i>Critical and Declining</i>
<b>Demographic Data:</b>	<ul style="list-style-type: none"> <li>Number of active participants</li> <li>Number of inactive participants with vested rights</li> <li>Number of retired participants and beneficiaries</li> </ul>	6,046 31,009 31,665	4,041 30,925 32,274
<b>Assets:</b>	<ul style="list-style-type: none"> <li>Market value of assets (MVA)</li> <li>Actuarial value of assets (AVA)</li> <li>AVA as a percent of MVA</li> </ul>	\$1,693,474,951 1,613,682,419 95.3%	\$1,475,054,635 1,563,392,839 106.0%
<b>Cash Flow:</b>	<ul style="list-style-type: none"> <li>Projected employer contributions</li> <li>Projected withdrawal liability payments</li> <li>Actual contributions (including withdrawal liability)</li> <li>Projected benefit payments and expenses</li> <li>Insolvency projected in Plan Year beginning</li> </ul>	\$14,133,318 38,826,828 71,873,152 206,480,065 2032	\$13,380,544 46,828,179 -- 210,407,317 2030
<b>Statutory Funding Information:</b>	<ul style="list-style-type: none"> <li>Minimum required contribution</li> <li>Maximum deductible contribution</li> <li>Annual Funding Notice percentage</li> <li>FSA funding deficiency</li> </ul>	\$541,361,796 5,222,673,448 59.2% 370,009,733	\$642,091,079 5,036,075,367 53.3% 467,018,004
<b>Cost Elements on an FSA Cost Basis:</b>	<ul style="list-style-type: none"> <li>Normal cost, including administrative expenses</li> <li>Actuarial accrued liability</li> <li>Unfunded actuarial accrued liability (based on AVA)</li> </ul>	\$19,081,453 2,726,820,917 \$1,113,138,498	\$15,155,624 2,932,707,127 \$1,369,314,288
<b>Withdrawal Liability:<sup>1</sup></b>	<ul style="list-style-type: none"> <li>Present value of vested benefits</li> <li>Unfunded present value of vested benefits (based on MVA)</li> </ul>	3,619,786,257 1,926,311,306	3,549,645,203 2,074,590,568

<sup>1</sup> Using the assumptions described in *Section 2: Withdrawal Liability Assumptions*.

## Comparison of Funded Percentages

	Funded Percentages as of January 1		2019	
	2018	2019	Liabilities	Assets
1. PPA'06 Liability and Annual Funding Notice	59.2%	53.3%	2,932,707,127	1,563,392,839
2. Accumulated Benefits Liability	62.1%	50.3%	2,932,707,127	1,475,054,635
3. Withdrawal Liability	46.8%	41.6%	3,549,645,203	1,475,054,635
4. Current Liability	35.0%	31.5%	4,676,612,492	1,475,054,635

### Notes:

1. The present value of benefits earned through the valuation date (accrued benefits) defined by PPA'06, based on the long-term funding investment return assumption of 6.50% (7.50% for 2018) and compared to the actuarial value of assets.
2. The present value of accrued benefits for disclosure in the audited financial statements, based on the long-term funding investment return assumption of 6.50% (7.50% for 2018) and compared to the market value of assets.
3. The present value of vested benefits for withdrawal liability purposes based on the blended interest rate and other assumptions described in *Section 2: Withdrawal Liability Assumptions* and compared to the market value of assets.
4. The present value of accrued benefits based on a government-prescribed mortality table and investment return assumption of 2.98% for 2018 and 3.06% for 2019, and compared to the market value of assets. Used to develop the maximum tax-deductible contribution and shown on the Schedule MB if less than 70%.

Disclosure: These measurements are not necessarily appropriate for assessing the sufficiency of Plan assets to cover the estimated cost of settling the Plan's benefit obligations or the need for or the amount of future contributions.

This January 1, 2019 actuarial valuation report is based on financial and demographic information as of that date. Changes subsequent to that date are not reflected unless specifically identified, and will affect future results. Segal is prepared to work with the Trustees to analyze the effects of any subsequent developments. The current year's actuarial valuation results follow.

## A. Developments Since Last Valuation

1. The rate of return on the market value of plan assets was -5.15% for the 2018 plan year. The rate of return on the actuarial value of assets was 5.53%. Given the current interest rate environment, changes in the target asset allocation and expectations of future investment returns for various asset classes, we have changed the assumed long-term rate of return on investments to 6.50%.
2. Based on past experience and future expectation, we have changed several other assumptions with this valuation. Please refer to *Section 2: Actuarial Assumptions* for a detailed description of these changes. The impact of all assumption changes is an increase in the accrued liability of 7.7% and an increase in normal cost of 15.3%
3. The active population declined by 33.2% during 2018 to 4,041. In addition, the active population is expected to further decline approximately 6.1% due to employers that withdrew during or after 2018.
4. The 2019 certification, issued on March 29, 2019, based on the liabilities calculated in the 2018 actuarial valuation, projected to December 31, 2018, and estimated asset information as of December 31, 2018, classified the Plan as critical and declining (in the *Red Zone*) because the funded percentage was 57.3%, there was a deficiency in the FSA, and the Plan was projected to be insolvent within 15 years. This certification also indicated that the Rehabilitation Plan met the annual standard for 2019.





## B. Funded Percentage and Funding Standard Account

1. Based on this January 1, 2019 actuarial valuation, the funded percentage that will be reported on the 2019 Annual Funding Notice is 53.3%.
2. The funding deficiency in the FSA as of December 31, 2018 was \$467,018,004, an increase of \$97 million from the prior year. A projection of the FSA indicates that the funding deficiency is expected to continue to increase.



## C. Solvency Projections

The Plan is projected to be unable to pay benefits in 2030, assuming experience is consistent with the January 1, 2019 valuation assumptions. This is two years earlier than projected with the prior valuation, primarily due to the market value investment loss during 2018. This cash flow crisis is being closely monitored by the Trustees. The projected assets are shown in *Section 2*. If requested by the Trustees, we can perform additional projections of the financial status of the Plan.



## D. Funding Concerns and Risk

1. The impending projected inability to pay benefits is being monitored by the Trustees.
2. The actions already taken to address this issue include contribution rate increases and plan changes that project the Plan to forestall insolvency per the Rehabilitation Plan.
3. The actuarial valuation results are dependent on a single set of assumptions; however, there is a risk that emerging results may differ significantly as actual experience proves to be different from the current assumptions. We have included a discussion of various risks that may affect the Plan in *Section 2*.
4. We have not been engaged to perform a detailed analysis of the potential range of the impact of risk relative to the Plan's future financial condition, but have included a brief discussion of some risks that may affect the Plan. We recommend a more detailed assessment of the risks to provide the Trustees with a better understanding of the risks inherent in the Plan and impact on the date of Plan insolvency. This assessment may include scenario testing, sensitivity testing, stress testing and stochastic modeling. A detailed risk assessment is important for your Plan because the Plan assets are projected to diminish as benefit and expense outflow is greater than contribution, withdrawal liability and investment income.



## E. Withdrawal Liability

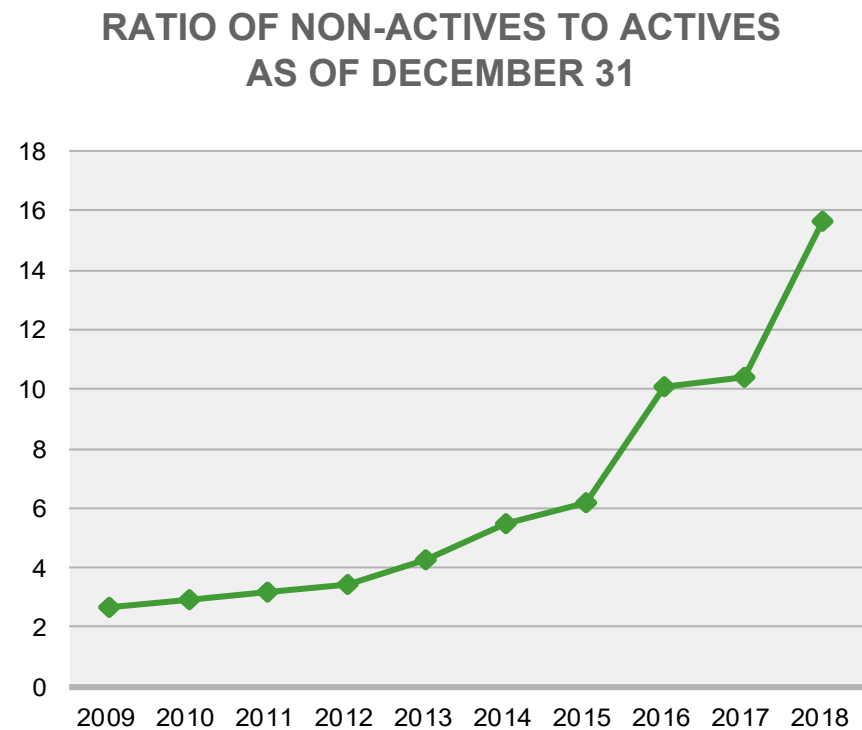
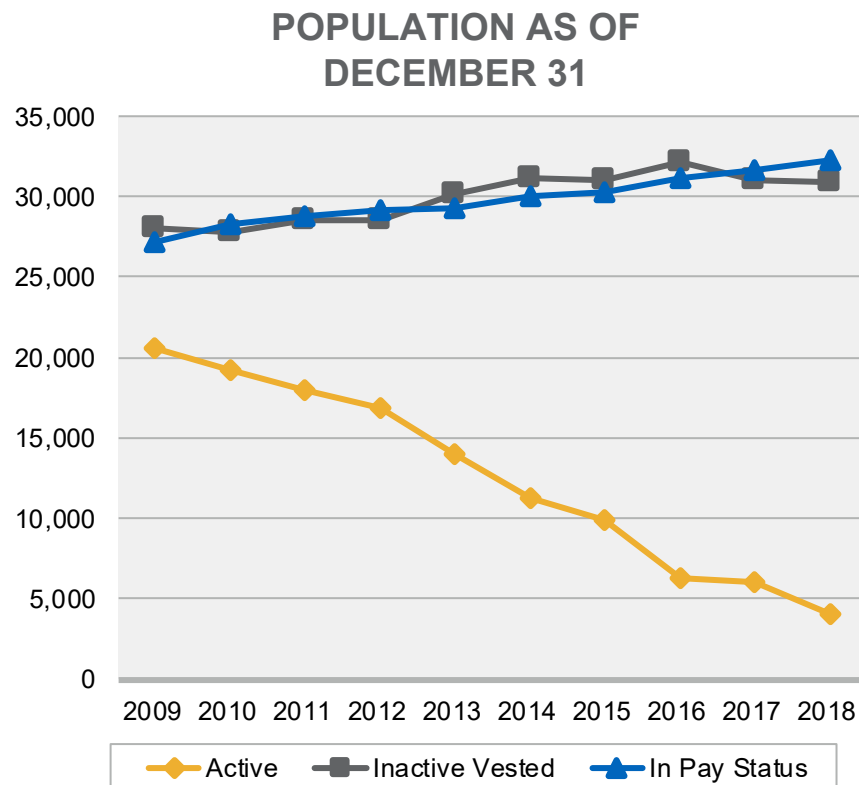
The unfunded present value of vested benefits for withdrawal liability purposes (UVB) is \$2,074,590,568 (using the assumptions outlined in *Section 2: Withdrawal Liability Assumptions*). Compared to \$1,926,311,306 as of the prior year, the increase of \$148.3 million is primarily due to investment losses on a market value basis.



## Section 2: Actuarial Valuation Results

### Participant Information

- The Actuarial Valuation is based on demographic data as of December 31, 2018.
- The number of active participants has declined from 20,622 to 4,041 since December 31, 2009.
- The ratio of non-actives to actives has increased to 15.6 from 10.4 in the prior year and from 2.7 in 2009.
- More details on the historical information are included in *Section 3, Exhibits A and B*.

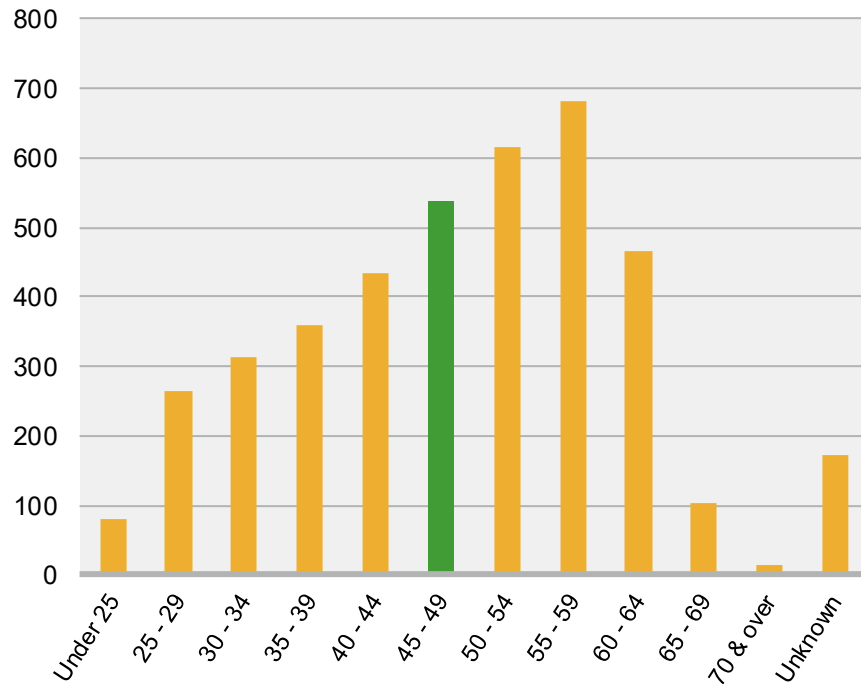


## Active Participants

- There are 4,041 active participants this year, a decrease of 33.2% compared to 6,046 in the prior year, mainly due to employer withdrawals.
- The age and service distribution is included in *Section 4, Exhibit 6*.

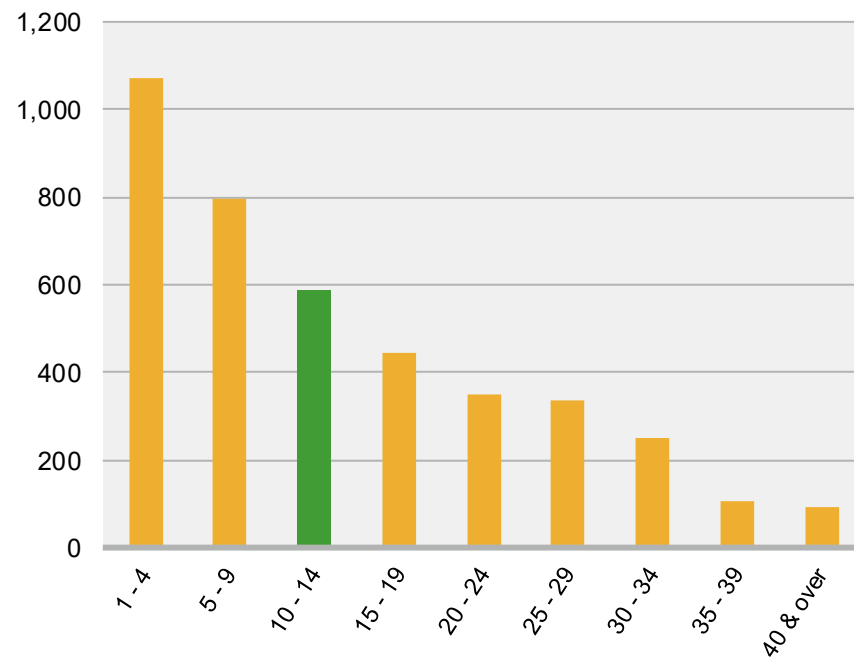
### Distribution of Active Participants as of December 31, 2018

#### BY AGE



<b>Average age</b>	<b>47.3</b>
Prior year average age	<u>47.3</u>
<b>Difference</b>	<b>0.0</b>

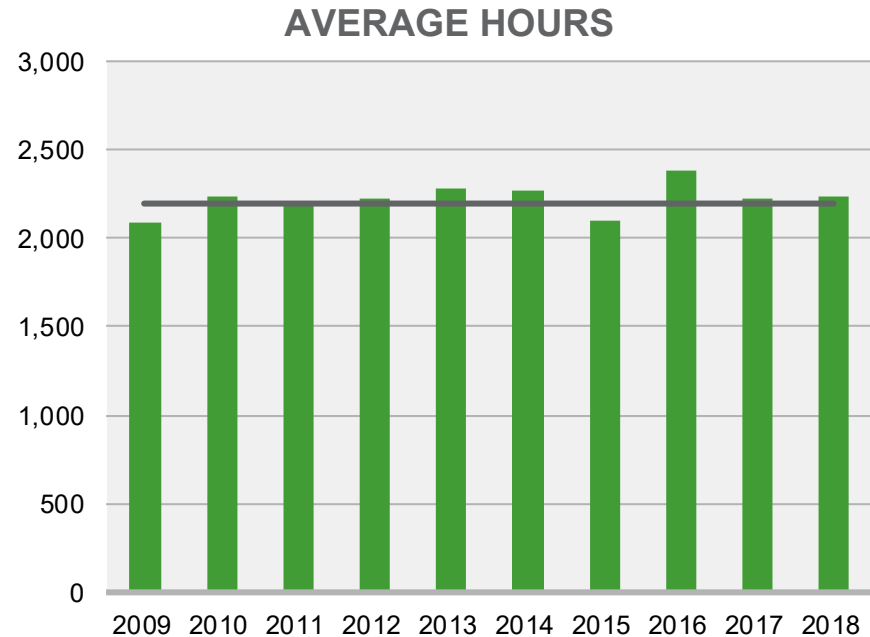
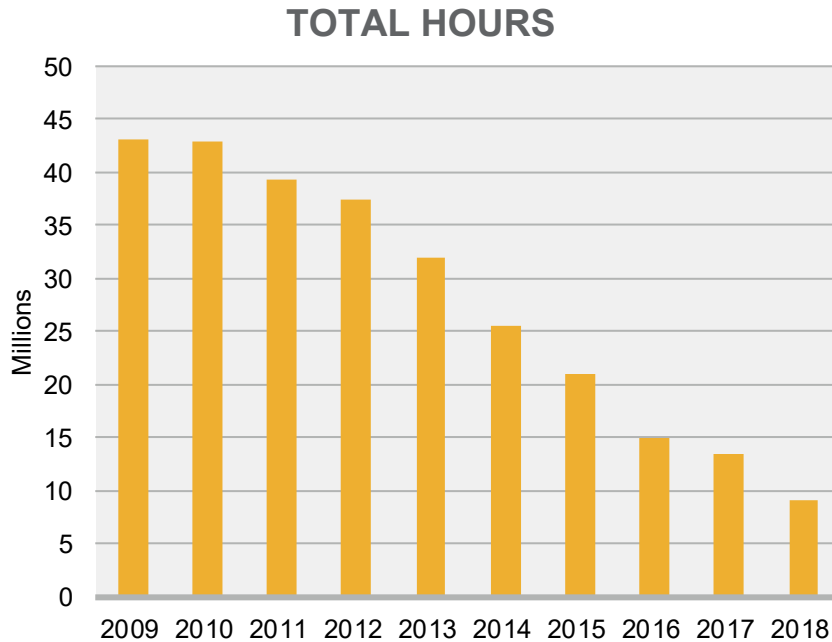
#### BY PENSION CREDITS



<b>Average pension credits</b>	<b>14.0</b>
Prior year average pension credits	<u>14.2</u>
<b>Difference</b>	<b>-0.2</b>

## Historical Employment

- The valuation is based on the active population decreasing by participants from employers that withdrew during 2018 and later and 3% thereafter and a long-term employment projection of 2,200 hours.
- Recent average hours have been slightly above the long-term assumption.
- Additional detail is in *Section 3, Exhibit C*.



Historical Average Hours	
Last year	2,231
Last five years	2,244
Last 10 years	2,225
Long-term assumption	2,200

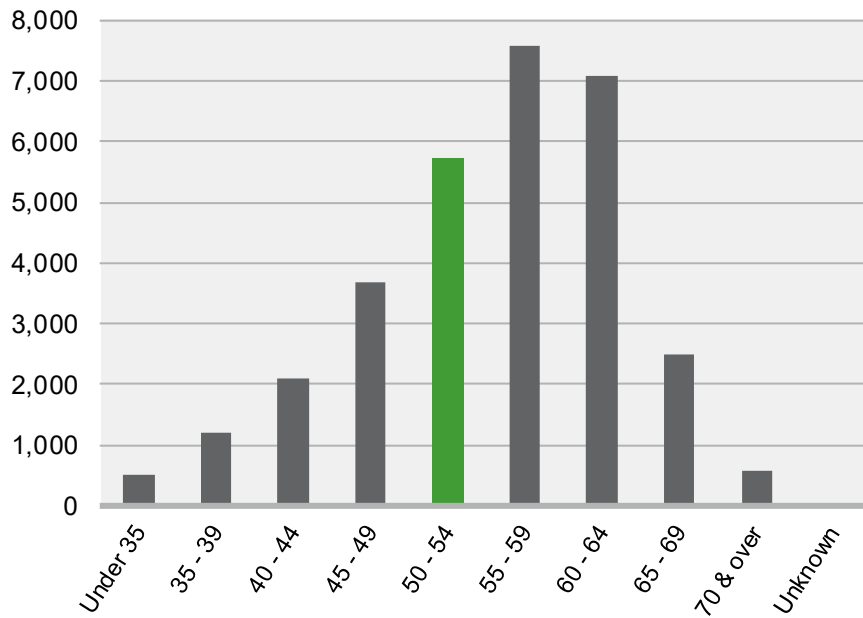
Note: The total hours of contributions are based on total contributions divided by the average contribution rate for the year, which may differ from the hours reported to the Fund Office.

## Inactive Vested Participants

- A participant who is not currently active and has satisfied the requirements for, but has not yet commenced, a pension is considered an “inactive vested” participant.
- There are 30,925 inactive vested participants this year, a decrease of 0.3% compared to 31,009 last year.

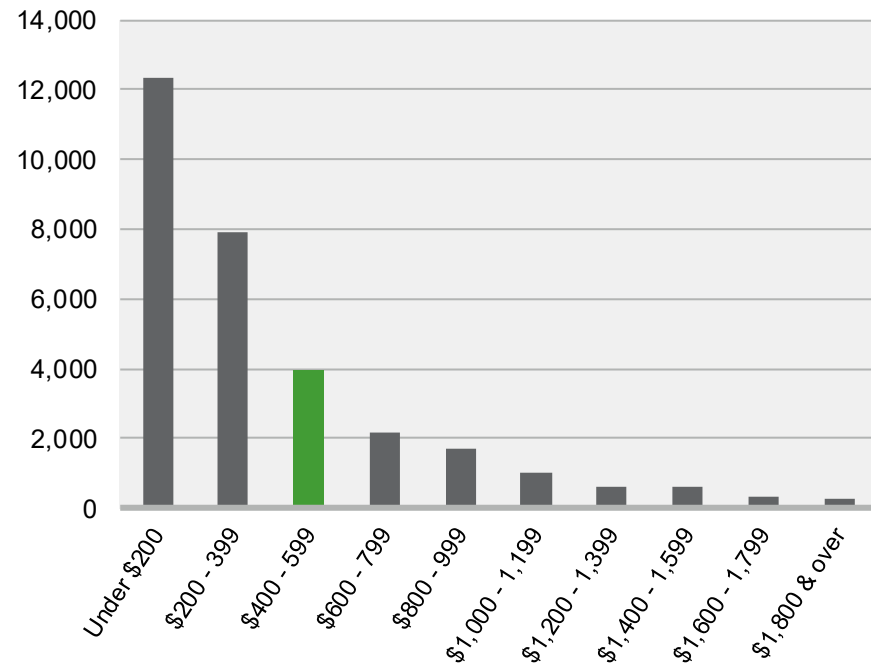
### Distribution of Inactive Vested Participants as of December 31, 2018

**BY AGE**



<b>Average age</b>	<b>54.9</b>
Prior year average age	<u>54.7</u>
<b>Difference</b>	<b>0.2</b>

**BY MONTHLY AMOUNT**



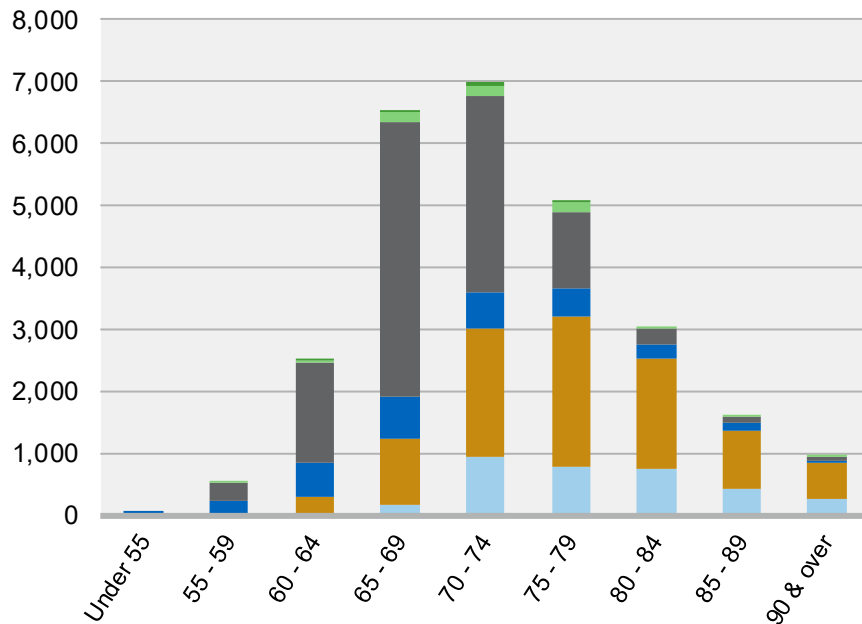
<b>Average amount</b>	<b>\$407</b>
Prior year average amount	<u>\$398</u>
<b>Difference</b>	<b>\$9</b>

## Pay Status Information

- There are 27,263 pensioners and 5,010 beneficiaries this year, compared to 26,828 and 4,837, respectively, in the prior year.
- Monthly benefits for the Plan Year ending December 31, 2018 total \$16,268,133, as compared to \$15,818,039 in the prior year.

### Distribution of Pensioners as of December 31, 2018

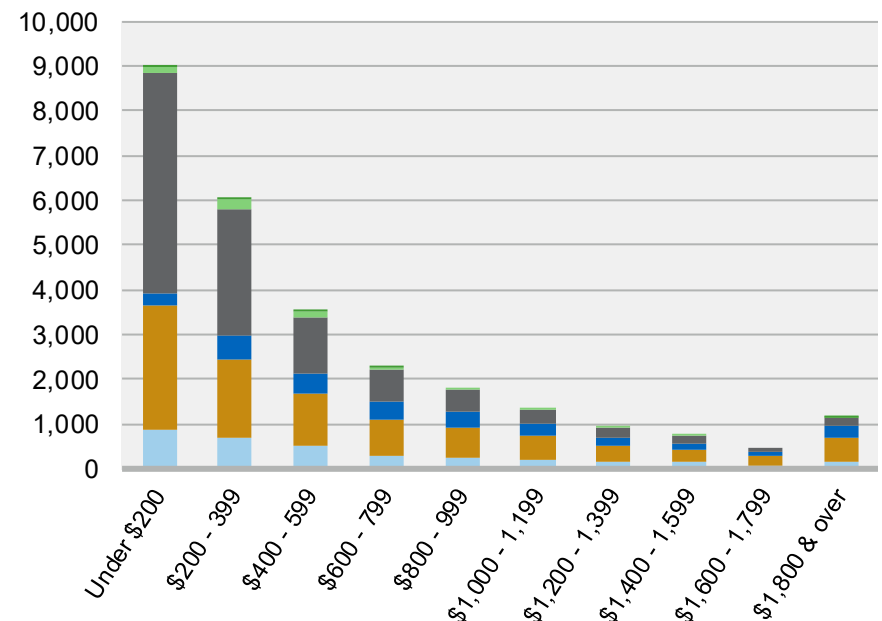
**BY TYPE AND AGE**



■ Regular 
 ■ Early 
 ■ Disability 
 ■ Deferred 
 ■ Merger 
 ■ Service

<b>Average age</b>	<b>73.2</b>
Prior year average age	<u>72.9</u>
<b>Difference</b>	<b>0.3</b>

**BY TYPE AND MONTHLY AMOUNT**



■ Regular 
 ■ Early 
 ■ Disability 
 ■ Deferred 
 ■ Merger 
 ■ Service

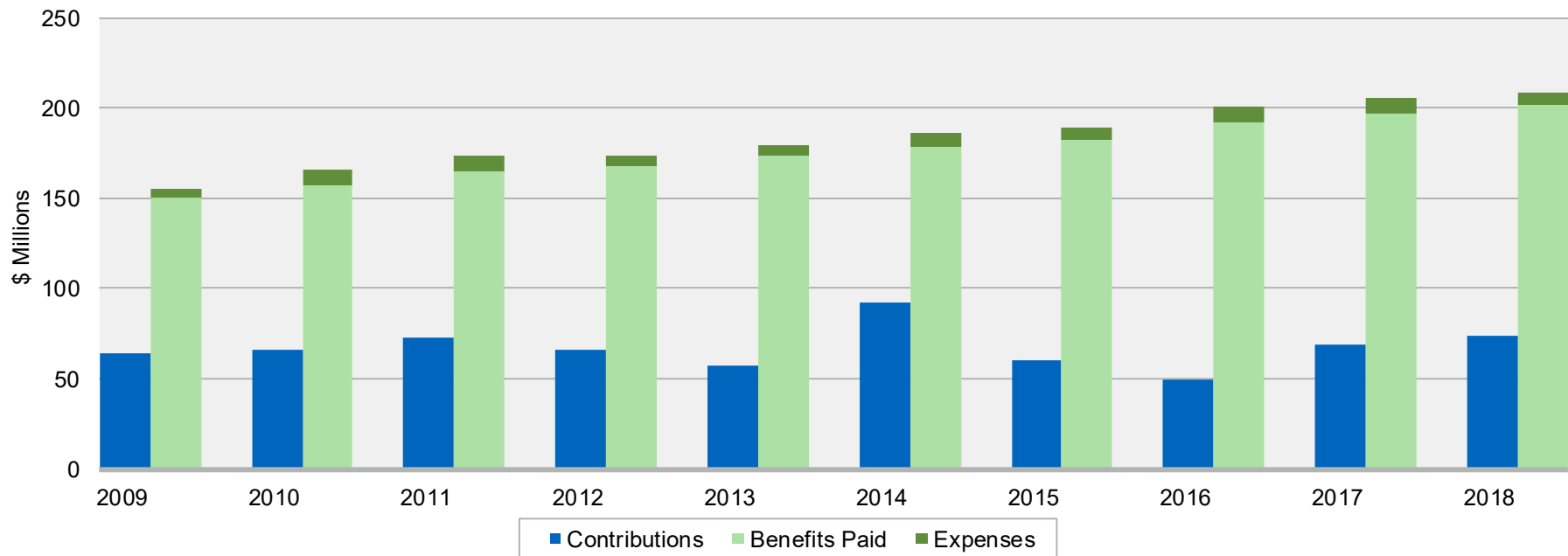
<b>Average amount</b>	<b>\$549</b>
Prior year average amount	<u>\$543</u>
<b>Difference</b>	<b>\$6</b>



## Financial Information

- Benefits and expenses are funded solely from contributions and investment earnings.
- For the most recent year, benefit payments and expenses were almost 3 times contributions including withdrawal liability and funding deficiency payments.
- Additional detail is in *Section 3, Exhibit F*.

### COMPARISON OF EMPLOYER CONTRIBUTIONS WITH BENEFITS AND EXPENSES PAID



## Determination of Actuarial Value of Assets

- The asset valuation method gradually recognizes annual market value fluctuations to help mitigate volatility in the actuarial cost calculations.
- Less volatility in the actuarial cost better aligns with negotiated contribution rates.
- The return on the market value of assets for the year ending December 31, 2018 was -5.15%, which produced a loss of \$204,321,172 when compared to the assumed return of 7.50% for 2018.

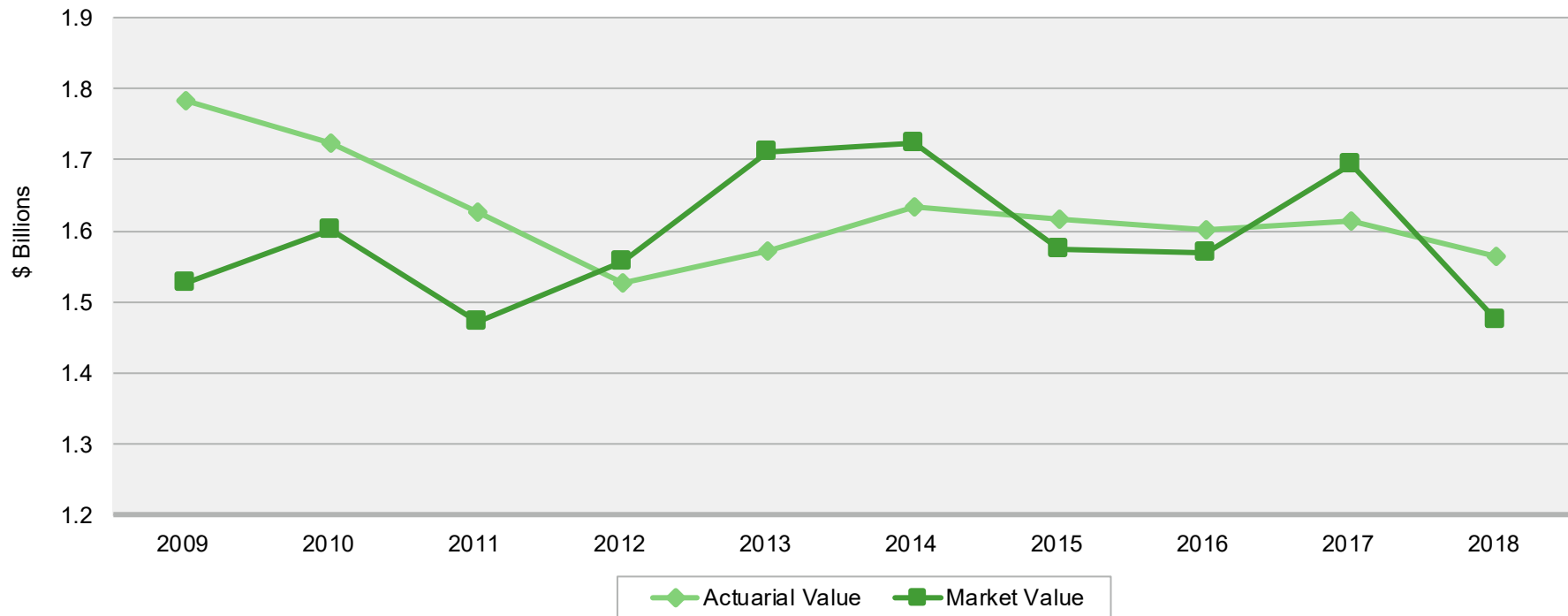
1	Market value of assets, December 31, 2018			\$1,475,054,635
2	Calculation of unrecognized return	Original Amount*	Unrecognized Return**	
	(a) Year ended December 31, 2018	-\$204,321,172	-\$163,456,938	
	(b) Year ended December 31, 2017	149,410,076	89,646,046	
	(c) Year ended December 31, 2016	35,349,803	14,139,921	
	(d) Year ended December 31, 2015	-143,336,168	-28,667,233	
	(e) Year ended December 31, 2014	-18,054,715	0	
	(f) Total unrecognized return			-\$88,338,204
3	Preliminary actuarial value: (1) - (2f)			1,563,392,839
4	Adjustment to be within 20% corridor			0
5	Final actuarial value of assets as of December 31, 2018: (3) + (4)			1,563,392,839
6	Actuarial value as a percentage of market value: (5) ÷ (1)			106.0%
7	Amount deferred for future recognition: (1) - (5)			-\$88,338,204

\* Total return minus expected return on a market value basis

\*\* Recognition at 20% per year over 5 years

## Asset History for Years Ended December 31

### ACTUARIAL VALUE OF ASSETS VS. MARKET VALUE OF ASSETS



## Actuarial Experience

- Assumptions should reflect experience and should be based on reasonable expectations for the future.
- Each year actual experience is compared to that projected by the assumptions. Differences are reflected in the contribution requirement as an experience gain or loss.
- Assumptions are not changed if experience is believed to be a short-term development that will not continue over the long term.
- The net experience variation for the year, other than investment experience, was 0.5% of the projected actuarial accrued liability from the prior valuation, and was not significant when compared to that liability.

### EXPERIENCE FOR THE YEAR ENDED DECEMBER 31, 2018

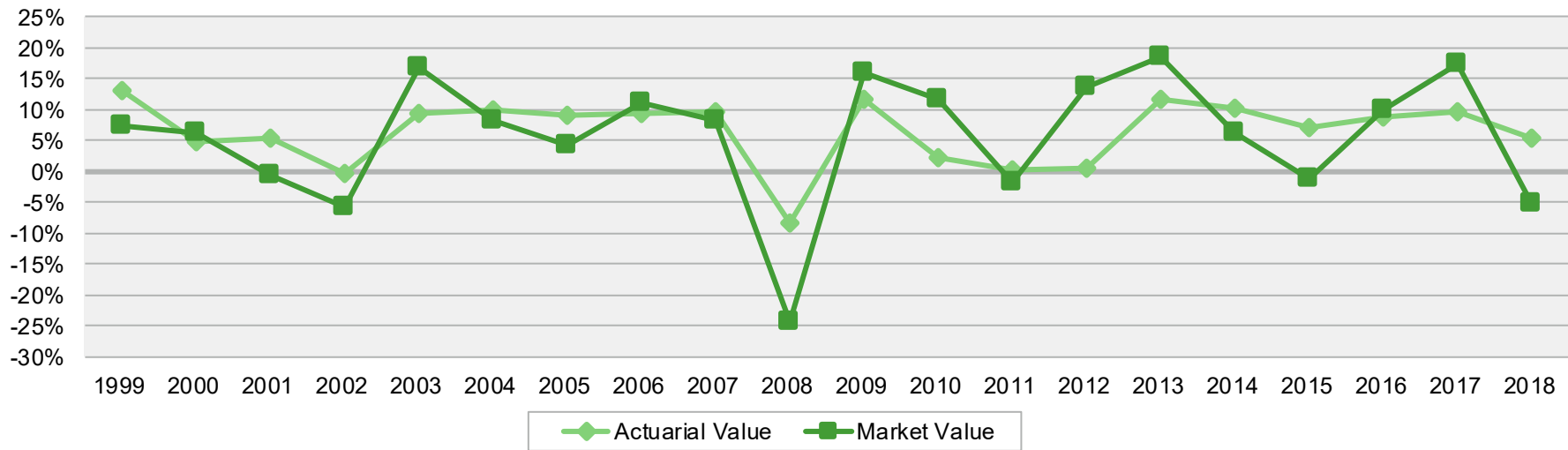
1	Loss from investments	
	a. Net investment income	\$84,913,907
	b. Average actuarial value of assets	1,534,932,036
	c. Rate of return: $a \div b$	5.53%
	d. Assumed rate of return	7.50%
	e. Expected net investment income: $b \times d$	\$115,119,903
	<b>f. Actuarial loss from investments: <math>a - e</math></b>	<b>-30,205,996</b>
2	Gain from administrative expenses	2,422,380
3	Net gain from other experience	<u>10,819,177</u>
4	<b>Net experience loss: <math>1f + 2 + 3</math></b>	<b><u>-\$16,964,439</u></b>

- Net investment income consists of expected investment income at the actuarially assumed rate of return, net of investment expenses, and an adjustment for market value changes.
- The actuarial value of assets does not yet fully recognize past investment gains and losses, which will affect future actuarial investment returns.

## Historical Investment Returns

- Actuarial planning is long term. The obligations of a pension plan are expected to continue for the lifetime of all its participants.
- The assumed long-term rate of return was revised to 6.50% based on changes to the Trustees' asset allocation policy and future expectations.

**MARKET VALUE AND ACTUARIAL RATES OF RETURN FOR YEARS ENDED DECEMBER 31**



Average Rates of Return	Actuarial Value	Market Value
Most recent year return:	5.53%	-5.15%
Most recent five-year average return:	8.33%	5.21%
Most recent ten-year average return:	6.67%	8.18%
20-year average return:	6.25%	5.31%

## Non-Investment Experience

### Administrative Expenses

- Administrative expenses for the year ended December 31, 2018 totaled \$7,157,105, as compared to the assumption of \$9,500,000.

### Mortality Experience

- Mortality experience (more or fewer than expected deaths) yields actuarial gains or losses.
- The average number of deaths for nondisabled pensioners over the past five years was 965.4 per year compared to 882.13 projected deaths per year.

### Other Experience

- Other differences between projected and actual experience include the extent of turnover among the participants, retirement experience (earlier or later than projected), the number of disability retirements and mortality experience of disabled pensioners.

## Actuarial Assumptions

- The following assumptions were changed with this valuation:
  - Net investment return was lowered from 7.5% to 6.5%.
  - Mortality for nondisabled lives was changed from the RP-2014 (equivalent to the RP-2006 table with projection to 2014 under Scale MP-2014) Blue Collar Employee and Annuitant Mortality Tables using generational projection from 2014 under Scale MP-2016 to the RP-2006 Blue Collar Employee and Annuitant Mortality Tables using generational projection from 2006 under Scale MP-2019.
  - Mortality for disabled lives was changed from the RP-2014 (equivalent to the RP-2006 table with projection to 2014 under Scale MP-2014) Disabled Retiree Mortality Table using generational projection from 2014 under Scale MP-2016 to the RP-2006 Disabled Retiree Mortality Table using generational projection from 2006 under Scale MP-2019.
  - Turnover rates were changed from being based on the T-9 Table to a flat rate of 15% for participants with less than 10 years of service and 10% for participants with 10 years of service or greater.
  - Benefit election was revised from all non-married participants assumed to elect the single life annuity form of payment and all married participants assumed to elect the 50% joint and survivor form of payment to 60% of participants elect the single life annuity form of payment and 40% of participants elect the 50% joint and survivor form of payment.
  - Retirement rates for inactive vested participants for ages 66 and 67 were changed from 5% to 20% for age 66 and 10% for age 67.
  - Annual administrative expenses were lowered from \$9,500,000 to \$8,000,000.
- These changes increased the actuarial accrued liability by 7.7% and increased the normal cost by 15.3%.
- Details on actuarial assumptions and methods are in *Section 4, Exhibit 8*.

## Plan Provisions

- There were no changes in plan provisions since the prior valuation.
- A summary of plan provisions is in *Section 4, Exhibit 9*.

## Contribution Rates and Accrual Rates

- As of January 1, 2019, the average contribution rate is \$1.5311 per hour compared to \$1.5410 per hour as of January 1, 2018.
- As of January 1, 2019, the average accrual rate is \$43.27 compared to \$44.65 as of January 1, 2018.



## Pension Protection Act of 2006

### 2019 Actuarial Status Certification

- PPA '06 requires trustees to actively monitor their plans' financial prospects to identify emerging funding challenges so they can be addressed effectively. Details are shown in *Section 3, Exhibit K*.
- The 2019 certification, completed on March 29, 2019, was based on the liabilities calculated in the January 1, 2018 actuarial valuation, adjusted for subsequent events and projected to December 31, 2018, and estimated asset information as of December 31, 2018. The Trustees provided an industry activity assumption of active participants declining based on known employer withdrawals in 2018 and 3% per year thereafter and, that, on the average, contributions will be made for each active for 2,200 hours each year.
- This Plan was classified as critical and declining (in the *Red Zone*) because the funded percentage was 57.3% and there was a projected deficiency in the FSA, and the Plan was expected to be insolvent within 15 years.
- In addition, the Plan is making the scheduled progress in meeting the requirements of its funding improvement rehabilitation plan.

Year	Zone Status
2008	GREEN
2009	GREEN
2010	RED
2011	RED
2012	RED
2013	RED
2014	RED
2015	RED – C&D
2016	RED – C&D
2017	RED – C&D
2018	RED – C&D
2019	RED – C&D

### Rehabilitation Plan

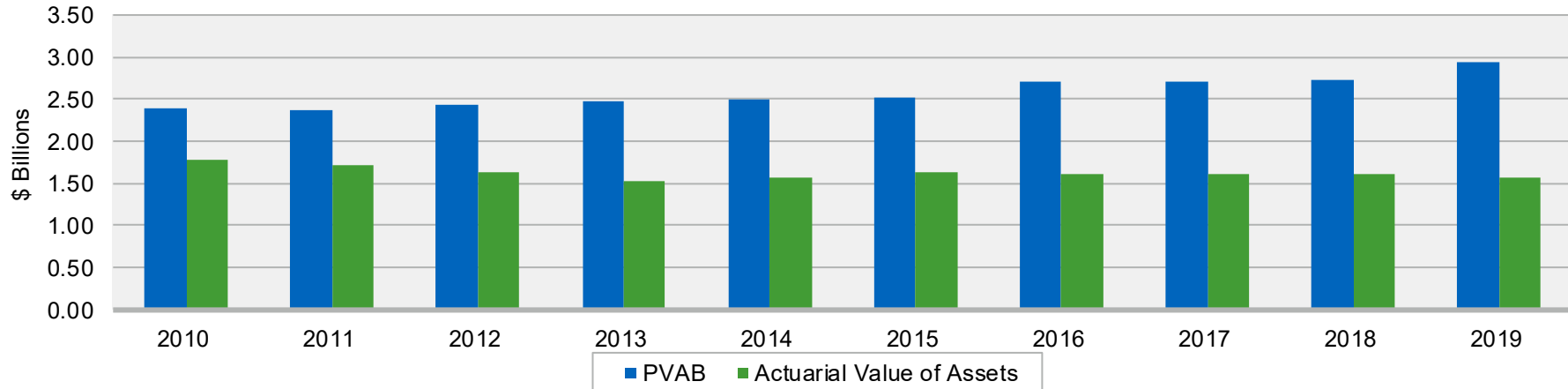
- The Plan is operating under a Rehabilitation Plan first adopted on July 19, 2010, and most recently updated in 2017, that is intended to forestall insolvency. That Plan indicates that, based on reasonable expectations, the Fund's assets are projected to be exhausted in 2028 and therefore PBGC financial assistance will be needed to continue payment of Plan benefits at the reduced PBGC guaranteed benefit level.
- Section 432(e)(3)(B) requires that the Trustees annually update the Rehabilitation Plan and Schedules.
- The annual standards in the Rehabilitation Plan are projected to be met based on this valuation, since insolvency is projected beyond 2028.
- Segal will continue to assist the Trustees to evaluate and update the Rehabilitation Plan and prepare the required assessment of Scheduled Progress in meeting the requirements of the Rehabilitation Plan.

## Funding Standard Account (FSA)

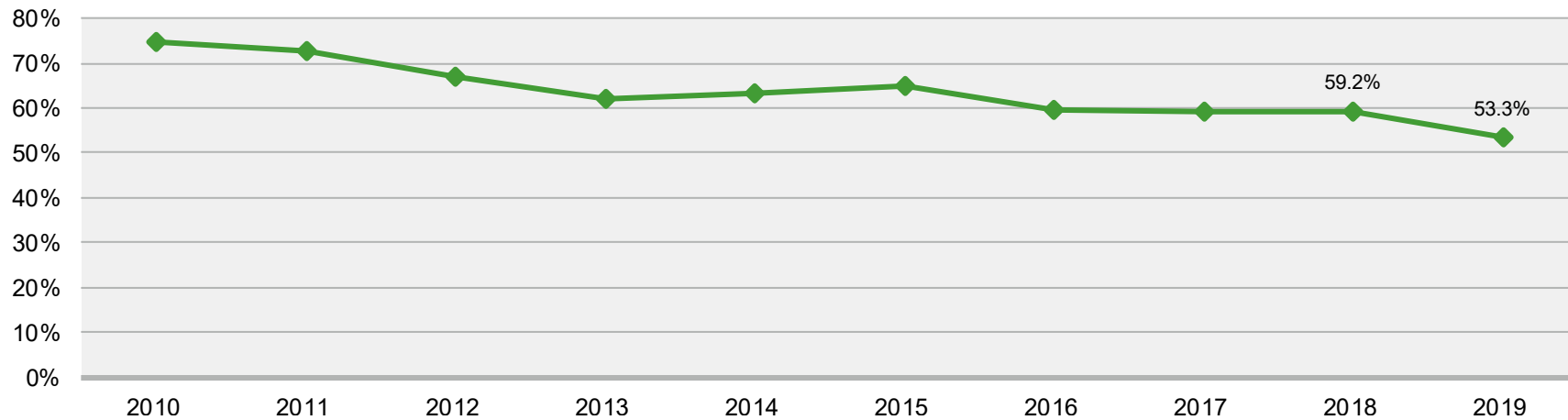
- The minimum funding requirement for the year beginning January 1, 2019 is \$642,091,079.
- On December 31, 2018, the FSA had a funding deficiency of \$467,018,004, as shown on the 2018 Schedule MB. Contributions meet the legal requirement on a cumulative basis if that account shows no deficiency. The funding deficiency is projected to continue to increase.
- Employers contributing to plans in critical status will generally not be penalized if a funding deficiency develops, provided the parties fulfill their obligations under the Rehabilitation Plan, including negotiation of bargaining agreements consistent with Schedules provided by the Trustees.
- The minimum funding requirement for the year beginning January 1, 2019 is \$642,091,079.
- The projected employer contributions for the year beginning January 1, 2019 are \$13,380,544. This takes into account the expected decline in the active population due to withdrawn employers. Including expected withdrawal liability payments of \$46,828,179 from previously withdrawn employers who have started making payments, total contributions projected for 2019 amount to \$60,208,723. Taking into account these contributions, the funding deficiency is projected to increase by approximately \$113.1 million to \$580.1 million as of December 31, 2019.
- A summary of the ERISA minimum funding requirements and the FSA for the year ended December 31, 2018 is included in *Section 3, Exhibit H*

## PPA'06 Funded Percentage Historical Information

### PRESENT VALUE OF ACCRUED BENEFITS (PVAB) VS. ACTUARIAL VALUE OF ASSETS AS OF JANUARY 1

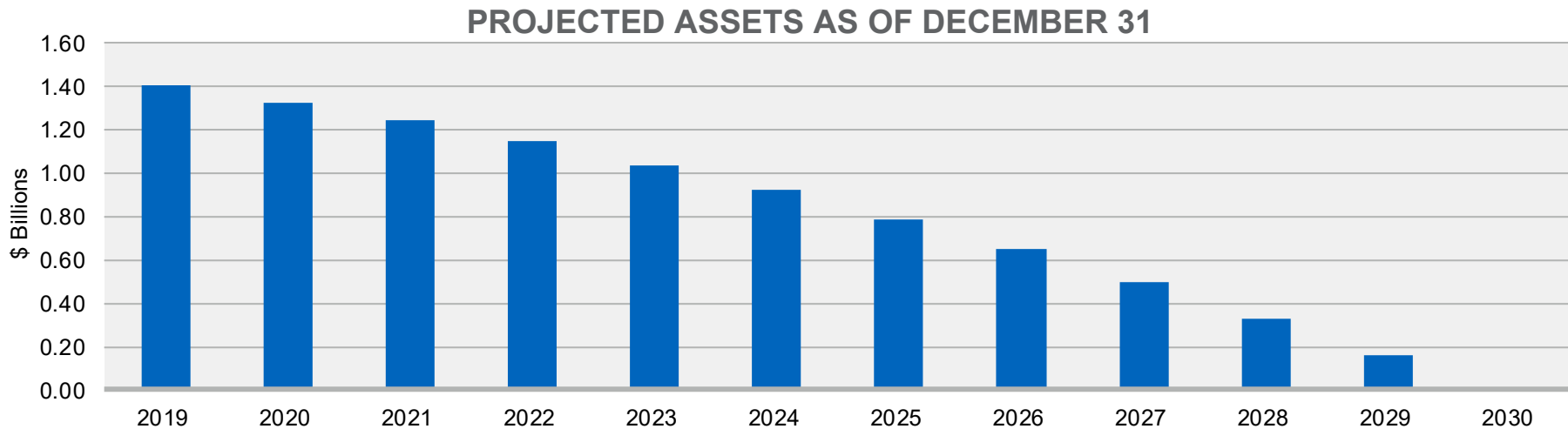


### PPA '06 FUNDED PERCENTAGE AS OF JANUARY 1



## Solvency Projection

- PPA '06 requires Trustees to monitor plan solvency - the ability to pay benefits and expenses when due. MPRA classifies red zone plans that are projected to become insolvent within 15 or 20 years as “critical and declining.” See *Section 3, Exhibit K* for more information.
- This Plan was certified as critical and declining based on a projected insolvency within 15 years.
- Based on this valuation, assets are projected to be exhausted in 2030, as shown below. This is two years earlier than projected in the prior year’s valuation primarily due to the market value investment loss during 2018.
- This projection is based on the plan of benefits and assumptions used for minimum funding and the most recent Rehabilitation Plan, adjusted for the following:
  - The active population decreasing by participants from known employers withdrawn during or after 2018, and 3% each year thereafter
  - Short-term average annual net investment return assumption of 5.50% for the first 5 years, 5.75% for the next 5 years and 6.00% thereafter
  - 3% inflation on administrative expenses
- The Plan is operating under a Rehabilitation Plan that is intended to forestall insolvency.



**Additional scenarios would demonstrate sensitivity to investment return, employment and other alternative assumptions.**

## Funding Concerns and Risk

- The impending projected inability to pay benefits is being monitored by the Trustees.
- The actions already taken to address this issue are detailed in the Rehabilitation Plan and includes plan changes and contribution rate increases to forestall insolvency.
- The actuarial valuation results are dependent on a single set of assumptions; however, there is a risk that emerging results may differ significantly as actual experience proves to be different from the current assumptions.
- We have not been engaged to perform a detailed analysis of the potential range of the impact of risk relative to the Plan's future financial condition, but have included a brief discussion of some risks that may affect the Plan.
- We recommend a more detailed assessment of the risks to provide the Trustees with a better understanding of the risks inherent in the Plan and impact on the date of Plan insolvency. This assessment may include scenario testing, sensitivity testing, stress testing, and stochastic modeling.
- A detailed risk assessment is important for your Plan because the Plan assets are diminishing as benefit and expense outflow is greater than contribution, withdrawal liability and investment income.

- Investment Risk (the risk that returns will be different than expected)

Based on current capital market expectations and the Plan's current target asset allocation, there is a 25% likelihood that the Plan's annual return will be less than 4.0% over the next 15 years and a 25% likelihood that the Plan's annual return is more than 7.5%.

If the plan earns 4.0% each year, the Plan would be projected to be insolvent one year earlier than under the current assumptions. If the plan earns 7.5% each year, the Plan would be projected to be insolvent two years later than under the current assumptions.

As can be seen in *Section 3*, the market value rate of return over the last 20 years has ranged from a low of -24.41% to a high of 18.54%.

- Contribution Risk (the risk that actual contributions and withdrawal liability payments will be different than projected)

If withdrawal liability payments from previously withdrawn employers are not received, we project insolvency to occur three years sooner than otherwise projected.

- Longevity Risk (the risk that mortality experience will be different than expected)

The actuarial valuation includes an expectation of future improvement in life expectancy. Emerging plan experience that does not match these expectations will result in either an increase or decrease in the required contribution.

- Other Demographic Risk (the risk that participant experience will be different than assumed)

Examples of this risk include:

- Actual retirements occurring earlier or later than assumed.
- More or less active participant turnover than assumed.
- Return to covered employment of previously inactive participants.

- Actual Experience over the Last 10 years

Past experience can help demonstrate the sensitivity of key results to the Plan's risk profile. Over the past ten years:

- The investment gain(loss) on market value for a year has ranged from a loss of \$204.3 million to a gain of \$164.2 million.
- The non-investment gain(loss) for a year has ranged from a loss of \$20.6 million to a gain of \$13.2 million.
- The unfunded present value of vested benefits for withdrawal liability purposes has ranged from a low of \$1.1 billion to a high of \$2.1 billion.
- The funded percentage for PPA purposes has ranged from a low of 53.3% in 2019 to a high of 74.6% in 2010.

- Maturity Measures

The risk associated with a pension plan increases as it becomes more mature, meaning that the actives represent a smaller portion of the liabilities of the plan. When this happens, there is a greater risk that fluctuations in the experience of the non-active participants or of the assets of the plan can result in large swings in the contribution requirements.

- Over the past ten years, the ratio of non-active participants to active participants has increased from a low of 2.7 to a high of 15.6.
  - As of December 31, 2018, the retired life actuarial accrued liability represents 61% of the total actuarial accrued liability. In addition, the actuarial accrued liability for inactive vested participants represents 34% of the total. The higher the non-active actuarial accrued liability is as a percent of the total liability, the greater the danger of volatility in results.
  - Benefits and administrative expenses less contributions and withdrawal liability income totaled \$136.7 million as of December 31, 2018, 9% of the market value of assets. The Plan is dependent upon investment returns in order to pay benefits.
- There are external factors including legislative, regulatory or financial reporting changes that could impact the Plan's funding and disclosure requirements. While we do not assume any changes in such external factors, it is important to understand that they could have significant impacts on the Plan. For example, the work of the Joint Select Committee on Solvency of Multiemployer Pension Plans in 2018 showed that Congress is considering possible changes to funding requirements for multiemployer plans (such as limits on the actuarial interest rate assumption) and increases in PBGC premiums.

## Withdrawal Liability

- As of December 31, 2018, the preliminary actuarial present value of vested plan benefits for withdrawal liability purposes is \$3,456,081,540.
- For purposes of determining the present value of vested benefits, we excluded all benefits that are not protected by IRC Section 411(d)(6).
- Reductions in accrued benefits or contribution surcharges for a plan in critical status (*Red Zone*) are disregarded in determining an employer’s allocation of the UVB. The Trustees have adopted a method for calculating the UVB effective for withdrawals that occur on and after January 21, 2012. The method is based on the PBGC’s Technical Update 10-3, which describes how to account for the effect of benefit reductions that are implemented as part of a Rehabilitation Plan (“Affected Benefits”) when a pension plan is in critical status.
- The unamortized value of all Affected Benefits pools (as shown in the chart below) is also included in the total present value of vested benefits of \$3,549,645,203 as of December 31, 2018.
- The \$148,279,262 increase in the unfunded present value of vested benefits from the prior year is primarily due to the market value investment loss during 2018.

	December 31	
	2017	2018
1 Present value of vested benefits (PVVB) on funding basis	\$2,714,602,014	\$2,924,730,212
2 Present value of vested benefits on PBGC basis	5,164,213,074	4,571,497,021
3 PVVB measured for withdrawal purposes	3,517,890,900	3,456,081,540
4 Unamortized value of Affected Benefits Pools	<u>101,895,357</u>	<u>93,563,663</u>
5 Total present value of vested benefits: 3 + 4	3,619,786,257	3,549,645,203
6 Market value of assets	<u>1,693,474,951</u>	<u>1,475,054,635</u>
7 Unfunded present value of vested benefits (UVB): 5 - 6, not less than \$0	\$1,926,311,306	\$2,074,590,568

## Withdrawal Liability Assumptions

- The actuarial assumptions and methods are reasonable (taking into account the experience of the Plan and reasonable expectations) and, in combination, represent the actuary's best estimate of anticipated experience under the Plan to determine the unfunded vested benefits for withdrawal liability purposes.
- The interest rate is based on a blend, which includes rates selected based on estimated annuity purchase rates for benefits being settled, because withdrawal liability is a final settlement of an employer's obligations to the Plan. For benefits that could be settled immediately, because assets on hand are sufficient, the annuity purchase rates are those promulgated by PBGC under ERISA Sec. 4044 for multiemployer plans terminating by mass withdrawal on the measurement date. For benefits that cannot be settled immediately because they are not currently funded, the calculation uses rates equal to the interest rate used for plan funding calculations.

<b>Interest</b>	For liabilities up to market value of assets, 2.84% for 20 years and 2.76% beyond (2.34% for 20 years and 2.63% beyond, in the prior year valuation). For liabilities in excess of market value of assets, same as used for plan funding as of January 1, 2019 (the corresponding funding rate as of a year earlier was used for the prior year's value).
<b>Administrative Expenses</b>	Calculated as prescribed by PBGC formula (29 CFR Part 4044, Appendix C); not applicable to those liabilities determined using funding interest rates.
<b>Mortality</b>	Same as used for plan funding as of January 1, 2019 (the corresponding mortality rates as of a year earlier were used for the prior year's value)
<b>Retirement Rates</b>	Same as used for plan funding as of January 1, 2019 (the corresponding retirement rates as of a year earlier were used for the prior year's value)



## Section 3: Supplementary Information

### EXHIBIT A – TABLE OF PLAN COVERAGE

Category	Year Ended December 31		Change from Prior Year
	2017	2018	
<b>Participants in Fund Office tabulation</b>	6,638	5,350	-19.4%
Less: Participants with less than one pension credit	592	1,309	N/A
<b>Active participants in valuation:</b>			
• Number	6,046	4,041	-33.2%
• Average age	47.3	47.3	0.0
• Average pension credits	14.2	14.0	-0.2
• Average contribution rate for upcoming year	\$1.5410	\$1.6031	4.0%
• Average accrual rate for upcoming year	\$44.65	\$43.27	-3.1%
• Number with unknown age	323	172	-46.7%
• Total active vested participants	4,648	3,149	-32.3%
<b>Inactive participants with rights to a pension:</b>			
• Number	31,009	30,925	-0.3%
• Average age	54.7	54.9	0.2
• Average monthly benefit	\$398	\$407	2.3%
<b>Pensioners:</b>			
• Number in pay status	26,828	27,263	1.6%
• Average age	72.9	73.2	0.3
• Average monthly benefit	\$543	\$549	1.1%
• Number of alternate payees in pay status	412	441	7.0%
• Number in suspended status	0	1	N/A
<b>Beneficiaries:</b>			
• Number in pay status	4,837	5,010	3.6%
• Average age	74.4	74.6	0.2
• Average monthly benefit	\$259	\$261	0.8%
<b>Total Participants</b>	<b>68,720</b>	<b>67,240</b>	<b>-2.2%</b>

## EXHIBIT B – PARTICIPANT POPULATION

Year Ended December 31	Active Participants	Inactive Vested Participants	Pensioners and Beneficiaries	Ratio of Non-Actives to Actives
2009	20,622	28,071	27,191	2.68
2010	19,183	27,839	28,344	2.93
2011	17,932	28,530	28,786	3.20
2012	16,819	28,577	29,220	3.44
2013	13,980	30,196	29,292	4.26
2014	11,224	31,171	30,083	5.46
2015	9,934	31,042	30,346	6.18
2016	6,282	32,175	31,168	10.08
2017	6,046	31,009	31,665	10.37
2018	4,041	30,925	32,274	15.64

## EXHIBIT C – EMPLOYMENT HISTORY

Year Ended December 31	Total Hours of Contributions <sup>1</sup>		Active Participants		Average Hours of Contributions	
	Number	Percent Change	Number	Percent Change	Number	Percent Change
2009	43,038,525	-13.1%	20,622	-8.7%	2,087	-4.8%
2010	42,951,714	-0.2%	19,183	-7.0%	2,239	7.3%
2011	39,389,046	-8.3%	17,932	-6.5%	2,197	-1.9%
2012	37,396,433	-5.1%	16,819	-6.2%	2,223	1.2%
2013	31,922,037	-14.6%	13,980	-16.9%	2,283	2.7%
2014	25,509,783	-20.1%	11,224	-19.7%	2,273	-0.4%
2015	20,905,919	-18.0%	9,934	-11.5%	2,104	-7.4%
2016	14,965,823	-28.4%	6,282	-36.8%	2,382	13.2%
2017	13,470,674	-10.0%	6,046	-3.8%	2,228	-6.5%
2018	9,014,753	-33.1%	4,041	-33.2%	2,231	0.1%
<b>Five-year average hours:</b>					<b>2,244</b>	
<b>Ten-year average hours:</b>					<b>2,225</b>	

<sup>1</sup> The total hours of contributions are based on total contributions divided by the average contribution rate for the year, which may differ from the hours reported to the Fund Office.

## EXHIBIT D – NEW PENSION AWARDS

Year Ended December 31	Total		Regular		Early		Disability		Deferred		Merger		Service	
	Number	Average Monthly Amount	Number	Average Monthly Amount	Number	Average Monthly Amount	Number	Average Monthly Amount	Number	Average Monthly Amount	Number	Average Monthly Amount	Number	Average Monthly Amount
2009	1,498	\$515	215	\$699	256	\$957	129	\$901	854	\$288	21	\$303	23	\$350
2010	1,831	670	281	828	421	1,223	127	1,106	934	339	35	277	33	367
2011	1,303	530	244	674	339	674	126	871	564	319	19	242	11	272
2012	1,321	481	243	521	292	647	110	969	653	318	21	188	2	608
2013	1,074	606	196	792	247	828	80	1,030	548	379	3	303	–	–
2014	1,655	567	195	858	202	1,013	116	1,179	1,119	376	23	374	–	–
2015	1,182	589	86	1,113	100	1,163	78	1,231	886	424	32	397	–	–
2016	1,569	620	81	881	101	1,440	85	1,151	1,259	511	43	335	–	–
2017	1,438	551	52	1,033	51	1,618	53	1,251	1,238	464	44	330	–	–
2018	1,562	591	26	1,349	49	1,507	38	1,034	1,404	538	45	423	–	–

**EXHIBIT E – PROGRESS OF PENSION ROLLS OVER THE PAST TEN YEARS  
IN PAY STATUS AT YEAR END**

Year	Number	Average Age	Average Amount	Terminations <sup>1</sup>	Additions <sup>2</sup>
2009	23,651	71.4	\$483	1,065	1,629
2010	24,600	71.4	499	976	1,925
2011	24,925	71.6	505	1,026	1,351
2012	25,241	71.8	508	1,038	1,354
2013	25,212	72.1	516	1,138	1,109
2014	25,825	72.2	523	1,100	1,713
2015	25,941	72.5	530	1,133	1,249
2016	26,493	72.7	538	1,075	1,627
2017	26,828	72.9	543	1,152	1,487
2018	27,263	73.2	549	1,139	1,574

<sup>1</sup> Terminations include pensioners who died or were suspended during the prior plan year.

<sup>2</sup> Additions to the pension rolls include new pensions awarded, previously unreported pensioners, and suspended pensioners who have been reinstated.

## EXHIBIT F – SUMMARY STATEMENT OF INCOME AND EXPENSES ON AN ACTUARIAL BASIS

	Year Ended December 31, 2017	Year Ended December 31, 2018
<b>Contribution income:</b>		
• Employer contributions	\$20,758,603	\$13,802,244
• Withdrawal liability payments	46,013,658	44,970,275
• Funding deficiency payments	<u>1,383,548</u>	<u>13,100,633</u>
<i>Net contribution income</i>	\$68,155,809	\$71,873,152
<b>Investment income:</b>		
• Expected investment income	\$114,180,636	\$115,119,903
• Adjustment toward market value	<u>35,096,553</u>	<u>-30,205,996</u>
<i>Net investment income</i>	149,277,189	84,913,907
<i>Other Income</i>	446,830	1,465,885
<b>Total income available for benefits</b>	<b>\$217,879,828</b>	<b>\$158,252,944</b>
<b>Less benefit payments and expenses:</b>		
• Pension benefits	-\$196,750,634	-\$201,385,419
• Administrative expenses	<u>-9,204,246</u>	<u>-7,157,105</u>
<i>Total benefit payments and expenses</i>	-\$205,954,880	-\$208,542,524
<b>Change in actuarial value of assets</b>	<b>\$11,924,948</b>	<b>-\$50,289,580</b>
<b>Actuarial value of assets</b>	<b>\$1,613,682,419</b>	<b>\$1,563,392,839</b>
<b>Market value of assets</b>	<b>\$1,693,474,951</b>	<b>\$1,475,054,635</b>

## EXHIBIT G – INVESTMENT RETURN – ACTUARIAL VALUE VS. MARKET VALUE

Year Ended December 31	Actuarial Value Investment Return		Market Value Investment Return		Year Ended December 31	Actuarial Value Investment Return		Market Value Investment Return	
	Amount	Percent	Amount	Percent		Amount	Percent	Amount	Percent
1999	\$145,200,483	12.98%	\$95,233,318	7.39%	2009	\$189,294,732	11.61%	\$214,659,851	15.90%
2000	58,388,667	4.72%	83,929,388	6.18%	2010	38,829,217	2.25%	172,141,502	11.72%
2001	69,112,131	5.47%	-7,126,582	-0.51%	2011	3,893,495	0.23%	-26,444,503	-1.72%
2002	-6,428,213	-0.43%	-91,579,779	-5.83%	2012	8,080,971	0.52%	191,658,195	13.60%
2003	133,971,662	9.37%	241,145,061	16.87%	2013	168,203,765	11.55%	275,661,775	18.54%
2004	150,411,031	9.98%	133,762,572	8.29%	2014	154,401,904	10.19%	105,940,595	6.41%
2005	145,041,478	9.09%	72,518,279	4.30%	2015	113,002,433	7.25%	-19,679,976	-1.19%
2006	158,518,633	9.38%	187,514,401	10.98%	2016	136,453,797	8.91%	146,994,570	9.87%
2007	171,090,405	9.58%	152,823,572	8.34%	2017	149,277,189	9.81%	261,182,270	17.53%
2008	-154,409,191	-8.24%	-464,748,570	-24.41%	2018	84,913,907	5.53%	-83,216,829	-5.15%
					Total	\$1,917,248,496		\$1,642,369,110	
							<b>Most recent five-year average return:</b>	<b>8.33%</b>	<b>5.21%</b>
							<b>Most recent ten-year average return:</b>	<b>6.67%</b>	<b>8.18%</b>
							<b>20-year average return:</b>	<b>6.25%</b>	<b>5.31%</b>

Note: Each year's yield is weighted by the average asset value in that year.

**EXHIBIT H – ANNUAL FUNDING NOTICE FOR PLAN YEAR BEGINNING  
JANUARY 1, 2019 AND ENDING DECEMBER 31, 2019**

	2019 Plan Year	2018 Plan Year	2017 Plan Year
Actuarial valuation date	January 1, 2019	January 1, 2018	January 1, 2017
Funded percentage	53.3%	59.2%	59.0%
Value of assets	\$1,563,392,839	\$1,613,682,419	\$1,601,757,471
Value of liabilities	2,932,707,127	2,726,820,917	2,715,051,995
Fair market value of assets as of plan year end	Not available	1,475,054,635	1,693,474,951

**Critical or Endangered Status**

The Plan was in critical and declining status in the plan year because there was a funding deficiency in the Funding Standard Account and the Plan was projected to be insolvent within 15 years. In an effort to improve the Plan’s funding situation, the Trustees adopted a Rehabilitation Plan that is intended to forestall insolvency.



## EXHIBIT I – FUNDING STANDARD ACCOUNT

- ERISA imposes a minimum funding standard that requires the Plan to maintain an FSA. The accumulation of contributions in excess of the minimum required contributions is called the FSA credit balance. If actual contributions fall short on a cumulative basis, a funding deficiency has occurred.
- The FSA is charged with the normal cost and the amortization of increases or decreases in the unfunded actuarial accrued liability due to plan amendments, experience gains or losses and changes in actuarial assumptions and funding methods. The FSA is credited with employer contributions, funding deficiency payments and withdrawal liability payments.
- Increases or decreases in the unfunded actuarial accrued liability are amortized over 15 years except that short-term benefits, such as 13<sup>th</sup> checks, are amortized over the scheduled payout period.
- On December 31, 2018, the FSA had a funding deficiency of \$467,018,004, as shown on the 2018 Schedule MB. Contributions meet the legal requirement on a cumulative basis if that account shows no deficiency.
- Employers contributing to plans in critical status will generally not be penalized if a funding deficiency develops, provided the parties fulfill their obligations under the Rehabilitation Plan, including negotiation of bargaining agreements consistent with Schedules provided by the Trustees.

### FSA FOR THE YEAR ENDED DECEMBER 31, 2018

Charges		Credits			
1	Prior year funding deficiency	\$370,009,733	6	Prior year credit balance	\$0
2	Normal cost, including administrative expenses	19,081,453	7	Employer contributions	71,873,152
3	Total amortization charges	178,488,836	8	Total amortization credits	63,987,654
4	Interest to end of the year	<u>42,568,502</u>	9	Interest to end of the year	7,269,714
5	<i>Total charges</i>	<i>\$610,148,524</i>	10	Full-funding limitation credit	<u>0</u>
			11	<i>Total credits</i>	<i>\$143,130,520</i>
				<b>Credit balance (Funding deficiency):</b>	<b><u>-\$467,018,004</u></b>
				11 - 5	

## EXHIBIT J – MAXIMUM DEDUCTIBLE CONTRIBUTION

- Employers that contribute to defined benefit pension plans are allowed a current deduction for payments to such plans. There are various measures of a plan’s funded level that are considered in the development of the maximum deductible contribution amount.
- One of the limits is the excess of 140% of “current liability” over assets. “Current liability” is one measure of the actuarial present value of all benefits earned by the participants as of the valuation date. This limit is significantly higher than the current contribution level.
- Contributions in excess of the maximum deductible amount are not prohibited; only the deductibility of these contributions is subject to challenge and may have to be deferred to a later year. In addition, if contributions are not fully deductible, an excise tax in an amount equal to 10% of the non-deductible contributions may be imposed. However, the plan sponsor may elect to exempt the non-deductible amount up to the ERISA full-funding limitation from the excise tax.
- The Trustees should review the interpretation and applicability of all laws and regulations concerning any issues as to the deductibility of contribution amounts with Fund Counsel.

1	Normal cost, including administrative expenses	\$15,155,624
2	Amortization of unfunded actuarial accrued liability	178,852,619
3	Preliminary maximum deductible contribution: 1 + 2, with interest to the end of the plan year	\$206,618,779
4	Full-funding limitation (FFL)	2,720,778,108
5	Preliminary maximum deductible contribution, adjusted for FFL: lesser of 3 and 4	206,618,779
6	Current liability for maximum deductible contribution, projected to the end of the plan year	4,630,594,519
7	Actuarial value of assets, projected to the end of the plan year	1,446,756,960
8	Excess of 140% of current liability over projected assets at end of plan year: [140% of (6)] - (7), not less than zero	5,036,075,367
9	End of year minimum required contribution	642,091,079
<b>Maximum deductible contribution: greatest of 5, 8, and 9</b>		<b>\$5,036,075,367</b>

## EXHIBIT K – PENSION PROTECTION ACT OF 2006

### PPA'06 Zone Status

- Based on projections of the credit balance in the FSA, the funded percentage, and cash flow sufficiency tests, plans are categorized in one of the “zones” described below.
- The funded percentage is determined using the actuarial value of assets and the present value of benefits earned to date, based on the actuary’s best estimate assumptions.

#### Critical Status (Red Zone)

A plan is classified as being in critical status (the *Red Zone*) if:

- The funded percentage is less than 65%, and either there is a projected FSA deficiency within five years or the plan is projected to be unable to pay benefits within seven years, or
- There is a projected FSA deficiency within four years, or
- There is a projected inability to pay benefits within five years, or
- The present value of vested benefits for inactive participants exceeds that for actives, contributions are less than the value of the current year’s benefit accruals plus interest on existing unfunded accrued benefit liabilities, and there is a projected FSA deficiency within five years, or
- As permitted by the Multiemployer Pension Reform Act of 2014, the plan is projected to be in the *Red Zone* within the next five years and the plan sponsor elects to be in critical status.

A critical status plan is further classified as being in *critical and declining status* if:

- The ratio of inactives to actives is at least 2 to 1, and there is an inability to pay benefits projected within 20 years, or
- The funded percentage is less than 80%, and there is an inability to pay benefits projected within 20 years, or
- There is an inability to pay benefits projected within 15 years.

Any amortization extensions are ignored for testing initial entry into the *Red Zone*.

The Trustees are required to adopt a formal Rehabilitation Plan, designed to allow the plan to emerge from critical status by the end of the rehabilitation period. If they determine that such emergence is not reasonable, the Rehabilitation Plan must be designed to emerge as of a later time or to forestall possible insolvency.

Trustees of *Red Zone* plans have tools, such as the ability to reduce or eliminate early retirement subsidies, to remedy the situation. Accelerated forms of benefit payment (such as lump sums) are prohibited. However, unless the plan is critical and declining, Trustees may not reduce benefits of participants who retired before being notified of the plan’s critical status (other than rolling back recent benefit increases) or alter core retirement benefits payable at normal retirement age.

**Endangered Status (Yellow Zone)**

A plan not in critical status (*Red Zone*) is classified as being in endangered status (the *Yellow Zone*) if:

- The funded percentage is less than 80%, or
- There is a projected FSA deficiency within seven years.

A plan that has both of the endangered conditions present is classified as seriously endangered.

Trustees of a plan that was in the *Green Zone* in the prior year can elect not to enter the *Yellow Zone* in the current year (although otherwise required to do so) if the plan's current provisions would be sufficient (with no further action) to allow the plan to emerge from the *Yellow Zone* within 10 years.

The Trustees are required to adopt a formal Funding Improvement Plan, designed to improve the current funded percentage, and avoid a funding deficiency as of the emergence date.

**Green Zone**

A plan not in critical status (the *Red Zone*) nor in endangered status (the *Yellow Zone*) is classified as being in the *Green Zone*.

**Early Election of Critical Status**

Trustees of a *Green* or *Yellow Zone* plan that is projected to enter the *Red Zone* within the next five years must elect whether or not to enter the *Red Zone* for the current year.

## Section 4: Certificate of Actuarial Valuation

JANUARY 22, 2020

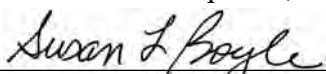
### CERTIFICATE OF ACTUARIAL VALUATION

This is to certify that Segal Consulting, a Member of The Segal Group, Inc. (“Segal”) has prepared an actuarial valuation of the PACE Industry Union-Management Pension Fund as of January 1, 2019 in accordance with generally accepted actuarial principles and practices. It has been prepared at the request of the Board of Trustees to assist in administering the Fund and meeting filing requirements of federal government agencies. This valuation report may not otherwise be copied or reproduced in any form without the consent of the Board of Trustees and may only be provided to other parties in its entirety.

The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law.

The valuation is based on the assumption that the Plan is qualified as a multiemployer plan for the year and on information supplied by the auditor with respect to contributions and assets and reliance on the Plan Administrator with respect to the participant data. Segal Consulting does not audit the data provided. The accuracy and comprehensiveness of the data is the responsibility of those supplying the data. To the extent we can, however, Segal does review the data for reasonableness and consistency. Based on our review of the data, we have no reason to doubt the substantial accuracy of the information on which we have based this report and we have no reason to believe there are facts or circumstances that would affect the validity of these results. Adjustments for incomplete or apparently inconsistent data were made as described in the attached *Exhibit 8*.

I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of my knowledge, the information supplied in this actuarial valuation is complete and accurate, except as noted in *Exhibit 1*. Each prescribed assumption for the determination of Current Liability 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.



Susan L. Boyle, FSA, FCA, MAAA  
Senior Vice President and Actuary  
Enrolled Actuary No. 17-06862

## EXHIBIT 1 – SUMMARY OF ACTUARIAL VALUATION RESULTS

The valuation was made with respect to the following data supplied to us by the Plan Administrator:

Pensioners as of the valuation date (including 5,010 beneficiaries in pay status and 1 pensioner in suspended status)		32,274
Participants inactive during year ended December 31, 2018 with vested rights (including 7 participants with unknown age)		30,925
Participants active during the year ended December 31, 2018 (including 172 participants with unknown age)		4,041
• Fully vested	3,149	
• Not vested	892	
<b>Total participants</b>		<b>67,240</b>

The actuarial factors as of the valuation date are as follows:

Normal cost, including administrative expenses		\$15,155,624
Actuarial present value of projected benefits		2,980,729,309
Present value of future normal costs		48,022,182
<b>Actuarial accrued liability</b>		2,932,707,127
• Pensioners and beneficiaries <sup>1</sup>	\$1,785,924,017	
• Inactive participants with vested rights	984,799,633	
• Active participants	161,983,477	
Actuarial value of assets (\$1,475,054,635 at market value as reported by Cherry Bekaert LLP)		\$1,563,392,839
Unfunded actuarial accrued liability		1,369,314,288

<sup>1</sup> Includes liabilities for 441 former spouses in pay status.

## EXHIBIT 2 – ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

The actuarial present value of accumulated plan benefits calculated in accordance with FASB ASC 960 is shown below as of January 1, 2018 and as of January 1, 2019. In addition, the factors that affected the change between the two dates follow.

	Benefit Information Date	
	January 1, 2018	January 1, 2019
Actuarial present value of vested accumulated plan benefits:		
• Participants currently receiving payments	\$1,679,580,001	\$1,785,924,017
• Other vested benefits	<u>1,035,378,133</u>	<u>1,139,421,821</u>
• Total vested benefits	\$2,714,958,134	\$2,925,345,838
Actuarial present value of non-vested accumulated plan benefits	11,862,783	7,361,289
<b>Total actuarial present value of accumulated plan benefits</b>	<b>\$2,726,820,917</b>	<b>\$2,932,707,127</b>

Factors	Change in Actuarial Present Value of Accumulated Plan Benefits
Benefits accumulated, net experience gain or loss, changes in data	\$1,384,150
Benefits paid	<b>-201,385,419</b>
Changes in actuarial assumptions	209,557,193
Interest	196,330,286
<b>Total</b>	<b>\$205,886,210</b>

### EXHIBIT 3 – CURRENT LIABILITY

The table below presents the current liability for the Plan Year beginning January 1, 2019.

Item <sup>1</sup>	Amount
Retired participants and beneficiaries receiving payments	\$2,513,975,641
Inactive vested participants	1,847,999,592
Active participants	
• Non-vested benefits	\$10,967,366
• Vested benefits	<u>303,669,893</u>
• <i>Total active</i>	\$314,637,259
<b>Total</b>	<b>\$4,676,612,492</b>
Expected increase in current liability due to benefits accruing during the plan year	\$16,609,922
Expected release from current liability for the plan year	202,877,801
Expected plan disbursements for the plan year, including administrative expenses of \$8,000,000	210,877,801
Current value of assets	\$1,475,054,635
Percentage funded for Schedule MB	31.5%

<sup>1</sup> The actuarial assumptions used to calculate these values are shown in Exhibit 8.



## EXHIBIT 4 – INFORMATION ON PLAN STATUS AS OF JANUARY 1, 2019

Plan status (as certified on March 29, 2019, for the 2019 zone certification)	<b><i>Critical and Declining</i></b>
Scheduled progress (as certified on March 29, 2019, for the 2019 zone certification)	Yes
Actuarial value of assets for FSA	\$1,563,392,839
Accrued liability under unit credit cost method	2,932,707,127
Funded percentage for monitoring plan's status	53.3%
Year in which insolvency is expected	2030

**EXHIBIT 5 – SCHEDULE OF PROJECTION OF EXPECTED BENEFIT PAYMENTS**  
 (SCHEDULE MB, LINE 8b(1))

Plan Year	Expected Annual Benefit Payments <sup>1</sup>
2019	\$202,404,190
2020	205,958,283
2021	209,836,820
2022	213,636,002
2023	217,670,367
2024	221,402,056
2025	224,582,456
2026	227,264,719
2027	229,122,563
2028	230,251,477

<sup>1</sup> Assuming as of the valuation date:

- no additional accruals,
- experience is in line with valuation assumptions, and
- no new entrants are covered by the plan.

## EXHIBIT 6 – SCHEDULE OF ACTIVE PARTICIPANT DATA

(SCHEDULE MB, LINE 8b(2))

The participant data is for the year ended December 31, 2018.

Age	Pension Credits									
	Total	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 & over
Under 25	81	73	8	–	–	–	–	–	–	–
25 - 29	264	189	73	2	–	–	–	–	–	–
30 - 34	313	163	117	32	1	–	–	–	–	–
35 - 39	358	119	126	82	30	1	–	–	–	–
40 - 44	434	101	111	101	79	41	1	–	–	–
45 - 49	538	94	116	103	94	79	51	1	–	–
50 - 54	615	76	92	91	83	83	122	65	3	–
55 - 59	682	58	86	88	97	77	110	106	51	9
60 - 64	467	21	50	68	51	51	46	66	48	66
65 - 69	103	4	13	20	10	17	7	11	4	17
70 & over	14	2	3	1	1	1	1	2	1	2
Unknown	172	170	2	–	–	–	–	–	–	–
<b>Total</b>	<b>4,041</b>	<b>1,070</b>	<b>797</b>	<b>588</b>	<b>446</b>	<b>350</b>	<b>338</b>	<b>251</b>	<b>107</b>	<b>94</b>

Note: Excludes 1,309 participants with less than one pension credit.

## EXHIBIT 7 – FUNDING STANDARD ACCOUNT

The table below presents the FSA for the Plan Year ending December 31, 2019.

Charges		Credits			
1	Prior year funding deficiency	\$467,018,004	6	Prior year credit balance	\$0
2	Normal cost, including administrative expenses	15,155,624	7	Amortization credits	62,513,616
3	Amortization charges	183,242,410	8	Interest on 6 and 7	4,063,385
4	Interest on 1, 2 and 3	43,252,042	9	Full-funding limitation credit	0
5	<b>Total charges</b>	<b>\$708,668,080</b>	10	<b>Total credits</b>	<b>\$66,577,001</b>
Minimum contribution with interest required to avoid a funding deficiency: 5 - 10, not less than zero					\$642,091,079

Full Funding Limitation (FFL) and Credits	
ERISA FFL (accrued liability FFL)	\$1,568,540,644
RPA'94 override (90% current liability FFL)	2,720,778,108
FFL credit	0

## EXHIBIT 7 – FUNDING STANDARD ACCOUNT (CONTINUED)

### Schedule of FSA Bases (Charges) (Schedule MB, Line 9c)

Type of Base	Date Established	Amortization Amount	Years Remaining	Outstanding Balance
Plan amendment	01/01/1980	\$1,525,650	1	\$1,525,650
L107 merger-plan amendment	01/01/1981	71,197	2	138,049
Plan amendment	01/01/1981	1,139,257	2	2,208,982
Plan amendment	01/01/1990	2,251,724	1	2,251,724
Plan amendment	01/01/1991	1,105,837	2	2,144,181
Plan amendment	01/01/1992	1,268,637	3	3,578,350
Plan amendment	01/01/1993	2,053,660	4	7,492,729
Plan amendment	01/01/1994	2,188,473	5	9,685,742
Plan amendment	01/01/1995	1,001,714	6	5,164,516
Plan amendment	01/01/1996	1,010,682	7	5,903,406
Plan amendment	01/01/1997	2,033,654	8	13,187,271
Assumption change	01/01/1998	1,814,294	9	12,861,075
Plan amendment	01/01/1998	9,131,628	9	64,731,838
Plan amendment	01/01/1999	7,018,258	10	53,732,511
Plan amendment	01/01/2000	5,270,482	11	43,159,079
Plan amendment	01/01/2001	3,708,879	12	32,226,609
Assumption change	01/01/2002	860,656	13	7,882,513
OCAW/PACE UIPF merger - combined and offset bases	01/01/2002	6,238,401	3	17,596,200
Plan amendment	01/01/2002	2,615,419	13	23,953,901
Plan amendment	01/01/2003	3,733,352	14	35,839,216
Plan amendment	01/01/2004	1,613,062	15	16,152,945

## EXHIBIT 7 – FUNDING STANDARD ACCOUNT (CONTINUED)

### Schedule of FSA Bases (Charges) (Schedule MB, Line 9c)

Type of Base	Date Established	Amortization Amount	Years Remaining	Outstanding Balance
Plan amendment	01/01/2005	1,997,172	16	20,775,922
Assumption change	01/01/2006	551,290	17	5,936,156
Plan amendment	01/01/2007	720,458	18	8,004,709
Plan amendment	01/01/2008	1,170,301	4	4,269,815
Plan amendment	01/01/2009	882,320	5	3,904,971
Actuarial loss	01/01/2009	33,936,024	5	150,194,009
Plan amendment	01/01/2010	544,043	6	2,804,909
Assumption change	01/01/2011	6,820,698	7	39,839,789
Actuarial loss	01/01/2011	11,413,240	7	66,664,889
Assumption change	01/01/2012	1,826,927	8	11,846,744
Actuarial loss	01/01/2012	13,224,313	8	85,753,322
Actuarial loss	01/01/2013	10,853,743	9	76,939,483
Assumption change	01/01/2016	19,026,114	12	165,318,713
Actuarial loss	01/01/2019	1,694,099	15	16,964,439
Assumption change	01/01/2019	20,926,752	15	209,557,193
<b>Total</b>		<b>\$183,242,410</b>		<b>\$1,230,191,550</b>

## EXHIBIT 7 – FUNDING STANDARD ACCOUNT (*CONTINUED*)

### Schedule of FSA Bases (Credits) (Schedule MB, Line 9h)

Type of Base	Date Established	Amortization Amount	Years Remaining	Outstanding Balance
Actuarial gain	01/01/2010	\$6,042,009	6	\$31,150,660
Change in funding method	01/01/2011	21,621,565	2	41,923,504
Plan amendment	01/01/2011	15,365,826	7	89,751,996
Actuarial gain	01/01/2014	7,128,428	10	54,575,986
Actuarial gain	01/01/2015	3,976,274	11	32,561,034
Actuarial gain	01/01/2016	522,909	12	4,543,581
Actuarial gain	01/01/2017	1,274,079	13	11,668,940
Assumption change	01/01/2017	3,335,439	13	30,548,369
Actuarial gain	01/01/2018	3,247,087	14	31,171,196
<b>Total</b>		<b>\$62,513,616</b>		<b>\$327,895,266</b>

## EXHIBIT 8 – STATEMENT OF ACTUARIAL ASSUMPTIONS/METHODS

(SCHEDULE MB, LINE 6)

<b>Mortality Rates</b>	<i>Non-annuitant:</i>	RP-2006 Blue Collar Employee Mortality Table with generational projection using Scale MP-2019 from 2006
	<i>Healthy annuitant:</i>	RP-2006 Blue Collar Healthy Annuitant Mortality Table with generational projection using Scale MP-2019 from 2006
	<i>Disabled annuitant:</i>	RP-2006 Disabled Retiree Mortality Table with generational projection using Scale MP-2019 from 2006
<p>The underlying tables with the generational projection to the age of the participants as of the measurement date reasonably reflect the mortality experience of the Plan as of the measurement date. These mortality tables were then adjusted to future years using the generational projection to reflect mortality improvement between the measurement date and these years.</p> <p>The mortality rates were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of deaths and the projected number based on the prior year's assumption over recent years.</p>		

<b>Annuitant Mortality Rates</b>	<b>Age</b>	<b>Rate (%)<sup>1</sup></b>			
		<b>Healthy</b>		<b>Disabled</b>	
		<b>Male</b>	<b>Female</b>	<b>Male</b>	<b>Female</b>
	55	0.64	0.42	2.49	1.50
	60	0.89	0.66	2.81	1.95
	65	1.45	1.06	3.63	2.53
	70	2.38	1.70	4.88	3.43
	75	3.89	2.75	6.70	4.91
	80	6.38	4.54	9.43	7.26
	85	10.51	7.80	13.71	10.85
	90	17.31	13.38	20.46	15.86

<sup>1</sup> Mortality rates shown for base table.



Termination Rates			Rate (%)			
	Age	Mortality <sup>1</sup>		Disability	Withdrawal <sup>2</sup>	
		Male	Female		Less than 10 Years of Service	10 or More Years of Service
	20	0.07	0.02	0.05	15	10
	25	0.07	0.02	0.05	15	10
	30	0.06	0.02	0.05	15	10
	35	0.07	0.03	0.06	15	10
	40	0.10	0.05	0.09	15	10
	45	0.16	0.09	0.18	15	10
	50	0.26	0.13	0.40	15	10
	55	0.38	0.19	0.85	15	10
	60	0.64	0.31	1.74	15	10

<sup>1</sup> Mortality rates shown are for base table.

<sup>2</sup> Withdrawal rates are cut out at early retirement age.

The termination rates and disability rates were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of terminations and disability retirements by age and the projected number based on the prior year's assumption over recent years.

**Retirement Rates for Actives**

Age	Annual Retirement Rates
55 – 59	1%
60 – 61	5%
62	25%
63 – 64	15%
65 – 69	30%
70 or older	100%

The retirement rates were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of retirements by age and the projected number based on the prior year's assumption over recent years.

**Description of Weighted Average Retirement Age**

Age 65, determined as follows: The weighted average retirement age for each participant is calculated as the sum of the product of each potential current or future retirement age times the probability of surviving from current age to that age and then retiring at that age, assuming no other decrements. The overall weighted retirement age is the average of the individual retirement ages based on all the active participants included in the January 1, 2019 actuarial valuation.

Retirement Rates for Inactive Vested Participants	Age	Annual Retirement Rates
	55 – 61	5%
	62	15%
	63 – 64	7%
	65	40%
	66	20%
	67	10%
	68 – 69	5%
	70 or older	100%

The retirement rates for inactive vested participants were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of retirements by age and the projected number based on the prior year's assumption over recent years.

<b>Future Benefit Accruals</b>	One pension credit per year. The future benefit accruals were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the assumed and actual benefit accruals over recent years.
<b>Unknown Data for Participants</b>	Same as those exhibited by participants with similar known characteristics. If not specified, participants are assumed to be male.
<b>Definition of Active Participants</b>	Active participants are defined as those with at least 510 hours in the most recent plan year and who have accumulated at least one pension credit, excluding those who have retired as of the valuation date.
<b>Percent Married</b>	75% of male participants and 50% of female participants are assumed married
<b>Age of Spouse</b>	Females three years younger than males.
<b>Benefit Election</b>	60% of participants are assumed to elect the single life annuity form of payment and 40% of participants are assumed to elect the 50% joint and survivor form of payment. The benefit elections were based on historical and current demographic data, adjusted to reflect the plan design, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the assumed and the actual option election patterns over recent years.
<b>Delayed Retirement Factors</b>	Active participants assumed to work enough hours each month to not qualify for delayed retirement adjustment. Inactive vested participants who are assumed to commence receipt of benefits after attaining normal retirement age qualify for delayed retirement increases, but not beyond age 70.

<b>Net Investment Return</b>	6.50%  The net investment return assumption is a long-term estimate derived from historical data, current and recent market expectations, and professional judgment. As part of the analysis, a building block approach was used that reflects inflation expectations and anticipated risk premiums for each of the portfolio's asset classes as provided by both SEI and Segal Marco Advisors, as well as the Plan's target asset allocation.
<b>Annual Administrative Expenses</b>	\$8,000,000 for the year beginning January 1, 2019 (equivalent to \$7,732,980 payable at the beginning of the year)  The annual administrative expenses were based on historical and current data, estimated future experience and professional judgment.
<b>Actuarial Value of Assets</b>	The market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five – year period. The actuarial value is further adjusted, if necessary, to be within 20% of the market value.
<b>Actuarial Cost Method</b>	Unit Credit Actuarial Cost Method. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are allocated by service.
<b>Benefits Valued</b>	Unless otherwise indicated, includes all benefits summarized in <i>Exhibit 9</i> .
<b>Current Liability Assumptions</b>	<i>Interest: 3.06%</i> , within the permissible range prescribed under IRC Section 431(c)(6)(E) <i>Mortality: Mortality prescribed under IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1(a)(2): RP-2006 employee and annuitant mortality tables, projected forward generationally using scale MP-2017 from 2006</i>
<b>Estimated Rate of Investment Return</b>	<i>On actuarial value of assets (Schedule MB, line 6g): 5.5%</i> , for the Plan Year ending December 31, 2018 <i>On current (market) value of assets (Schedule MB, line 6h): -5.1%</i> , for the Plan Year ending December 31, 2018
<b>FSA Contribution Timing (Schedule MB, line 3a)</b>	Unless otherwise noted, contributions are paid periodically throughout the year pursuant to collective bargaining agreements. The interest credited in the FSA is therefore assumed to be equivalent to a July 15 contribution date.

**Justification for  
Change in Actuarial  
Assumptions  
(Schedule MB, line 11)**

Based on past experience and future expectations, the following assumptions were revised as of January 1, 2019:

- Net investment return, previously 7.5%
- Mortality for nondisabled lives, previously the RP-2014 Blue Collar Employee and Annuitant Mortality Tables using generational projection from 2014 under Scale MP-2016
- Mortality for disabled lives, previously the RP-2014 Disabled Retiree Mortality Table using generational projection from 2014 under Scale MP-2016
- Turnover rates, previously the T-9 Table and a 50% load for participants younger than 25
- Benefit election, previously all non-married participants assumed to elect the single life annuity form of payment and all married participants assumed to elect the 50% joint and survivor form of payment
- Retirement rates for inactive vested participants for ages 66 and 67, previously 5%
- Annual administrative expenses, previously \$9,500,000

For purposes of determining current liability, the current liability interest rate was changed from 2.98% to 3.06% due to a change in the permissible range and recognizing that any rate within the permissible range satisfies the requirements of IRC Section 431(c)(6)(E) and the mortality tables were changed in accordance with IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1.

## EXHIBIT 9 – SUMMARY OF PLAN PROVISIONS

### (SCHEDULE MB, LINE 6)

This exhibit summarizes the major provisions of the Plan included in the valuation. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions.

<b>Plan Year</b>	January 1 through December 31
<b>Pension Credit Year</b>	January 1 through December 31
<b>Plan Status</b>	Ongoing plan
<b>Regular Pension</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> 65</li> <li>• <i>Service Requirement:</i> 5 pension credits or years of vesting service</li> <li>• <i>Amount:</i> Accrual rates are based on contribution rates and differ by employer. Accrued benefits as of December 31, 2010 based on the accrual rate as of December 31, 2010. Effective January 1, 2011, future benefits earned will be based on the contribution rate(s) in effect for the plan year in which the benefit is accrued.</li> </ul>
<b>Early Retirement</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> 55</li> <li>• <i>Service Requirement:</i> 10 pension credits or years of vesting service for Programs A through F; 5 years for Program G</li> <li>• <i>Amount:</i> Regular pension accrued, reduced by 1/2 of 1% for each month the participant is younger than age 65</li> </ul>
<b>Disability</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Service Requirement:</i> 10 pension credits for Programs A, B, C and G. 5 years of vesting service for Programs D, E and F</li> <li>• <i>Amount:</i> Regular pension accrued for Programs A through F. For Program G, early retirement amount plus 10%, not reduced below age 55 and not greater than the benefit payable at age 65.</li> </ul>
<b>Vesting</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Service Requirement:</i> Five years of vesting service or pension credit.</li> <li>• <i>Amount:</i> Regular pension accrued payable at Normal Retirement Age, or early retirement amount payable beginning at age 55, based on plan in effect when last active</li> <li>• <i>Normal Retirement Age:</i> 65, or if later, the participant's age on the fifth anniversary of date of participation</li> </ul>

<b>Spouse's Pre-Retirement Death Benefit</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Service Requirement:</i> Five years of Vesting Service or 6 years of Pension Credit.</li> <li>• <i>Amount:</i> 50% of the benefit participant would have received had he or she retired the day before death and elected the joint and survivor option.</li> <li>• <i>Charge for Coverage:</i> None</li> </ul>
<b>Post-Retirement Death Benefit</b>	<p>If married, pension benefits are paid in the form of a 50% Husband-and-Wife annuity unless this form is rejected by the participant and spouse. If not rejected, the benefit amount otherwise payable is reduced to reflect the 50% Husband and Wife coverage.</p> <p>If rejected, or if not married, benefits are payable for the life of the employee without reduction, or in any other available optional form elected by the employee in an actuarially equivalent amount.</p>
<b>Optional Forms of Benefits</b>	<p>75% or 100% Husband and Wife option under Programs A through F.</p> <p>50%, 75% or 100% Husband and Wife with popup option under Programs A through F</p> <p>50%, 75% or 100% Joint and Survivor option under Programs A through F.</p> <p>75% or 100% Joint and Survivor option for married participants under Program G.</p>
<b>Participation</b>	Earliest January 1 <sup>st</sup> or July 1 <sup>st</sup> after completion of 12 consecutive months during which the employee worked 1,000 hours (150 hours for participation in Program G) in covered employment.
<b>Pension Credit</b>	<p>Less than 510 hours = 0 year of pension credit</p> <p>510 – 1,019 hours = ¼ year of pension credit</p> <p>1,020 – 1,529 hours = ½ year of pension credit</p> <p>1,530 – 2,039 hours = ¾ year of pension credit</p> <p>2,040 or more hours = 1 year of pension credit</p>
<b>Vesting Credit</b>	One year of vesting service for each calendar year during the contribution period in which the employee works 1000 hours or more.
<b>Contribution Rate</b>	Varies by employers. The average contribution rate as of January 1, 2019 is \$1.5311 per hour.
<b>Changes in Plan Provisions</b>	There were no changes in plan provisions reflected in this actuarial valuation.

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**PACE Industry Union-Management Pension Fund**

*Actuarial Certification of Plan Status as of  
January 1, 2019 under IRC Section 432*



333 WEST 34TH STREET, 3RD FLOOR NEW YORK, NY 10001  
T 212.251.5000 www.segalco.com

*March 29, 2019*

*Board of Trustees  
PACE Industry Union-Management Pension Fund  
1101 Kermit Drive, Suite 800  
Nashville, TN 37217*

*Dear Trustees:*

*As required by ERISA Section 305 and Internal Revenue Code (IRC) Section 432, we have completed the Plan's actuarial status certification as of January 1, 2019. The attached exhibits outline the projections performed and the results of the various tests required by the statute. These projections have been prepared based on the Actuarial Valuation as of January 1, 2018 and in accordance with generally accepted actuarial principles and practices and a current understanding of the law. The actuarial calculations were completed under the supervision of Susan L. Boyle, FSA, FCA, MAAA, Senior Vice President and Actuary.*

*As of January 1, 2019, the Plan is in critical and declining status.*

*This certification also notifies the IRS that the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan, based on the annual standards in the rehabilitation plan. This certification is being filed with the Internal Revenue Service, pursuant to ERISA section 305(b)(3) and IRC section 432(b)(3).*

*Segal Consulting ("Segal") does not practice law and, therefore, cannot and does not provide legal advice. Any statutory interpretation on which the certification is based reflects Segal's understanding as an actuarial firm. Due to the complexity of the statute and the significance of its ramifications, Segal recommends that the Board of Trustees consult with legal counsel when making any decisions regarding compliance with ERISA and the Internal Revenue Code.*



*We look forward to reviewing this certification with you at your next meeting and to answering any questions you may have. We are available to assist the Trustees in communicating this information to plan stakeholders as well as in reviewing and updating the Rehabilitation Plan as required.*

*Sincerely,*

*Segal Consulting, a Member of the Segal Group*

A handwritten signature in black ink, appearing to read "Darrin Owens", written over a horizontal line.

*By:* \_\_\_\_\_  
*Darrin Owens*  
*Senior Vice President*

*cc: Fund Administrator*  
*Legal Counsel*  
*Auditor*



*March 29, 2019*

*Internal Revenue Service  
Employee Plans Compliance Unit  
Group 7602 (TEGE:EP:EPCU)  
230 S. Dearborn Street  
Room 1700 - 17th Floor  
Chicago, IL 60604*

*To Whom It May Concern:*

*As required by ERISA Section 305 and the Internal Revenue Code (IRC) Section 432, we have completed the actuarial status certification as of January 1, 2019 for the following plan:*

*Name of Plan: PACE Industry Union-Management Pension Fund  
Plan number: EIN 11-6166763 / PN 001  
Plan sponsor: Board of Trustees, PACE Industry Union-Management Pension Fund  
Address: 1101 Kermit Drive, Suite 800, Nashville, TN 37217  
Phone number: 1.800.474.8673*

*As of January 1, 2019, the Plan is in critical and declining status.*

*This certification also notifies the IRS that the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan, based on the annual standards of the rehabilitation plan.*

*If you have any questions on the attached certification, you may contact me at the following:*

*Segal Consulting  
333 West 34th Street, 3rd Floor  
New York, NY 10001  
Phone number: 212.251.5000*

*Sincerely,*

*Susan L. Boyle, FSA, FCA, MAAA  
Senior Vice President and Actuary  
Enrolled Actuary No. 17-06862*

**Actuarial Status Certification as of January 1, 2019 under IRC Section 432 for the PACE Industry Union-Management Pension Fund**

EIN 11-6166763 / PN 001

**March 29, 2019**

**Illustration Supporting Actuarial Certification of Status (Schedule MB, line 4b)**

**ACTUARIAL STATUS CERTIFICATION AS OF JANUARY 1, 2019 UNDER IRC SECTION 432**

This is to certify that Segal Consulting, a Member of The Segal Group, Inc. (“Segal”) has prepared an actuarial status certification under Internal Revenue Code Section 432 for the PACE Industry Union-Management Pension Fund as of January 1, 2019 in accordance with generally accepted actuarial principles and practices. It has been prepared at the request of the Board of Trustees to assist in administering the Fund and meeting filing and compliance requirements under federal law. This certification may not otherwise be copied or reproduced in any form without the consent of the Board of Trustees and may only be provided to other parties in its entirety.

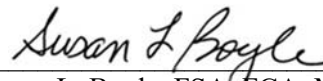
The measurements shown in this actuarial certification may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); differences in statutory interpretation and changes in plan provisions or applicable law.

This certification is based on the January 1, 2018 actuarial valuation, dated December 11, 2018. This certification reflects the changes in the law made by the Multiemployer Pension Reform Act of 2014 (MPRA). Additional assumptions required for the projections (including those under MPRA), and sources of financial information used are summarized in Exhibit VI.

Segal Consulting does not practice law and, therefore, cannot and does not provide legal advice. Any statutory interpretation on which this certification is based reflect Segal’s understanding as an actuarial firm.

This certification was based on the assumption that the Plan was qualified as a multiemployer plan for the year.

I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of my knowledge, the information supplied in this actuarial certification is complete and accurate. As required by IRC Section 432(b)(3)(B)(iii), the projected industry activity is based on information provided by the plan sponsor. In my opinion, the projections are based on reasonable actuarial estimates, assumptions and methods that (other than projected industry activity and contributions as otherwise specified) offer my best estimate of anticipated experience under the Plan.



Susan L. Boyle, FSA, FCA, MAAA  
Senior Vice President and Actuary  
Enrolled Actuary No. 17-06862

**Actuarial Status Certification as of January 1, 2019 under IRC Section 432 for the PACE Industry Union-Management Pension Fund**

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EIN 11-6166763 / PN 001

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**Certificate Contents**

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<b>EXHIBIT I</b>	Status Determination as of January 1, 2019
<b>EXHIBIT II</b>	Summary of Actuarial Valuation Projections
<b>EXHIBIT III</b>	Funding Standard Account Projection
<b>EXHIBIT IV</b>	Funding Standard Account – Projected Bases Assumed Established After January 1, 2018
<b>EXHIBIT V</b>	Solvency Projection
<b>EXHIBIT VI</b>	Actuarial Assumptions and Methodology

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**Actuarial Status Certification as of January 1, 2019 under IRC Section 432 for the PACE Industry Union-Management Pension Fund**

EIN 11-6166763 / PN 001

**EXHIBIT I  
Status Determination as of January 1, 2019**

Status	Condition	Component Result	Final Result
<b>Critical Status:</b>			
<b>I. Initial critical status tests:</b>			
	C1. A funding deficiency is projected in four years? .....	Yes	Yes
	C2. (a) A funding deficiency is projected in five years, .....	Yes	
	(b) AND the present value of vested benefits for non-actives is more than present value of vested benefits for actives,.....	Yes	
	(c) AND the normal cost plus interest on unfunded actuarial accrued liability (unit credit basis) is greater than contributions for current year?.....	Yes	Yes
	C3. (a) A funding deficiency is projected in five years, .....	Yes	
	(b) AND the funded percentage is less than 65%?.....	Yes	Yes
	C4. (a) The funded percentage is less than 65%, .....	Yes	
	(b) AND the present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over seven years? .....	No	No
	C5. The present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over five years? .....	No	No

**Actuarial Status Certification as of January 1, 2019 under IRC Section 432 for the PACE Industry Union-Management Pension Fund**

EIN 11-6166763 / PN 001

**EXHIBIT I (continued)**  
**Status Determination as of January 1, 2019**

<b>Status</b>	<b>Condition</b>	<b>Component Result</b>	<b>Final Result</b>
<b>II. In Critical Status? (If any of C1-C5 is Yes, then Yes).....</b>			<b>Yes</b>
<b>III. Determination of critical and declining status:</b>			
C6. (a)	Any of (C1) through (C5) are Yes? .....	Yes	Yes
	(b) AND EITHER Insolvency is projected within 15 years using assumptions described in Exhibit VI.B? .....	Yes	Yes
	(c) OR		
	(i) The ratio of inactives to actives is at least 2 to 1, .....	Yes	
	(ii) AND insolvency is projected within 20 years using assumptions described in Exhibit VI.B? .....	Yes	Yes
	(d) OR		
	(i) The funded percentage is less than 80%, .....	Yes	
	(ii) AND insolvency is projected within 20 years using assumptions described in Exhibit VI.B? .....	Yes	Yes
<b>In Critical and Declining Status? .....</b>			<b>Yes</b>

**Actuarial Status Certification as of January 1, 2019 under IRC Section 432 for the PACE Industry Union-Management Pension Fund**

EIN 11-6166763 / PN 001

**EXHIBIT I (continued)**  
**Status Determination as of January 1, 2019**

<b>Status</b>	<b>Condition</b>	<b>Component Result</b>	<b>Final Result</b>
<b>Endangered Status:</b>			
E1. (a)	Is not in critical status, .....	No	
(b)	AND the funded percentage is less than 80%? .....	Yes	No
E2. (a)	Is not in critical status, .....	No	
(b)	AND a funding deficiency is projected in seven years? .....	Yes	No
<b>In Endangered Status? (Yes when either (E1) or (E2) is Yes).....</b>			<b>No</b>
<b>In Seriously Endangered Status? (Yes when BOTH (E1) and (E2) are Yes).....</b>			<b>No</b>
<b>Neither Critical Status Nor Endangered Status:</b>			
<b>Neither Critical nor Endangered Status?.....</b>			<b>No</b>

This certification notifies the IRS that the plan is making the scheduled progress in meeting the requirements of its rehabilitation plan, based on the annual standards of the Rehabilitation Plan.

The Rehabilitation Plan states that the Fund will make adequate progress, to the extent reasonable based on financial markets activity and other relevant factors, toward enabling the Fund to forestall insolvency past 2028. Currently, a projected insolvency during 2030 meets this standard.

**Actuarial Status Certification as of January 1, 2019 under IRC Section 432 for the PACE Industry Union-Management Pension Fund**

EIN 11-6166763 / PN 001

**EXHIBIT II  
Summary of Actuarial Valuation Projections**

The actuarial factors as of January 1, 2019 (based on projections from the January 1, 2018 valuation certificate):

<b>I. Financial Information</b>			
1. Market value of assets			\$1,489,321,085
2. Actuarial value of assets			1,566,390,669
3. Reasonably anticipated employer contributions, including withdrawal liability payments			
a. Upcoming year			51,963,491
b. Present value for the next five years			211,613,100
c. Present value for the next seven years			269,729,235
4. Projected benefit payments			200,837,176
5. Projected administrative expenses (beginning of year)			9,411,133
<b>II. Liabilities</b>			
1. Present value of vested benefits for active participants			200,120,394
2. Present value of vested benefits for non-active participants			2,520,550,620
3. Total unit credit accrued liability			2,732,452,774
4. Present value of payments			
	<b>Benefit Payments</b>	<b>Administrative Expenses</b>	<b>Total</b>
a. Next five years	\$883,172,564	\$43,277,609	\$926,450,173
b. Next seven years	1,180,964,034	58,158,513	1,239,122,547
5. Unit credit normal cost plus expenses			16,280,348
6. Ratio of inactive participants to active participants			10.3662
<b>III. Funded Percentage (I.2)/(II.3)</b>			57.3%
<b>IV. Funding Standard Account</b>			
1. Credit Balance/(Funding Deficiency) as of the end of prior year			(\$464,503,647)
2. Years to projected funding deficiency			0
<b>V. Years to Projected Insolvency</b>			12



**Actuarial Status Certification as of January 1, 2019 under IRC Section 432 for the PACE Industry Union-Management Pension Fund**

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**EXHIBIT III  
Funding Standard Account Projection**

The table below presents the Funding Standard Account Projection for the Plan Years beginning January 1.

	Year Beginning January 1,					
	2018	2019	2020	2021	2022	2023
1. Credit balance (BOY)	(\$370,009,733)	(\$464,503,647)	(\$574,948,216)	(\$694,453,414)	(\$844,904,000)	(\$1,000,583,106)
2. Interest on (1)	(27,750,730)	(34,837,774)	(43,121,116)	(52,084,006)	(63,367,800)	(75,043,733)
3. Normal cost	9,944,431	6,869,215	6,676,465	6,489,123	6,307,038	6,130,063
4. Administrative expenses	9,137,022	9,411,133	9,693,467	9,984,271	10,283,799	10,592,313
5. Net amortization charges	114,501,182	104,051,310	104,019,536	123,901,481	117,552,857	118,596,209
6. Interest on (3), (4) and (5)	10,018,698	9,024,873	9,029,210	10,528,116	10,060,777	10,148,894
7. Expected contributions	74,303,951	51,963,491	51,272,117	50,790,488	50,168,619	47,985,135
8. Interest on (7)	2,554,198	1,786,245	1,762,479	1,745,923	1,724,546	1,649,489
9. Credit balance (EOY): (1) + (2) – (3) – (4) – (5) – (6) + (7) + (8)	(\$464,503,647)	(\$574,948,216)	(\$694,453,414)	(\$844,904,000)	(\$1,000,583,106)	(\$1,171,459,694)
	2024	2025	2026	2027	2028	
1. Credit balance (BOY)	(\$1,171,459,694)	(\$1,317,554,533)	(\$1,480,630,340)	(\$1,653,133,685)	(\$1,820,227,877)	
2. Interest on (1)	(87,859,477)	(98,816,590)	(111,047,276)	(123,985,026)	(136,517,091)	
3. Normal cost	5,958,053	5,790,870	5,628,378	5,470,446	5,316,945	
4. Administrative expenses	10,910,082	11,237,384	11,574,506	11,921,741	12,279,393	
5. Net amortization charges	80,938,713	85,532,806	81,553,756	63,958,971	41,423,522	
6. Interest on (3), (4) and (5)	7,335,514	7,692,080	7,406,748	6,101,337	4,426,490	
7. Expected contributions	45,348,157	44,465,424	43,221,577	42,869,684	42,539,737	
8. Interest on (7)	1,558,843	1,528,499	1,485,742	1,473,645	1,462,303	
9. Credit balance (EOY): (1) + (2) – (3) – (4) – (5) – (6) + (7) + (8)	(\$1,317,554,533)	(\$1,480,630,340)	(\$1,653,133,685)	(\$1,820,227,877)	(\$1,976,189,278)	

**Actuarial Status Certification as of January 1, 2019 under IRC Section 432 for the PACE Industry Union-Management Pension Fund**

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**EXHIBIT IV**

**Funding Standard Account – Projected Bases Assumed Established After January 1, 2018**

**Schedule of Funding Standard Account Bases**

<b>Type of Base</b>	<b>Date Established</b>	<b>Base Established</b>	<b>Amortization Period</b>	<b>Amortization Payment</b>
Actuarial loss	1/1/2019	\$25,783,807	15	\$2,717,187
Actuarial loss	1/1/2020	35,542,555	15	3,745,598
Actuarial loss	1/1/2021	4,643,146	15	489,311
Actuarial loss	1/1/2022	11,630,975	15	1,225,713
Actuarial loss	1/1/2023	40,900,610	15	4,310,248

**Actuarial Status Certification as of January 1, 2019 under IRC Section 432 for the PACE Industry Union-Management Pension Fund**

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**EXHIBIT V  
Solvency Projection**

The table below presents the projected Market Value of Assets for the Plan Years beginning January 1, 2018 through 2030.

	Year Beginning January 1,								
	2018	2019	2020	2021	2022	2023	2024	2025	
1. Market Value at beginning of year	\$1,693,474,951	\$1,489,321,085	\$1,421,937,487	\$1,347,723,884	\$1,265,132,159	\$1,170,501,703	\$1,062,706,884	\$939,864,517	
2. Contributions	14,924,143	13,709,247	13,298,953	12,898,831	12,512,273	12,135,888	11,773,066	11,420,416	
3. Withdrawal liability payments	59,379,808	38,254,244	37,973,164	37,891,657	37,656,346	35,849,247	33,575,091	33,045,008	
4. Benefit payments	201,388,565	200,837,176	204,908,503	209,327,583	216,205,675	221,316,174	226,606,909	231,160,991	
5. Administrative expenses	7,947,631	9,785,000	10,078,550	10,380,907	10,692,334	11,013,104	11,343,497	11,683,802	
6. Interest earnings	<u>(69,121,621)</u>	<u>91,275,087</u>	<u>89,501,333</u>	<u>86,326,277</u>	<u>82,098,934</u>	<u>76,549,324</u>	<u>69,759,882</u>	<u>61,484,263</u>	
7. Market Value at end of year: (1)+(2)+(3)-(4)-(5)+(6)	\$1,489,321,085	\$1,421,937,487	\$1,347,723,884	\$1,265,132,159	\$1,170,501,703	\$1,062,706,884	\$939,864,517	\$802,969,412	
	2026	2027	2028	2029	2030				
1. Market Value at beginning of year	\$802,969,412	\$650,577,047	\$482,199,313	\$297,274,348	\$95,220,974				
2. Contributions	11,077,940	10,745,635	10,423,504	10,111,545	9,809,758				
3. Withdrawal liability payments	32,143,637	32,124,049	32,116,233	32,116,233	31,704,787				
4. Benefit payments	235,319,922	238,989,522	242,057,999	244,499,171	246,187,742				
5. Administrative expenses	12,034,316	12,395,345	12,767,205	13,150,221	13,544,728				
6. Interest earnings	<u>51,740,297</u>	<u>40,137,448</u>	<u>27,360,503</u>	<u>13,368,240</u>	<u>0</u>				
7. Market Value at end of year: (1)+(2)+(3)-(4)-(5)+(6)	\$650,577,047	\$482,199,313	\$297,274,348	\$95,220,974	\$0				

**Actuarial Status Certification as of January 1, 2019 under IRC Section 432 for the PACE Industry Union-Management Pension Fund**

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EIN 11-6166763 / PN 001

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**EXHIBIT VI**

**Actuarial Assumptions and Methodology**

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The actuarial assumptions and plan of benefits are as used in the January 1, 2018 actuarial valuation certificate, dated December 11, 2018, except as specifically described below. We also assumed that experience would emerge as projected, except as described below. The calculations are based on a current understanding of the requirements of ERISA Section 305 and IRC Section 432.

A. Actuarial Assumptions and Plan Provisions Except as Modified by Section B

**Asset Information:**

The financial information as of December 31, 2018 was based on an unaudited financial statement provided by the Fund Administrator.

For projections after that date, the administrative expenses were assumed to increase by 3% per year and the benefit payments were projected based on the January 1, 2018 actuarial valuation. The projected net investment return was assumed to be 7.5% of the average market value of assets for the 2019 - 2028 Plan Years. Any resulting investment gains or losses due to the operation of the asset valuation method are amortized over 15 years in the Funding Standard Account.

**Projected Industry Activity:**

As required by Internal Revenue Code Section 432, assumptions with respect to projected industry activity are based on information provided by the plan sponsor. Based on this information, the number of active participants assumed to decline based on known employer withdrawals in 2018 and 3% each year thereafter and, on the average, contributions will be made for each active for 2,200 hours each year.

**Actuarial Status Certification as of January 1, 2019 under IRC Section 432 for the PACE Industry Union-Management Pension Fund**

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EIN 11-6166763 / PN 001

In addition to projections of industry activity directly linked to the level of ongoing employment, these determinations also project the following contribution amounts derived from withdrawal liability assessments, based on information from the Trustees:

<b>Plan Year Ending December 31</b>	<b>Amount</b>
2019	\$38,254,244
2020	37,973,167
2021	37,891,657
2022	37,656,346
2023	35,849,247
2024	33,575,091
2025	33,045,008
2026	32,143,637
2027	32,124,049
2028	32,116,233
2029	32,116,233
2030	31,704,787

**Future Normal Cost:**

Based on the assumed industry activity and the unit credit cost method, we have assumed an increase of 0.2% per year due to projected mortality improvement. Total normal cost is also adjusted in accordance with the industry activity assumption.

**Actuarial Status Certification as of January 1, 2019 under IRC Section 432 for the PACE Industry Union-Management Pension Fund**

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EIN 11-6166763 / PN 001

B. Assumptions for Solvency Projections

Assumptions for this purpose are the same as shown in Section A with the following exceptions:

**Asset Information:** For projections after December 31, 2018, the projected net investment return reflects the current asset allocation and short-term interest rates, no greater than the assumed long-term rate of 7.50% as follows:

<u>Year</u>	<u>Amount</u>
2019	6.52%
2020	6.73%
2021	6.89%
2022	7.04%
2023	7.17%
2024	7.30%
2025	7.41%
2026 - 2030	7.50%

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# PACE Industry Union-Management Pension Fund

**Actuarial Valuation and Review as of January 1, 2020**



This report has been prepared at the request of the Board of Trustees to assist in administering the Fund and meeting filing requirements of federal government agencies. This valuation report may not otherwise be copied or reproduced in any form without the consent of the Board of Trustees and may only be provided to other parties in its entirety. The measurements shown in this actuarial valuation may not be applicable for other purposes.

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**Segal**



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February 1, 2021

Board of Trustees  
PACE Industry Union-Management Pension Fund  
1101 Kermit Drive, Suite 800  
Nashville, TN 37217

Dear Trustees:


We are pleased to submit the Actuarial Valuation and Review as of January 1, 2020. It establishes the funding requirements for the current year and analyzes the preceding year's experience. It also summarizes the actuarial data and includes the actuarial information that is required to be filed with Form 5500 to federal government agencies.

The census information upon which our calculations were based was prepared by the Fund Office, under the direction of Mr. Charles Knight. That assistance is gratefully acknowledged. The actuarial calculations were completed under the supervision of Susan L. Boyle, FSA, FCA, MAAA, Enrolled Actuary.

We look forward to reviewing this report with you at your next meeting and to answering any questions you may have.

Sincerely,

Segal

By:   
\_\_\_\_\_  
Darrin Owens  
Senior Vice President

cc: Mr. Charles Knight  
Ms. Carolyn Rossignol  
Anne Mayerson, Esq.





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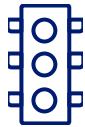
# Introduction

There are several ways of evaluating funding adequacy for a pension plan. In monitoring the Plan's financial position, the Trustees should keep in mind all of these concepts.



## **Funding Standard Account**

The ERISA Funding Standard Account (FSA) measures the cumulative difference between actual contributions and the minimum required contributions. If actual contributions exceed the minimum required contributions, the excess is called the credit balance. If actual contributions fall short of the minimum required contributions, a funding deficiency occurs.



## **Zone Information**

The Pension Protection Act of 2006 (PPA'06) called on plan sponsors to actively monitor the projected FSA credit balance, the funded percentage (the ratio of the actuarial value of assets to the present value of benefits earned to date) and cash flow sufficiency. Based on these measures, plans are then categorized as critical (*Red Zone*), endangered (*Yellow Zone*), or neither (*Green Zone*). The Multiemployer Pension Reform Act of 2014 (MPRA), among other things, made the zone provisions permanent.



## **Solvency Projections**

Pension plan funding anticipates that, over the long term, both contributions and investment earnings will be needed to cover benefit payments and expenses. To the extent that contributions are less than benefit payments, investment earnings and fund assets will be needed to cover the shortfall. In some situations, a plan may be faced with insufficient assets to cover its current obligations and may need assistance from the Pension Benefit Guaranty Corporation (PBGC). MPRA provides options for some plans facing insolvency.







## **Withdrawal Liability**

ERISA provides for assessment of withdrawal liability to employers who withdraw from a multiemployer plan based on unfunded vested benefit liabilities.

## Important information about actuarial valuations

An actuarial valuation is a budgeting tool with respect to the financing of future uncertain obligations of a pension plan. As such, it will never forecast the precise future contribution requirements or the precise future stream of benefit payments. In any event, the actual cost of the plan will be determined by the benefits and expenses paid, not by the actuarial valuation.

In order to prepare a valuation, Segal relies on a number of input items. These include:

	<b>Plan Provisions</b>	Plan provisions define the rules that will be used to determine benefit payments, and those rules, or the interpretation of them, may change over time. Even where they appear precise, outside factors may change how they operate. It is important for the Trustees to keep Segal informed with respect to plan provisions and administrative procedures, and to review the plan summary included in our report to confirm that Segal has correctly interpreted the plan of benefits.
	<b>Participant Information</b>	An actuarial valuation for a plan is based on data provided to the actuary by the plan. Segal does not audit such data for completeness or accuracy, other than reviewing it for obvious inconsistencies compared to prior data and other information that appears unreasonable. For most plans, it is not possible nor desirable to take a snapshot of the actual workforce on the valuation date. It is not necessary to have perfect data for an actuarial valuation. The uncertainties in other factors are such that even perfect data does not produce a “perfect” result. Notwithstanding the above, it is important for Segal to receive the best possible data and to be informed about any known incomplete or inaccurate data.
	<b>Financial Information</b>	Part of the cost of a plan will be paid from existing assets – the balance will need to come from future contributions and investment income. The valuation is based on the asset values as of the valuation date, typically reported by the auditor. A snapshot as of a single date may not be an appropriate value for determining a single year’s contribution requirement, especially in volatile markets. Plan sponsors often use an “actuarial value of assets” that differs from market value to gradually reflect year-to-year changes in the market value of assets in determining the contribution requirements.
	<b>Actuarial Assumptions</b>	In preparing an actuarial valuation, Segal starts by developing a forecast of the benefits to be paid to existing plan participants for the rest of their lives and the lives of their beneficiaries. This requires actuarial assumptions as to the probability of death, disability, withdrawal, and retirement of participants in each year, as well as forecasts of the plan’s benefits for each of those events. The forecasted benefits are then discounted to a present value, typically based on an estimate of the rate of return that will be achieved on the plan’s assets. All of these factors are uncertain and unknowable. Thus, there will be a range of reasonable assumptions, and the results may vary materially based on which assumptions the actuary selects within that range. That is, there is no right answer (except with hindsight). It is important for any user of an actuarial valuation to understand and accept this constraint. The actuarial model may use approximations and estimates that will have an immaterial impact on our results. In addition, the actuarial assumptions may change over time, and while this can have a significant impact on the reported results, it does not mean that the previous assumptions or results were unreasonable or wrong.

Given the above, the user of Segal's actuarial valuation (or other actuarial calculations) needs to keep the following in mind:

The actuarial valuation is prepared for use by the Trustees. It includes information for compliance with federal filing requirements and for the plan's auditor. Segal is not responsible for the use or misuse of its report, particularly by any other party.

An actuarial valuation is a measurement at a specific date — it is not a prediction of a plan's future financial condition. Accordingly, Segal did not perform an analysis of the potential range of financial measurements, except where otherwise noted.

Critical events for a plan include, but are not limited to, decisions about changes in benefits and contributions. The basis for such decisions needs to consider many factors such as the risk of changes in employment levels and investment losses, not just the current valuation results.

ERISA requires a plan's enrolled actuary to provide a statement in the plan's annual report disclosing any event or trend that the actuary has not taken into account, if, to the best of the actuary's knowledge, such an event or trend may require a material increase in plan costs or required contribution rates. If the Trustees are aware of any event that was not considered in this valuation and that may materially increase the cost of the Plan, they must advise Segal, so that an appropriate statement can be included.

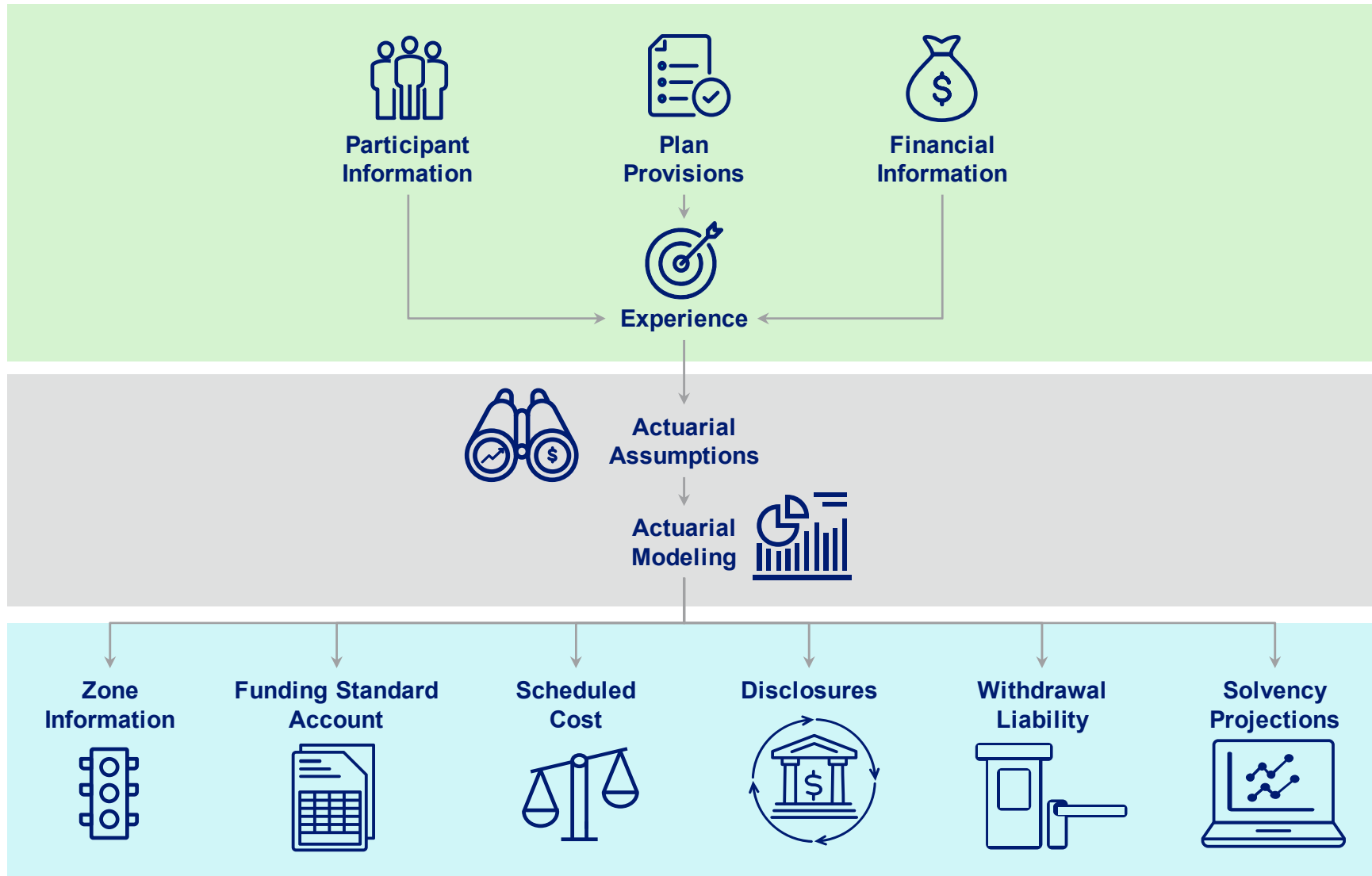
Segal does not provide investment, legal, accounting, or tax advice. This valuation is based on Segal's understanding of applicable guidance in these areas and of the plan's provisions, but they may be subject to alternative interpretations. The Trustees should look to their other advisors for expertise in these areas.

While Segal maintains extensive quality assurance procedures, an actuarial valuation involves complex computer models and numerous inputs. In the event that an inaccuracy is discovered after presentation of Segal's valuation, Segal may revise that valuation or make an appropriate adjustment in the next valuation.

Segal's report shall be deemed to be final and accepted by the Trustees upon delivery and review. Trustees should notify Segal immediately of any questions or concerns about the final content.

As Segal has no discretionary authority with respect to the management of assets of the Plan, it is not a fiduciary in its capacity as actuaries and consultants with respect to the Plan.

# Actuarial valuation overview



# Section 1: Trustee Summary

## Summary of key valuation results

Plan Year Beginning		January 1, 2019	January 1, 2020
<b>Certified Zone Status</b>		<b>Critical and Declining</b>	<b>Critical and Declining</b>
<b>Demographic Data:</b>	<ul style="list-style-type: none"> <li>• Number of active participants</li> <li>• Number of inactive participants with vested rights</li> <li>• Number of retired participants and beneficiaries</li> <li>• Total number of participants</li> <li>• Participant ratio: non-active to actives</li> </ul>	<p>4,041</p> <p>30,925</p> <p>32,274</p> <p>67,240</p> <p>15.64</p>	<p>3,626</p> <p>29,064</p> <p>33,143</p> <p>65,833</p> <p>17.16</p>
<b>Assets:</b>	<ul style="list-style-type: none"> <li>• Market value of assets (MVA)</li> <li>• Actuarial value of assets (AVA)</li> <li>• Market value net investment return, prior year</li> <li>• Actuarial value net investment return, prior year</li> <li>• Insolvency projected during the Plan Year beginning</li> </ul>	<p>\$1,475,054,635</p> <p>1,563,392,839</p> <p>-5.15%</p> <p>5.53%</p> <p>2030</p>	<p>\$1,579,161,376</p> <p>1,523,644,457</p> <p>16.43%</p> <p>5.79%</p> <p>2032</p>
<b>Actuarial Liabilities<sup>1</sup>:</b>	<ul style="list-style-type: none"> <li>• Valuation interest rate</li> <li>• Normal cost, including administrative expenses</li> <li>• Actuarial accrued liability</li> <li>• Unfunded actuarial accrued liability</li> </ul>	<p>6.50%</p> <p>\$15,155,624</p> <p>2,932,707,127</p> <p>1,369,314,288</p>	<p>6.50%</p> <p>\$14,587,972</p> <p>2,908,890,887</p> <p>1,385,246,430</p>
<b>Funded Percentages:</b>	<ul style="list-style-type: none"> <li>• Actuarial accrued liabilities under unit credit method</li> <li>• MVA funded percentage</li> <li>• AVA funded percentage (PPA basis)</li> </ul>	<p>\$2,932,707,127</p> <p>50.3%</p> <p>53.3%</p>	<p>\$2,908,890,887</p> <p>54.3%</p> <p>52.4%</p>
<b>Statutory Funding Information:</b>	<ul style="list-style-type: none"> <li>• Credit balance (funding deficiency) at the end of prior plan year</li> <li>• Minimum required contribution</li> <li>• Maximum deductible contribution</li> </ul>	<p>-\$467,018,004</p> <p>642,091,079</p> <p>5,036,075,367</p>	<p>-\$550,883,410</p> <p>726,992,312</p> <p>5,024,736,437</p>

<sup>1</sup> Based on Unit Credit actuarial cost method used for Funding Standard Account.

## Section 1: Trustee Summary

### Summary of key valuation results

Cash Flow:		Actual 2019	Projected 2020
	• Employer contributions	\$13,960,248	\$12,414,661
	• Withdrawal liability payments	48,861,895	101,960,638
	• Funding deficiency payments	25,746,906	0
	• Benefit payments	-205,610,430	-207,861,396
	• Administrative expenses net change in postretirement benefit obligation	<u>-7,453,916</u>	<u>-8,000,000</u>
	• Net cash flow	-124,495,297	-101,486,097
	• Cash flow as a percentage of assets	-8.4%	-6.4%
Plan Year Ending		December 31, 2018	December 31, 2019
Withdrawal Liability: <sup>1</sup>	• Funding interest rate	6.50%	6.50%
	• PBGC interest rates		
	Initial period	2.84%	2.53%
	Thereafter	2.76%	2.53%
	• Present value of vested benefits	\$3,549,645,203	\$3,585,372,183
	• MVA	1,475,054,635	1,579,161,376
	• Unfunded present value of vested benefits	2,074,590,568	2,006,210,807

<sup>1</sup> Using the assumptions described in Section 2: Withdrawal Liability Assumptions.

## Section 1: Trustee Summary

This January 1, 2020 actuarial valuation report is based on financial and demographic information as of that date. It is important to note that this actuarial valuation is based on plan assets as of December 31, 2019. Due to the COVID-19 pandemic, market conditions may have changed significantly since the valuation date. The Plan's actuarial status does not reflect short-term fluctuations of the market, but rather is based on the market values on the last day of the Plan Year. Segal is available to prepare projections of potential outcomes upon request. The current year's actuarial valuation results follow.

### A. Developments since last valuation

The following are developments since the last valuation, from January 1, 2019 to January 1, 2020.

1. *Participant demographics.* The number of active participants decreased 10.3% from 4,041 to 3,626. The ratio of non-active to active participants, which is one measure of plan maturity, increased from 15.6 to 17.2.
2. *Plan assets.* The net investment return on the market value of assets was 16.43%. For comparison, the assumed rate of return on plan assets over the long term is 6.50%. The net investment return on an actuarial value of assets, which reflects smoothing of prior year gains and losses, was 5.79%.
3. *Cash flows.* Cash inflow includes contributions, withdrawal liability payments and funding deficiency payments, and cash outflow includes benefits paid to participants and administrative expenses. In the prior plan year, the plan had a net cash outflow of \$124.5 million, or about -8.4% of assets on a market value basis. The net cash outflow is projected to decrease during 2020 to about \$101.5 million, mainly due to expected withdrawal liability payments.





## Section 1: Trustee Summary

### B. Actuarial valuation results

The following commentary applies to various funding measures for the current plan year.

1. *Zone status.* The Plan was certified to be in critical and declining status under the Pension Protection Act of 2006 (PPA) for the current plan year, in other words, the Plan is in the “red zone.” This certification result is due to the fact that the funded percentage was less than 65%, there was a projected deficiency in the FSA, and the Plan was projected to be insolvent within 15 years. Please refer to the actuarial certification dated March 30, 2020 for more information.
2. *Funded percentages:* During the last plan year, the funded percentage that will be reported on the Plan’s annual funding notice decreased from 53.3% to 52.4%. Please note that there are different measurements of funded percentage for different purposes. More information can be found in Section 2.
3. *Funding Standard Account:* During the last plan year, the funding deficiency increased from \$467,018,004 to \$550,883,410.
4. *Withdrawal liability:* The unfunded vested benefits is \$2.0 billion as of December 31, 2019, which is used for determining employer withdrawal liability for the plan year beginning January 1, 2020.
5. *Funding concerns:* The impending projected inability to pay benefits in 2032 is being monitored by the Trustees. The actions already taken to address this issue include contribution rate increases and plan changes that project the Plan to forestall insolvency per the Rehabilitation Plan.



## Section 1: Trustee Summary

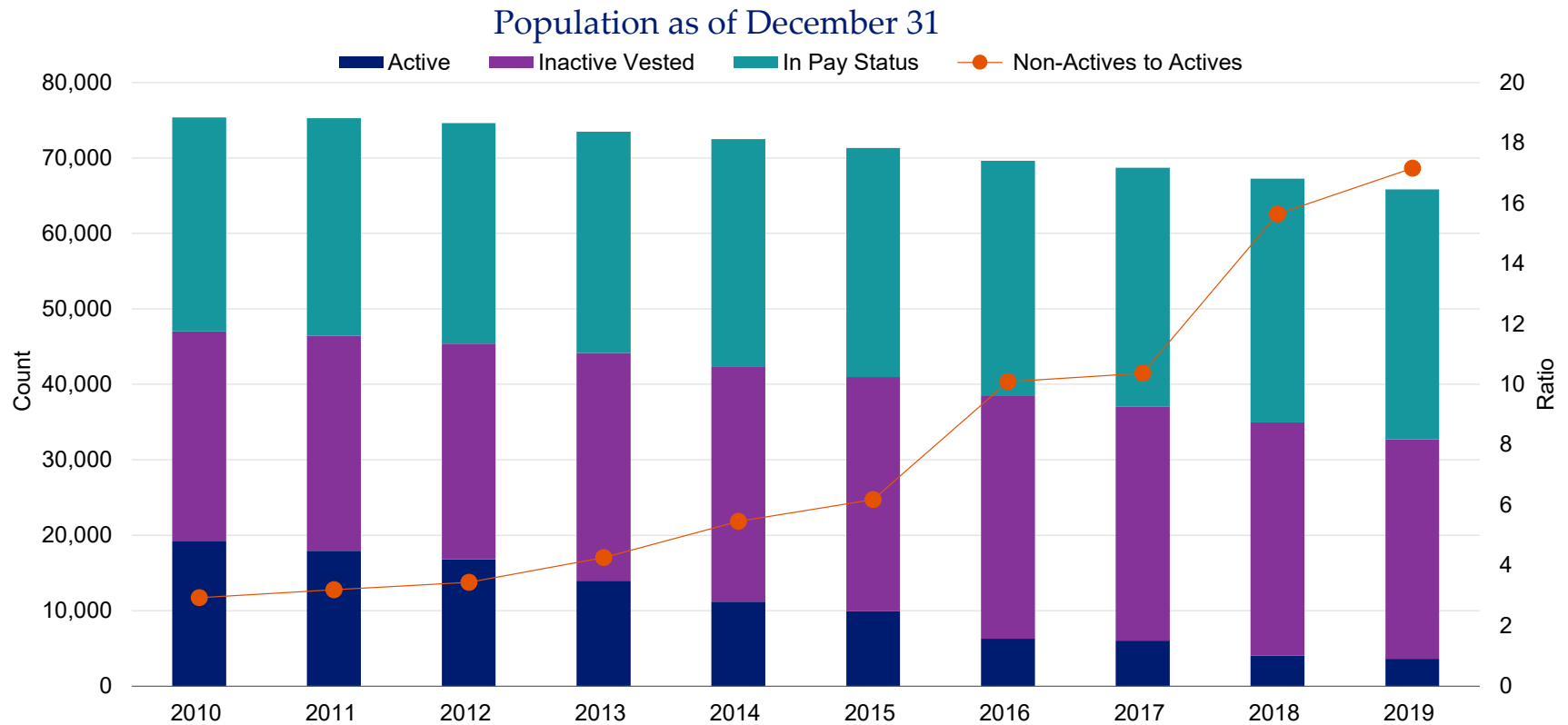
### C. Projections and risk

1. *Importance of projections:* Most of the results included in this valuation report are snapshot measurements, showing the Plan's status as of the valuation date. In addition to understanding the Plan's current status, it is also important to understand where the plan is headed through actuarial projections. Projections may evaluate various metrics, such as funded percentage, Funding Standard Account, zone status, cash flows and solvency. We recommend projections beyond those included in this report.
2. *Baseline projections:* Based on the actuarial assumptions included in this report, the Funding Standard Account funding deficiency is projected to continue to increase.
3. *Understanding risk:* Projections can also help the Trustees understand the sensitivity of future results to various risk factors, such as investment volatility or changes in future contributions. For example, if future investment returns are less than the actuarial assumption, or future contributions or withdrawal liability income are less than projected, the Plan may face insolvency sooner than expected. See Section 2 for a general discussion on the risks facing the Plan, and how they might be better evaluated, understood and addressed. We recommend a more detailed assessment of the risks to provide the Trustees with a better understanding of the risks inherent in the Plan. This assessment may include scenario testing, sensitivity testing, stress testing and stochastic modeling. A detailed risk assessment is important for your Plan because:
  - The outlook for financial markets is uncertain due to COVID-19.
  - The Plan assets are projected to diminish as benefit and expense outflow is greater than contribution and investment income.



# Section 2: Actuarial Valuation Results

## Participant information



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
In Pay Status	28,344	28,786	29,220	29,292	30,083	30,346	31,168	31,665	32,274	33,143
Inactive Vested	27,839	28,530	28,577	30,196	31,171	31,042	32,175	31,009	30,925	29,064
Active	19,183	17,932	16,819	13,980	11,224	9,934	6,282	6,046	4,041	3,626
Ratio	2.93	3.20	3.44	4.26	5.46	6.18	10.08	10.37	15.64	17.16

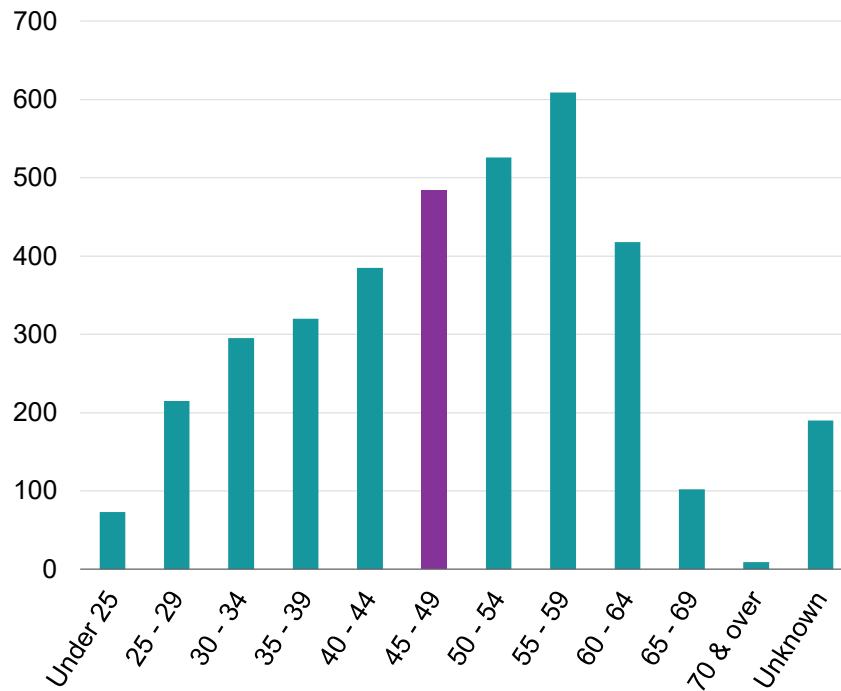
## Section 2: Actuarial Valuation Results

### Active participants

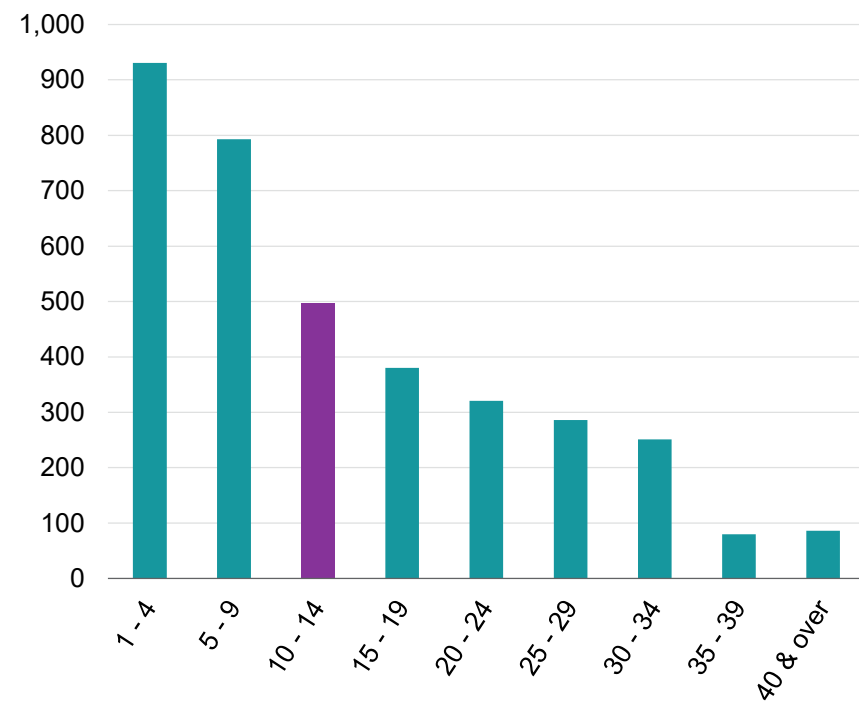
As of December 31,	2018	2019	Change
Active participants	4,041	3,626	-10.3%
Average age	47.3	47.2	-0.1
Average pension credits	14.0	13.9	-0.1

Distribution of Active Participants as of December 31, 2019

by Age



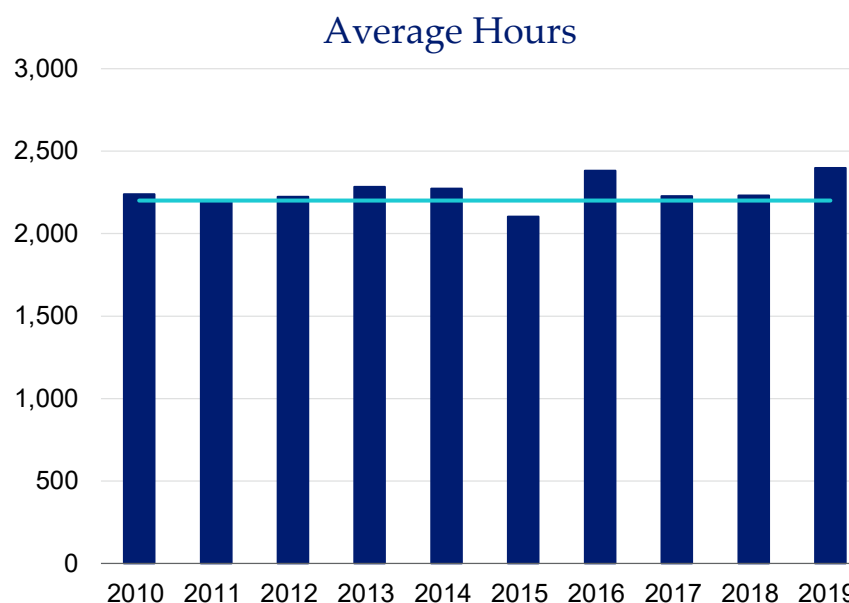
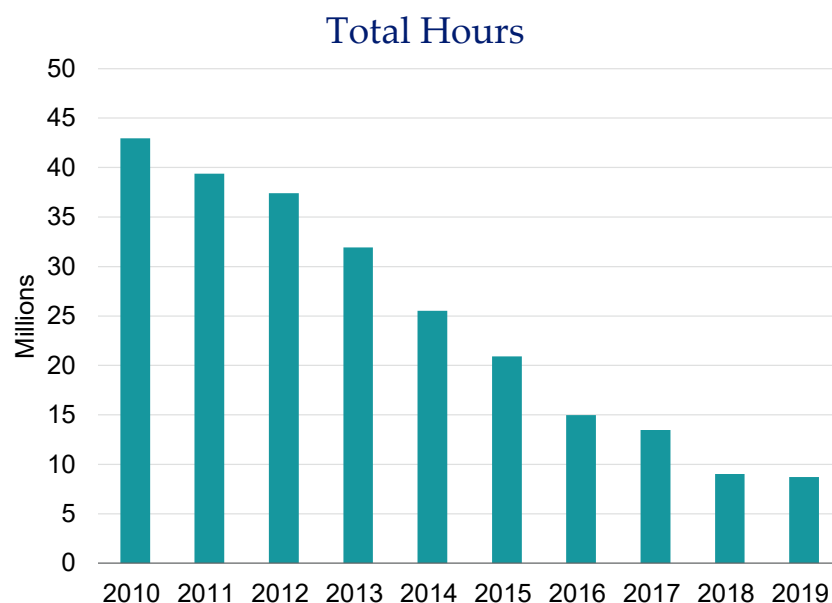
by Pension Credits



## Section 2: Actuarial Valuation Results

### Historical employment

- The 2020 zone certification was based on an industry activity assumption of the active population decreasing by participants from employers that withdrew during 2019 and 3% thereafter and a long-term employment assumption of 2,200 hours.
- This valuation continues to reflect a 3% decline in the number of active participants per year, each working 2,200 hours.



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	5-year average	10-year average
<span style="color: #008080;">■</span> Total Hours <sup>1</sup>	42.95	39.39	37.40	31.92	25.51	20.91	14.97	13.47	9.01	8.70	13.41	24.42
<span style="color: #000080;">■</span> Average Hours	2,239	2,197	2,223	2,283	2,273	2,104	2,382	2,228	2,231	2,400	2,269	2,256

Note: The total hours of contributions are based on total contributions divided by the average contribution rate for the year, which may differ from the hours reported to the Fund Office

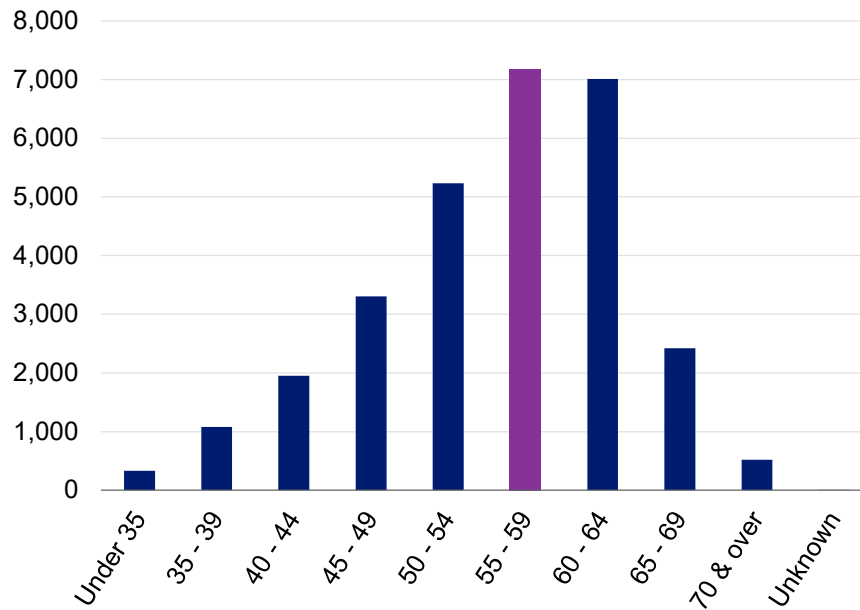
<sup>1</sup> In millions

## Section 2: Actuarial Valuation Results

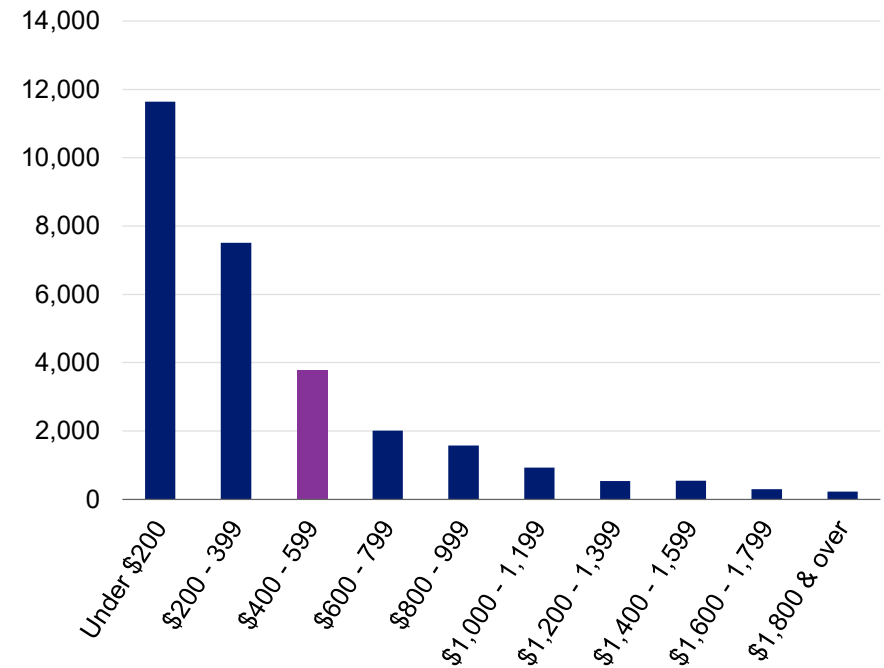
### Inactive vested participants

As of December 31,	2018	2019	Change
Inactive vested participants <sup>1</sup>	30,925	29,064	-6.0%
Average age	54.9	55.2	0.3
Average amount	\$407	\$400	-1.7%

Distribution of Inactive Vested Participants as of December 31, 2019  
by Age



by Monthly Amount



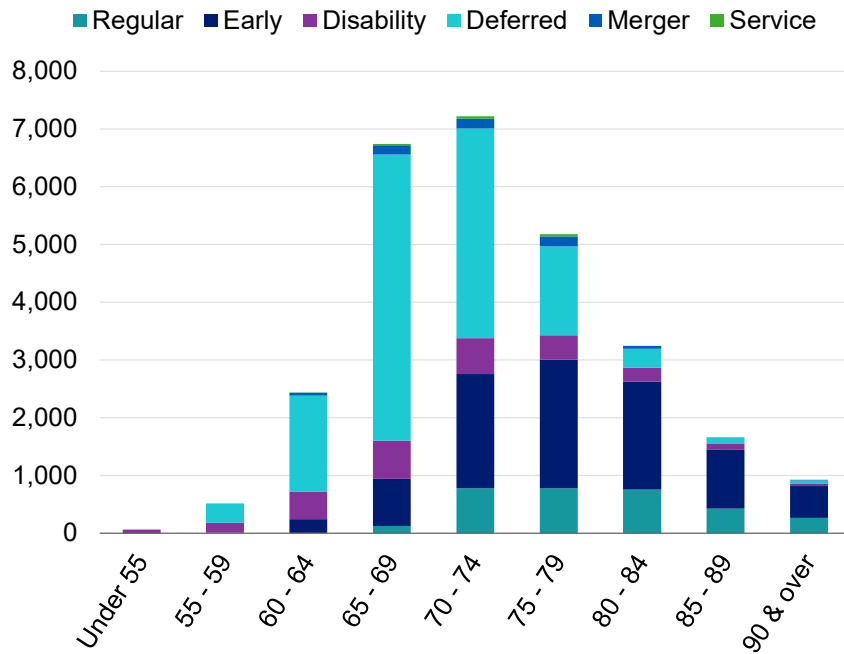
<sup>1</sup> A participant who is not currently active and has satisfied the requirements for, but has not yet commenced, a pension is considered an “inactive vested” participant.

## Section 2: Actuarial Valuation Results

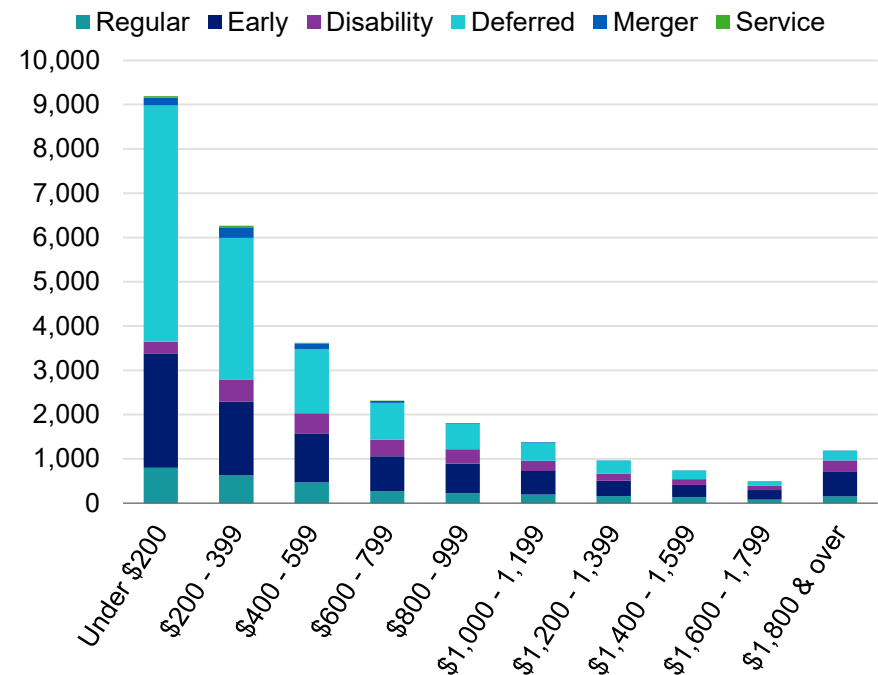
### Pay status information

As of December 31,	2018	2019	Change
Pensioners	27,263	27,977	2.6%
Average age	73.2	73.3	0.1
Average amount	\$549	\$551	0.4%
Beneficiaries	5,010	5,166	3.1%
Total monthly amount	\$16,268,133	\$16,779,283	3.1%

Distribution of Pensioners as of December 31, 2019  
by Type and Age



by Type and Monthly Amount



## Section 2: Actuarial Valuation Results

### Progress of pension rolls

Year	Total In Pay Status			New Awards	
	Number	Average Age	Average Amount	Number	Average Amount
2010	24,600	71.4	\$499	1,831	\$670
2011	24,925	71.6	505	1,303	530
2012	25,241	71.8	508	1,321	481
2013	25,212	72.1	516	1,074	606
2014	25,825	72.2	523	1,655	567
2015	25,941	72.5	530	1,182	589
2016	26,493	72.7	538	1,569	620
2017	26,828	72.9	543	1,438	551
2018	27,263	73.2	549	1,562	591
2019	27,977	73.3	551	1,875	522



## Section 2: Actuarial Valuation Results

### New pension awards

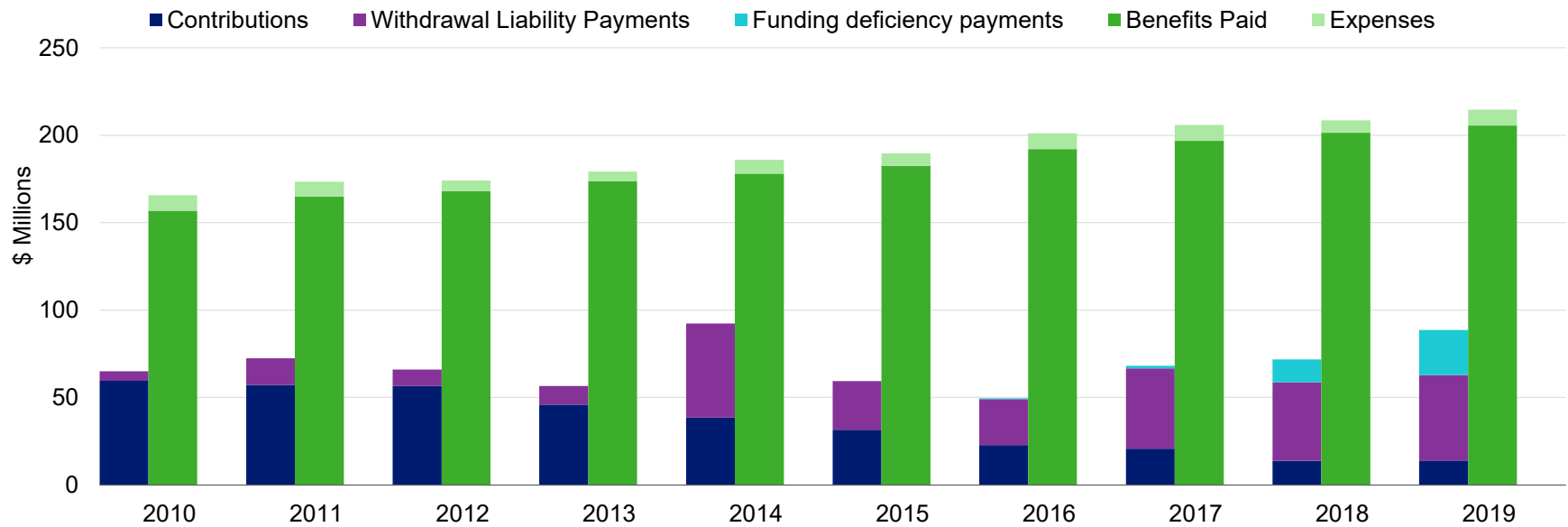
Year Ended Dec 31	Total		Regular		Early		Disability		Deferred		Merger		Service	
	Number	Average Monthly Amount	Number	Average Monthly Amount	Number	Average Monthly Amount	Number	Average Monthly Amount	Number	Average Monthly Amount	Number	Average Monthly Amount	Number	Average Monthly Amount
2010	1,831	\$670	281	\$828	421	\$1,223	127	\$1,106	934	\$339	35	\$277	33	\$367
2011	1,303	530	244	674	339	674	126	871	564	319	19	242	11	272
2012	1,321	481	243	521	292	647	110	969	653	318	21	188	2	608
2013	1,074	606	196	792	247	828	80	1,030	548	379	3	303	–	–
2014	1,655	567	195	858	202	1,013	116	1,179	1,119	376	23	374	–	–
2015	1,182	589	86	1,113	100	1,163	78	1,231	886	424	32	397	–	–
2016	1,569	620	81	881	101	1,440	85	1,151	1,259	511	43	335	–	–
2017	1,438	551	52	1,033	51	1,618	53	1,251	1,238	464	44	330	–	–
2018	1,562	591	26	1,349	49	1,404	38	1,034	1,404	538	45	423	–	–
2019	1,875	522	41	899	56	1,566	41	1,009	1,686	470	51	407	–	–

## Section 2: Actuarial Valuation Results

### Financial information

- Benefits and expenses are funded solely from contributions and investment earnings.

#### Cash Flow



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Contributions <sup>1</sup>	\$59.58	\$57.34	\$56.56	\$45.98	\$38.50	\$31.66	\$22.89	\$20.76	\$13.80	\$13.96
W/L Payments <sup>1</sup>	5.50	15.06	9.48	10.67	53.88	27.79	26.13	46.01	44.97	48.86
F/D Payments <sup>1</sup>	0.00	0.00	0.00	0.00	0.00	0.00	0.49	1.38	13.10	25.75
Benefits Paid <sup>1</sup>	156.76	164.98	167.93	173.68	178.03	182.42	191.98	196.75	201.39	205.61
Expenses <sup>1</sup>	9.00	8.45	6.09	5.60	7.92	7.12	9.16	9.20	7.16	9.00

<sup>1</sup> In millions

## Section 2: Actuarial Valuation Results

### Determination of Actuarial Value of Assets

<b>1</b>	Market value of assets, December 31, 2019			\$1,579,161,376
<b>2</b>	Calculation of unrecognized return	<b>Original Amount<sup>1</sup></b>	<b>Unrecognized Return<sup>2</sup></b>	
<b>(a)</b>	Year ended December 31, 2019	\$139,094,539	\$111,275,631	
<b>(b)</b>	Year ended December 31, 2018	-204,321,172	-122,592,703	
<b>(c)</b>	Year ended December 31, 2017	149,410,076	59,764,030	
<b>(d)</b>	Year ended December 31, 2016	35,349,803	7,069,961	
<b>(e)</b>	Year ended December 31, 2015	-143,336,168	<u>0</u>	
<b>(f)</b>	Total unrecognized return			\$55,516,919
<b>3</b>	Preliminary actuarial value: <b>1 - 2f</b>			1,523,644,457
<b>4</b>	Adjustment to be within 20% corridor			0
<b>5</b>	Final actuarial value of assets as of December 31, 2019: <b>3 + 4</b>			1,523,644,457
<b>6</b>	Actuarial value as a percentage of market value: <b>5 ÷ 1</b>			96.5%
<b>7</b>	Amount deferred for future recognition: <b>1 - 5</b>			\$55,516,919

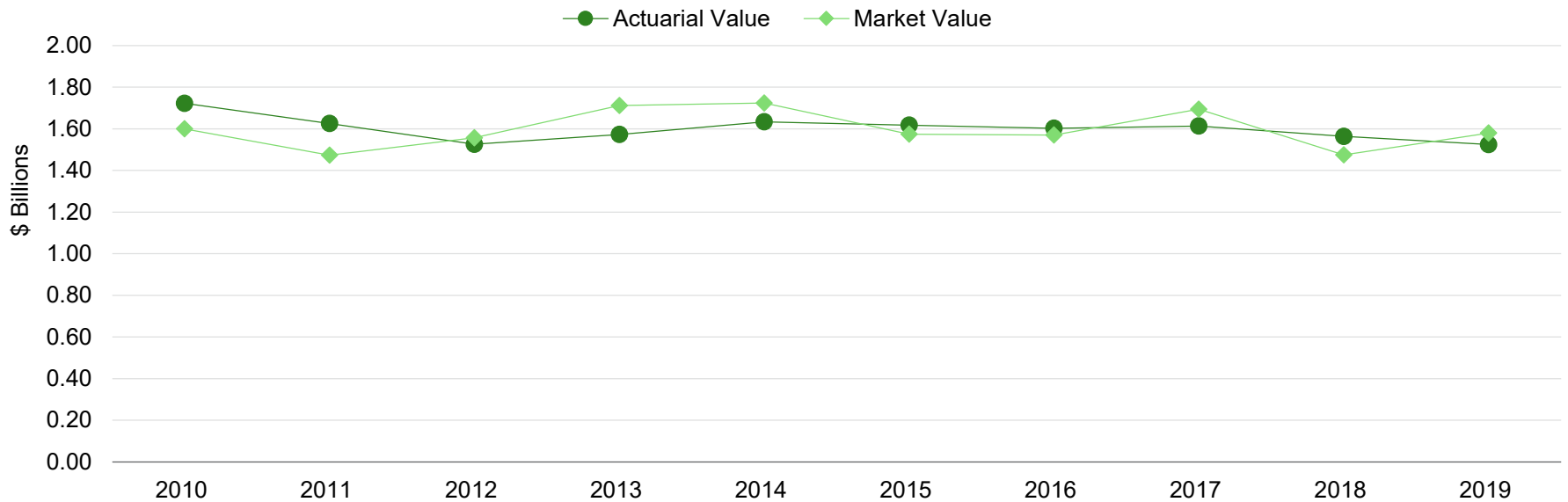
<sup>1</sup> Total return minus expected return on a market value basis

<sup>2</sup> Recognition at 20% per year over five years

## Section 2: Actuarial Valuation Results

### Asset history for years ended December 31

Actuarial Value of Assets vs. Market Value of Assets



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Actuarial Value <sup>1</sup>	\$1.72	\$1.63	\$1.53	\$1.57	\$1.63	\$1.62	\$1.60	\$1.61	\$1.56	\$1.52
Market Value <sup>1</sup>	1.60	1.47	1.56	1.71	1.72	1.57	1.57	1.69	1.48	1.58

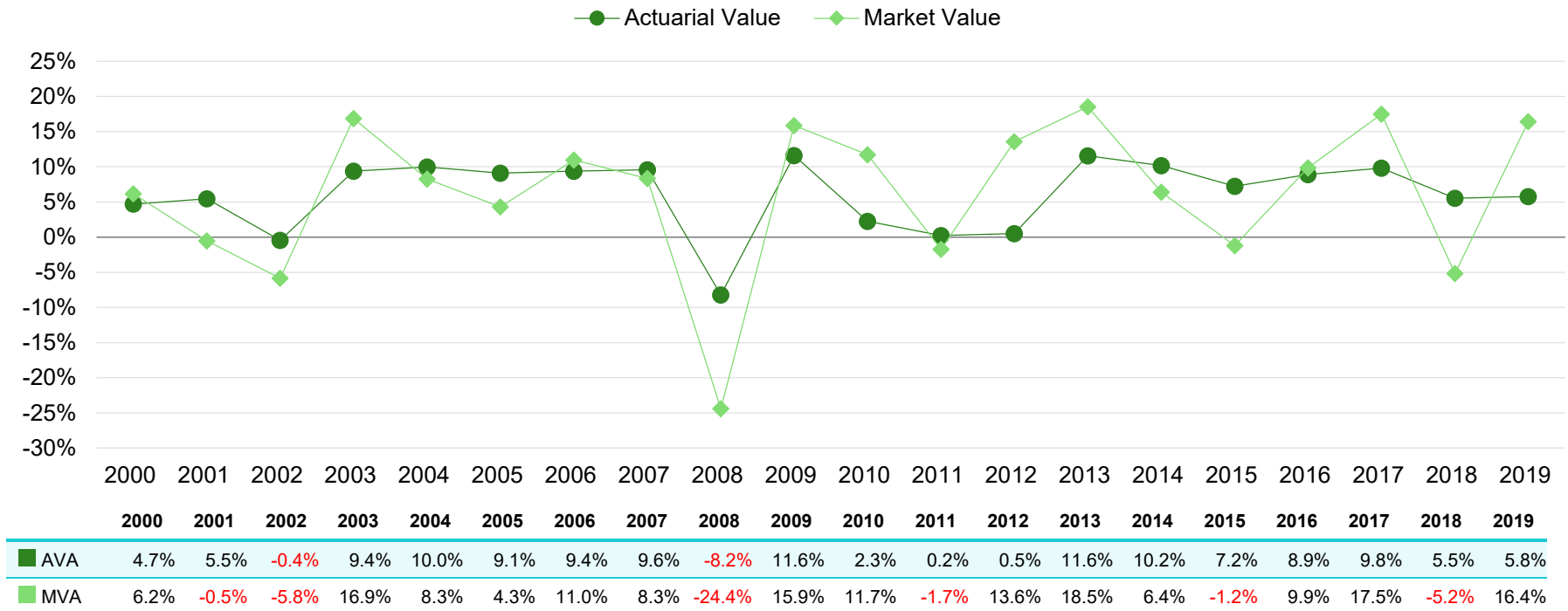
<sup>1</sup> In billions

## Section 2: Actuarial Valuation Results

### Historical investment returns

- Actuarial planning is long term. The obligations of a pension plan are expected to continue for the lifetime of all its participants.
- The assumed long-term rate of return of 6.50% considers past experience, the Trustees' asset allocation policy and future expectations.

Market Value and Actuarial Rates of Return for Years Ended  
December 31



Average Rates of Return	Actuarial Value	Market Value
Most recent five-year average return:	7.46%	7.01%
Most recent ten-year average return:	6.06%	8.25%
20-year average return:	5.98%	5.72%

## Section 2: Actuarial Valuation Results

### Actuarial experience

- Assumptions should reflect experience and should be based on reasonable expectations for the future.
- Each year actual experience is compared to that projected by the assumptions. Differences are reflected in the contribution requirement as an experience gain or loss. Assumptions are not changed if experience is believed to be a short-term development that will not continue over the long term.

#### Experience for the Year Ended December 31, 2019

<b>1</b>	Loss from investments	<b>-\$10,502,567</b>
<b>2</b>	Loss from administrative expenses	562,168
<b>3</b>	Net gain from other experience (0.3% of projected accrued liability)	<u>7,946,757</u>
<b>4</b>	<b>Net experience loss: 1 + 2 + 3</b>	<b><u>-\$1,993,642</u></b>

## Section 2: Actuarial Valuation Results

### Investment experience

#### Loss from Investments

1	Average actuarial value of assets	\$1,488,509,137
2	Assumed rate of return	6.50%
3	Expected net investment income: <b>1 x 2</b>	\$96,753,094
4	Net investment income (5.79% actual rate of return)	<u>86,250,527</u>
5	<b>Actuarial loss from investments: 4 – 3</b>	<b><u>-\$10,502,567</u></b>

### Administrative expenses

- Administrative expenses for the year ended December 31, 2019 totaled \$7,453,916 (after netting out \$1,548,960 due to the change in postretirement benefit obligation), as compared to the assumption of \$8,000,000.

### Other experience

- The net gain from other experience is not considered significant. Some differences between projected and actual experience include:
  - Mortality experience
  - Extent of turnover among the participants
  - Retirement experience (earlier or later than projected)
  - Number of disability retirements

## Section 2: Actuarial Valuation Results

### Actuarial assumptions

- There were no changes in assumptions since the prior valuation.
- Details on actuarial assumptions and methods are in Section 3.

### Plan provisions

- There were no changes in plan provisions since the prior valuation.
- A summary of plan provisions is in Section 3.

### Contribution rate and accrual rate changes

- As of January 1, 2020, the average contribution rate is \$1.6044 per hour compared to \$1.5311 per hour as of January 1, 2019.
- As of January 1, 2020, the average accrual rate is \$44.81 compared to \$43.27 as of January 1, 2019.



## Section 2: Actuarial Valuation Results

### Plan funding

#### Comparison of Funded Percentages

Plan Year Beginning	January 1, 2019		January 1, 2020	
<b>Market Value of Assets</b>	<b>\$1,475,054,635</b>		<b>\$1,579,161,376</b>	
	<b>Amount</b>	<b>Funded %</b>	<b>Amount</b>	<b>Funded %</b>
• Funding interest rate		6.50%		6.50%
• Present value (PV) of future benefits	\$2,980,729,309	49.5%	\$2,953,348,054	53.5%
• PV of accumulated plan benefits	2,932,707,127	50.3%	2,908,890,887	54.3%
• PBGC interest rates	2.84% for 20 years 2.76% thereafter		2.53% for 25 years and 2.53% thereafter	
• PV of vested benefits for withdrawal liability <sup>1</sup>	\$3,549,645,203	41.6%	\$3,585,372,183	44.0%
• Current liability interest rate		3.06%		2.95%
• Current liability	\$4,676,612,492	31.5%	\$4,646,580,130	34.0%
<b>Actuarial Value of Assets</b>	<b>\$1,563,392,839</b>		<b>\$1,523,644,457</b>	
	<b>Amount</b>	<b>Funded %</b>	<b>Amount</b>	<b>Funded %</b>
• Funding interest rate		6.50%		6.50%
• PV of future benefits	\$2,980,729,309	52.5%	\$2,953,348,054	51.6%
• PPA'06 liability and annual funding notice	2,932,707,127	53.3%	2,908,890,887	52.4%

These measurements are not necessarily appropriate for assessing the sufficiency of Plan assets to cover the estimated cost of settling the Plan's benefit obligations or the need for or the amount of future contributions. The funded percentages based on the actuarial value of assets would be different if they were based on the market value of assets.

<sup>1</sup> The present value of vested benefits for withdrawal liability purposes based on the blended interest rate and other assumptions described later in this section.

## Section 2: Actuarial Valuation Results

### Pension Protection Act of 2006

#### 2020 Actuarial status certification

- PPA'06 requires trustees to actively monitor their plans' financial prospects to identify emerging funding challenges so they can be addressed effectively.
- As reported in the 2020 certification, This Plan was classified as critical and declining because the funded percentage was less than 65% there was a projected deficiency in the FSA within four years, and the Plan was expected to be insolvent within 15 years.
- In addition, the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan.

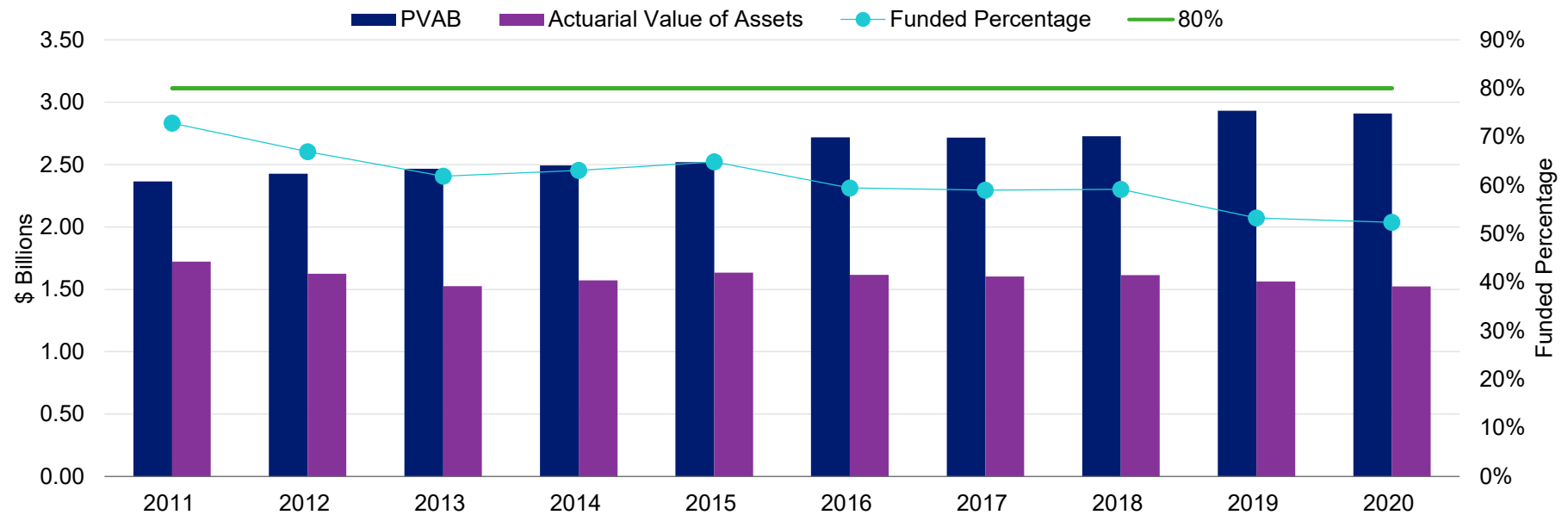
#### Rehabilitation Plan

- The Plan is operating under a Rehabilitation Plan adopted on July 19, 2010, and most recently updated in 2018 that is intended to forestall insolvency. That Plan indicates that, based on reasonable expectations, the Fund's assets are projected to be exhausted in 2028 and therefore PBGC financial assistance will be needed to continue payment of Plan benefits at the reduced PBGC guaranteed benefit level.
- The Plan reduced adjustable benefits and increased contribution rates. No further contribution rate increases are required.
- The annual standards detailed in the Rehabilitation Plan are projected to be met as of this valuation, since insolvency is projected beyond 2028.
- Segal will continue to assist the Trustees to evaluate and update the Rehabilitation Plan, as required, and to prepare the required assessment of Scheduled Progress in meeting the requirements of the Rehabilitation Plan.

## Section 2: Actuarial Valuation Results

### Pension Protection Act of 2006 historical information

#### Funded Percentage and Zone



Plan year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Zone Status	<b>RED</b>	<b>RED</b>	<b>RED</b>	<b>RED</b>	<b>RED-C&amp;D</b>	<b>RED-C&amp;D</b>	<b>RED-C&amp;D</b>	<b>RED-C&amp;D</b>	<b>RED-C&amp;D</b>	<b>RED-C&amp;D</b>
PVAB <sup>1</sup>	\$2.36	\$2.43	\$2.47	\$2.49	\$2.52	\$2.72	\$2.72	\$2.73	\$2.93	\$2.91
AVA <sup>1</sup>	1.72	1.63	1.53	1.57	1.63	1.62	1.60	1.61	1.56	1.52
Funded %	72.8%	67.0%	61.9%	63.1%	64.9%	59.5%	59.0%	59.2%	53.3%	52.4%

<sup>1</sup> In billions

## Section 2: Actuarial Valuation Results

### Funding Standard Account (FSA)

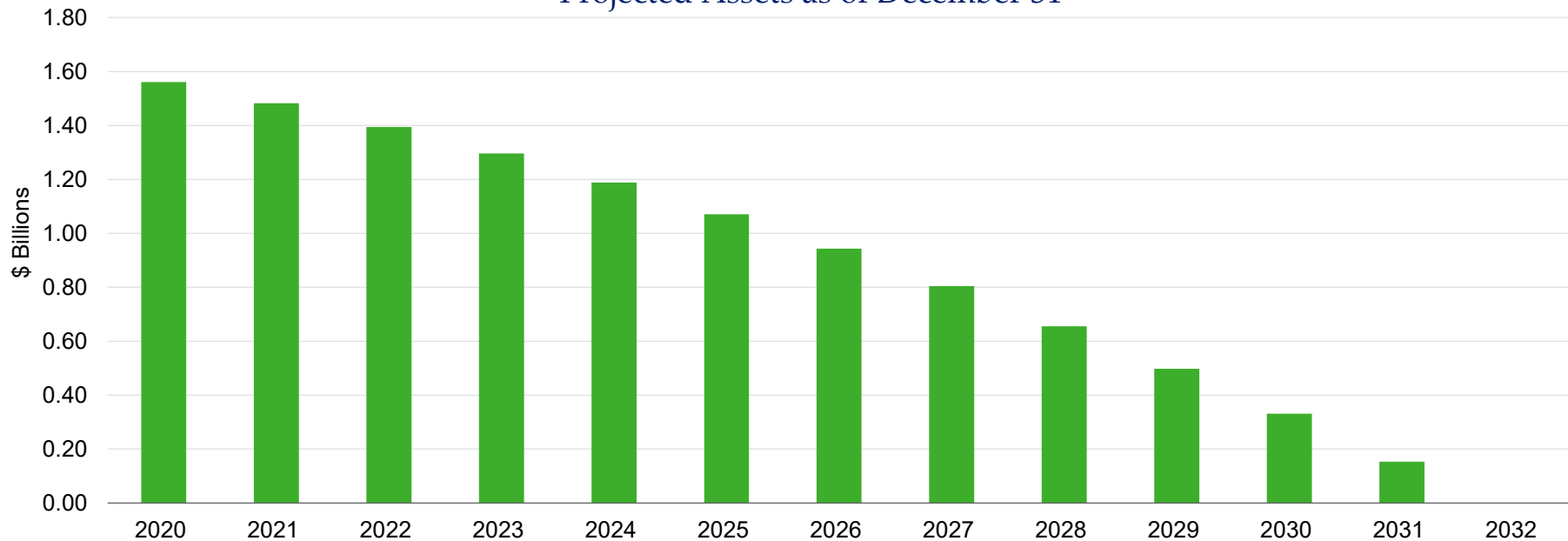
- The minimum funding requirement for the year beginning January 1, 2020 is \$726,992,312.
- Based on the assumption that the active population will decline by 3% and will work an average of 2,200 hours at a \$1.6044 average contribution rate, the projected contributions including expected withdrawal liability payments for the year beginning January 1, 2020 are \$114,375,299. The funding deficiency of \$550,883,410 as of December 31, 2019 is projected to continue to increase.
- Employers contributing to plans in critical status will generally not be subject to the excise tax if a funding deficiency develops, provided the parties fulfill their obligations under the Rehabilitation Plan, including negotiation of bargaining agreements consistent with Schedules provided by the Trustees. However, in accordance with the Rehabilitation Plan, employers withdrawing from the Plan are assessed a portion of the funding deficiency.

## Section 2: Actuarial Valuation Results

### Solvency projection

- This projection assumes the following:
  - The Plan will earn a market rate of return equal to 5.50% for 2020-2023, 5.75% for 2024-2028, and 6.00% thereafter.
  - Industry activity is based on an active population declining by 3% per year, and 2,200 hours per capita.
  - Negotiated contribution rates and expected withdrawal liability income
  - Administrative expenses are projected to increase 2.5% per year.
  - There are no plan amendments or changes in law/regulation.
  - All other experience emerges as assumed, and no assumption changes are made.
- The projections in this valuation illustrate the potential future impact of one given set of assumptions. Additional scenarios would demonstrate sensitivity to risk from investment return, employment and other factors.
- PPA'06 requires Trustees to monitor plan solvency - the ability to pay benefits and expenses when due.
- Based on this valuation, assets are projected to be exhausted in 2032, as shown below. This is two years later than projected in the prior year valuation, due to the 16.4% market return in 2019.

Projected Assets as of December 31



## Section 2: Actuarial Valuation Results

### Risk

- The actuarial valuation results are dependent on a single set of assumptions; however, there is a risk that emerging results may differ significantly as actual experience proves to be different from the current assumptions.
- We have not been engaged to perform a detailed analysis of the potential range of the impact of risk relative to the Plan's future financial condition, but have included a brief discussion of some risks that may affect the Plan.
- Economic Shock Risk. Potential implications for the Plan due to the effects of the COVID-19 pandemic (that were not reflected as of the valuation date) include:
  - Volatile financial markets and investment returns lower than assumed
  - Changes in future demographic experience, such as retirement, disability, turnover, and mortality patterns
  - The ability of withdrawn employers being able to continue to pay withdrawal liability
- Investment Risk (the risk that returns will be different than expected)

Since the Plan's assets are much larger than contributions, investment performance will create volatility in contribution requirements.

Based on current capital market expectations and the Plan's current target asset allocation, we estimate that there is a 25% likelihood that the Plans' annual return will be less than 4.00% over the next 15 years and a 25% likelihood that the Plans' annual return will be greater than 7.25%. If the Plan earns 4.00% each year, the Plan is projected to be insolvent approximately one year earlier than under the current assumptions. If the Plan earns 7.25% each year, the Plan is projected to be insolvent approximately two years later than under the current assumptions.

As can be seen in Section 2, the market value rate of return over the last 20 years ended December 31, 2019 has ranged from a low of -24.41% to a high of 18.54%.

- Contribution Risk (the risk that actual contributions and withdrawal liability payments will be different than projected)

If withdrawal liability payments from previously withdrawn employers are not received, we project insolvency would occur approximately three years earlier.

- Demographic Risk (the risk that participant experience will be different than assumed)

Examples of this risk include:

- Actual retirements occurring earlier or later than assumed.
- Longevity Risk (the risk that mortality experience will be different than expected)

## Section 2: Actuarial Valuation Results

- Actual Experience over the Last Ten Years

Past experience can help demonstrate the sensitivity of key results to the Plan's risk profile. Over the past ten years ended December 31, 2019:

- The investment gain (loss) on market value for a year has ranged from a loss of \$204.3 million to a gain of \$164.2 million.
- The non-investment gain (loss) for a year has ranged from a loss of \$20.6 million to a gain of \$13.2 million.

- Maturity Measures

The risk associated with a pension plan increases as it becomes more mature, meaning that the actives represent a smaller portion of the liabilities of the plan. When this happens, there is a greater risk that fluctuations in the experience of the non-active participants or of the assets of the plan can result in large swings in the contribution requirements.

- Over the past ten years ended December 31, 2019, the ratio of non-active participants to active participants has increased from a low of 2.9 in 2010 to a high of 17.2 in 2019.
- As of December 31, 2019, the retired life actuarial accrued liability represents 63% of the total actuarial accrued liability. In addition, the actuarial accrued liability for inactive vested participants represents 32% of the total. The higher the non-active actuarial accrued liability is as a percent of the total liability, the greater the danger of volatility in results.
- Benefits and administrative expenses less contributions, withdrawal liability payments and funding deficiency payments totaled \$126.0 million as of December 31, 2019, 8% of the market value of assets. The Plan is dependent upon investment returns in order to pay benefits.

- There are external factors including legislative, regulatory or financial reporting changes that could impact the Plan's funding and disclosure requirements. While we do not assume any changes in such external factors, it is important to understand that they could have significant consequences for the Plan. For example, legislative proposals in 2018 and in 2020 showed that Congress continues to consider possible changes to funding requirements for multiemployer plans (such as changes to the zone rules) and increases in PBGC premiums.
- We recommend a more detailed assessment of the risks to provide the Trustees with a better understanding of the risks inherent in the Plan. This assessment may include scenario testing, sensitivity testing, stress testing, and stochastic modeling.
- A detailed risk assessment is important for your Plan because:
  - The outlook for financial markets is uncertain due to COVID-19.
  - The Plan assets are projected to diminish as benefit and expense outflow is greater than contribution and investment income.

## Section 2: Actuarial Valuation Results

### Withdrawal liability

- For purposes of determining the present value of vested benefits, we excluded all benefits that are not protected by IRC Section 411(d)(6).
- The \$68,379,761 decrease in the unfunded present value of vested benefits from the prior year is primarily due to the 16.4% market rate of return.

	December 31	
	2018	2019
Present value of vested benefits (PVVB) on funding basis	\$2,924,730,212	\$2,901,504,495
Present value of vested benefits on PBGC basis	4,571,497,021	4,675,926,301
<b>1</b> PVVB measured for withdrawal purposes	\$3,456,081,540	\$3,500,765,091
<b>2</b> Unamortized value of Affected Benefits Pools	<u>93,563,663</u>	<u>84,607,092</u>
<b>3</b> Total present value of vested benefits: <b>1 + 2</b>	3,549,645,203	3,585,372,183
<b>4</b> Market value of assets	<u>1,475,054,635</u>	<u>1,579,161,376</u>
<b>5</b> Unfunded present value of vested benefits (UVB): <b>3 - 4</b> , not less than \$0	\$2,074,590,568	\$2,006,210,807



## Section 2: Actuarial Valuation Results

### Withdrawal liability assumptions

- The actuarial assumptions and methods are reasonable (taking into account the experience of the Plan and reasonable expectations) and, in combination, represent the actuary's best estimate of anticipated experience under the Plan to determine the unfunded vested benefits for withdrawal liability purposes.
- The interest rate is based on a blend, which includes rates selected based on estimated annuity purchase rates for benefits being settled, because withdrawal liability is a final settlement of an employer's obligations to the Plan. For benefits that could be settled immediately, because assets on hand are sufficient, the annuity purchase rates are those promulgated by PBGC under ERISA Sec. 4044 for multiemployer plans terminating by mass withdrawal on the measurement date. For benefits that cannot be settled immediately because they are not currently funded, the calculation uses rates equal to the interest rate used for plan funding calculations.
- Reductions in accrued benefits or contribution surcharges for a plan in critical status (Red Zone) are disregarded in determining an employer's allocation of the UVB. The Trustees have adopted a method for calculating the UVB effective for withdrawals that occur on and after January 1, 2012. The method is based on the PBGC's Technical Update 10-3, which describes how to account for the effect of benefit reductions that are implemented as part of a Rehabilitation Plan ("Affected Benefits") when a pension plan is in critical status.

<b>Interest</b>	For liabilities up to market value of assets, 2.53% for 25 years and 2.53% thereafter (2.84% for 20 years and 2.76% beyond, in the prior year valuation). For liabilities in excess of market value of assets, same as used for plan funding as of January 1, 2020 (the corresponding funding rate as of a year earlier was used for the prior year's value).
<b>Administrative Expenses</b>	Calculated as prescribed by PBGC formula (29 CFR Part 4044, Appendix C); not applicable to those liabilities determined using funding interest rates.
<b>Mortality</b>	Same as used for plan funding as of January 1, 2020 (the corresponding mortality rates as of a year earlier were used for the prior year's value)
<b>Retirement Rates</b>	Same as used for plan funding as of January 1, 2020 (the corresponding retirement rates as of a year earlier were used for the prior year's value)

## Section 2: Actuarial Valuation Results

### Summary of PPA'06 zone status rules

- Based on projections of the credit balance in the FSA, the funded percentage, and cash flow sufficiency tests, plans are categorized in one of the “zones” described below.
- The funded percentage is determined using the actuarial value of assets and the present value of benefits earned to date, based on the actuary’s best estimate assumptions.

#### Critical Status (Red Zone)

A plan is classified as being in critical status (the Red Zone) if:

- The funded percentage is less than 65%, and either there is a projected FSA deficiency within five years or the plan is projected to be unable to pay benefits within seven years, or
- There is a projected FSA deficiency within four years, or
- There is a projected inability to pay benefits within five years, or
- The present value of vested benefits for inactive participants exceeds that for actives, contributions are less than the value of the current year’s benefit accruals plus interest on existing unfunded accrued benefit liabilities, and there is a projected FSA deficiency within five years, or
- As permitted by the Multiemployer Pension Reform Act of 2014, the plan is projected to be in the *Red Zone* within the next five years and the plan sponsor elects to be in critical status.
- A critical status plan is further classified as being in *critical and declining status* if:
  - The ratio of inactive participants to active participants is at least 2 to 1, and there is an inability to pay benefits projected within 20 years, or
  - The funded percentage is less than 80%, and there is an inability to pay benefits projected within 20 years, or
  - There is an inability to pay benefits projected within 15 years.

Any amortization extensions are ignored for testing initial entry into the *Red Zone*.

The Trustees are required to adopt a formal Rehabilitation Plan, designed to allow the plan to emerge from critical status by the end of the rehabilitation period. If they determine that such emergence is not reasonable, the Rehabilitation Plan must be designed to emerge as of a later time or to forestall possible insolvency.

Trustees of *Red Zone* plans have tools, such as the ability to reduce or eliminate early retirement subsidies, to remedy the situation. Accelerated forms of benefit payment (such as lump sums) are prohibited. However, unless the plan is critical and declining, Trustees may not reduce benefits of participants who retired before being notified of the plan’s critical status (other than rolling back recent benefit increases) or alter core retirement benefits payable at normal retirement age.

## Section 2: Actuarial Valuation Results

### Endangered Status (Yellow Zone)

A plan not in critical status (*Red Zone*) is classified as being in endangered status (the *Yellow Zone*) if:

- The funded percentage is less than 80%, or
- There is a projected FSA deficiency within seven years.

A plan that has both of the endangered conditions present is classified as seriously endangered.

Trustees of a plan that was in the *Green Zone* in the prior year can elect not to enter the *Yellow Zone* in the current year (although otherwise required to do so) if the plan's current provisions would be sufficient (with no further action) to allow the plan to emerge from the *Yellow Zone* within ten years.

The Trustees are required to adopt a formal Funding Improvement Plan, designed to improve the current funded percentage, and avoid a funding deficiency as of the emergence date.

### Green Zone

A plan not in critical status (the *Red Zone*) nor in endangered status (the *Yellow Zone*) is classified as being in the *Green Zone*.

### Early Election of Critical Status

Trustees of a *Green* or *Yellow Zone* plan that is projected to enter the *Red Zone* within the next five years may elect whether or not to enter the *Red Zone* for the current year.

# Section 3: Certificate of Actuarial Valuation

February 1, 2021

## Certificate of Actuarial Valuation

This is to certify that Segal has prepared an actuarial valuation of the PACE Industry Union-Management Pension Fund as of January 1, 2020 in accordance with generally accepted actuarial principles and practices. It has been prepared at the request of the Board of Trustees to assist in administering the Fund and meeting filing requirements of federal government agencies. This valuation report may not otherwise be copied or reproduced in any form without the consent of the Board of Trustees and may only be provided to other parties in its entirety.

The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law.

The valuation is based on the assumption that the Plan is qualified as a multiemployer plan for the year and on information supplied by the auditor with respect to contributions and assets and reliance on the Plan Administrator with respect to the participant data. Segal does not audit the data provided. The accuracy and comprehensiveness of the data is the responsibility of those supplying the data. To the extent we can, however, Segal does review the data for reasonableness and consistency. Based on our review of the data, we have no reason to doubt the substantial accuracy of the information on which we have based this report and we have no reason to believe there are facts or circumstances that would affect the validity of these results. Adjustments for incomplete or apparently inconsistent data were made as described in the attached Exhibit K.

I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of my knowledge, the information supplied in this actuarial valuation is complete and accurate, except as noted in Exhibit A. Each prescribed assumption for the determination of Current Liability 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.



Susan L. Boyle, FSA, FCA, MAAA  
Senior Vice President and Actuary  
Enrolled Actuary No. 20-06862

## Section 3: Certificate of Actuarial Valuation

### Exhibit A: Table of Plan Coverage

The valuation was made with respect to the following data supplied to us by the Plan Administrator.

Category	Year Ended December 31		Change from Prior Year
	2018	2019	
<b>Participants in Fund Office tabulation</b>	5,350	4,695	-12.2%
Less: Participants with less than one pension credit	1,309	1,069	N/A
<b>Active participants in valuation:</b>			
• Number	4,041	3,626	-10.3%
• Average age	47.3	47.2	-0.1
• Average pension credits	14.0	13.9	-0.1
• Average vesting credit	14.6	14.5	-0.1
• Average contribution rate for upcoming year	\$1.6031	\$1.6044	0.1%
• Average accrual rate for upcoming year	\$42.37	\$44.81	5.8%
• Number with unknown age	172	190	10.5%
• Total active vested participants	3,149	2,842	-9.7%
<b>Inactive participants with rights to a pension:</b>			
• Number	30,925	29,064	-6.0%
• Average age	54.9	55.2	0.3
• Average monthly benefit	\$407	\$400	-1.7%
<b>Pensioners:</b>			
• Number in pay status	27,263	27,977	2.6%
• Average age	73.2	73.3	0.1
• Average monthly benefit	\$549	\$551	0.4%
• Number of alternate payees in pay status	441	465	5.4%
• Number in suspended status	1	0	-100.0%
<b>Beneficiaries:</b>			
• Number in pay status	5,010	5,166	3.1%
• Average age	74.6	74.7	0.1
• Average monthly benefit	\$261	\$264	1.1%
<b>Total participants</b>	<b>67,240</b>	<b>65,833</b>	<b>-2.1%</b>

## Section 3: Certificate of Actuarial Valuation

### Exhibit B: Actuarial Factors for Minimum Funding

	January 1, 2019	January 1, 2020
Interest rate assumption	6.50%	6.50%
Normal cost, including administrative expenses	\$15,155,624	\$14,587,972
Actuarial present value of projected benefits	\$2,980,729,309	\$2,953,348,054
Present value of future normal costs	48,022,182	44,457,167
<b>Actuarial accrued liability</b>	<b>\$2,932,707,127</b>	<b>\$2,908,890,887</b>
• Pensioners and beneficiaries <sup>1</sup>	\$1,785,924,017	\$1,835,163,228
• Inactive participants with vested rights	984,799,633	926,534,516
• Active participants	161,983,477	147,193,143
Actuarial value of assets (AVA)	\$1,563,392,839	\$1,523,644,457
Market value as reported by Cherry Bekaert LLP	1,475,054,635	1,579,161,376
Unfunded actuarial accrued liability based on AVA	1,369,314,288	1,385,246,430

<sup>1</sup> Includes liabilities for former spouses in pay status.

## Section 3: Certificate of Actuarial Valuation

### Exhibit C: Summary Statement of Income and Expenses on a Market Value Basis

	Year Ended December 31, 2018	Year Ended December 31, 2019
<b>Contribution income:</b>		
• Employer contributions	\$13,802,244	\$13,960,248
• Funding deficiency payments	13,100,633	25,746,906
• Withdrawal liability payments	<u>44,970,275</u>	<u>48,861,895</u>
<i>Contribution income</i>	\$71,873,152	\$88,569,049
<b>Investment income:</b>		
• Interest and dividends	\$30,771,920	\$8,677,852
• Capital appreciation/(depreciation)	-109,586,481	224,474,372
• Less investment fees	<u>-4,402,268</u>	<u>-3,046,574</u>
<i>Net investment income</i>	-83,216,829	230,105,650
<i>Other income</i>	1,465,885	45,348
<b>Total income available for benefits</b>	<b>-\$9,877,792</b>	<b>\$318,720,047</b>
<b>Less benefit payments and expenses:</b>		
• Pension benefits	-\$201,385,419	-205,610,430
• Administrative expenses	-7,700,066	-7,453,916
• Change in postretirement benefit obligation	<u>542,961</u>	<u>-1,548,960</u>
<i>Total benefit payments and expenses</i>	-\$208,542,524	-\$214,613,306
<b>Market value of assets</b>	<b>\$1,475,054,635</b>	<b>\$1,579,161,376</b>

## Section 3: Certificate of Actuarial Valuation

### Exhibit D: Information on Plan Status as of January 1, 2020

Plan status (as certified on March 30, 2020, for the 2020 zone certification)	<b>Critical and Declining</b>
Scheduled progress (as certified on March 30, 2020, for the 2020 zone certification)	Yes
Actuarial value of assets for FSA	\$1,523,644,457
Accrued liability under unit credit cost method	2,908,890,887
Funded percentage for monitoring plan's status	52.4%
Year in which insolvency is expected	2032

#### Annual Funding Notice for Plan Year Beginning January 1, 2020 and Ending December 31, 2020

	2020 Plan Year	2019 Plan Year	2018 Plan Year
Actuarial valuation date	January 1, 2020	January 1, 2019	January 1, 2018
Funded percentage	52.4%	53.3%	59.2%
Value of assets	\$1,523,644,457	\$1,563,392,839	\$1,613,682,419
Value of liabilities	2,908,890,887	2,932,707,127	2,726,820,917
Market value of assets as of plan year end	Not available	1,579,161,376	1,475,054,635

### Critical or Endangered Status

The Plan was in critical and declining status in the plan year because the funded percentage was below 65%, there was a projected deficiency in the Funding Standard Account within four years, and the Plan was projected to be insolvent within 15 years. In an effort to improve the Plan's funding situation, the Trustees adopted a Rehabilitation Plan that is intended to forestall insolvency.



## Section 3: Certificate of Actuarial Valuation

### Exhibit E: Schedule of Projection of Expected Benefit Payments

(Schedule MB, Line 8b(1))

Plan Year	Expected Annual Benefit Payments
2020	\$207,858,534
2021	210,970,274
2022	214,077,858
2023	217,352,446
2024	220,573,457
2025	223,170,091
2026	225,614,925
2027	227,428,752
2028	228,557,406
2029	228,886,011

This assumes the following:

- No additional benefits will be accrued.
- Experience is in line with valuation assumptions.
- No new entrants are covered by the plan.

## Section 3: Certificate of Actuarial Valuation

### Exhibit F: Schedule of Active Participant Data

(Schedule MB, Line 8b(2))

The participant data is for the year ended December 31, 2019.

Age	Pension Credits									
	Total	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 & over
Under 25	73	70	3	–	–	–	–	–	–	–
25 - 29	215	137	78	–	–	–	–	–	–	–
30 - 34	295	143	123	28	1	–	–	–	–	–
35 - 39	320	104	129	67	20	–	–	–	–	–
40 - 44	385	91	110	83	70	31	–	–	–	–
45 - 49	484	81	114	89	78	79	41	2	–	–
50 - 54	526	60	82	82	68	75	87	69	3	–
55 - 59	609	36	87	76	80	81	95	108	37	9
60 - 64	418	24	42	58	50	43	53	65	32	51
65 - 69	102	3	12	15	12	10	9	7	8	26
70 & over	9	2	3	–	1	2	1	–	–	–
Unknown	190	180	10	–	–	–	–	–	–	–
<b>Total</b>	<b>3,626</b>	<b>931</b>	<b>793</b>	<b>498</b>	<b>380</b>	<b>321</b>	<b>286</b>	<b>251</b>	<b>80</b>	<b>86</b>

Note: Excludes 1,069 participants with less than one pension credit.

## Section 3: Certificate of Actuarial Valuation

### Exhibit G: Funding Standard Account

- ERISA imposes a minimum funding standard that requires the Plan to maintain an FSA. The accumulation of contributions in excess of the minimum required contributions is called the FSA credit balance. If actual contributions fall short on a cumulative basis, a funding deficiency has occurred.
- The FSA is charged with the normal cost and the amortization of increases or decreases in the unfunded actuarial accrued liability due to plan amendments, experience gains or losses and changes in actuarial assumptions and funding methods. The FSA is credited with employer contributions, funding deficiency payments and withdrawal liability payments.
- Increases or decreases in the unfunded actuarial accrued liability are amortized over 15 years except that short-term benefits, such as 13th checks, are amortized over the scheduled payout period.
- Employers contributing to plans in critical status will generally not be subject to the excise tax if a funding deficiency develops, provided the parties fulfill their obligations under the Rehabilitation Plan, including negotiation of bargaining agreements consistent with Schedules provided by the Trustees.

	December 31, 2019	December 31, 2020
<b>1</b> Prior year funding deficiency	\$467,018,004	\$550,883,410
<b>2</b> Normal cost, including administrative expenses	15,155,624	14,587,972
<b>3</b> Amortization charges	183,242,410	179,664,122
<b>4</b> Interest on <b>1, 2 and 3</b>	<u>43,252,042</u>	<u>48,433,808</u>
<b>5</b> Total charges	\$708,668,080	\$793,569,312
<b>6</b> Prior year credit balance	\$0	\$0
<b>7</b> Employer contributions	88,569,049	TBD
<b>8</b> Amortization credits	62,513,616	62,513,615
<b>9</b> Interest on <b>6, 7 and 8</b>	6,702,005	4,063,385
<b>10</b> Full funding limitation credits	<u>0</u>	<u>0</u>
<b>11</b> Total credits	157,784,670	66,577,000
<b>12</b> Credit balance/(Funding deficiency): <b>11 - 5</b>	<b>-\$550,883,410</b>	TBD
<b>13</b> Minimum contribution with interest required to avoid a funding deficiency: <b>5 -11</b> not less than zero	N/A	\$726,992,312

## Section 3: Certificate of Actuarial Valuation

### Full Funding Limitation (FFL) and Credits for Plan Year January 1, 2020

ERISA FFL (accrued liability FFL)	\$1,490,823,638
RPA'94 override (90% current liability FFL)	2,730,624,234
FFL credit	0

## Section 3: Certificate of Actuarial Valuation

### Schedule of FSA Bases (Charges) (Schedule MB, Line 9c)

Type of Base	Date Established	Outstanding Balance	Years Remaining	Amortization Amount
L107 merger-plan amendment	01/01/1981	\$71,197	1	\$71,197
Plan amendment	01/01/1981	1,139,257	1	1,139,257
Plan amendment	01/01/1991	1,105,836	1	1,105,836
Plan amendment	01/01/1992	2,459,844	2	1,268,636
Plan amendment	01/01/1993	5,792,608	3	2,053,660
Plan amendment	01/01/1994	7,984,591	4	2,188,473
Plan amendment	01/01/1995	4,433,384	5	1,001,714
Plan amendment	01/01/1996	5,210,751	6	1,010,682
Plan amendment	01/01/1997	11,878,602	7	2,033,654
Assumption change	01/01/1998	11,764,822	8	1,814,293
Plan amendment	01/01/1998	59,214,225	8	9,131,628
Plan amendment	01/01/1999	49,750,679	9	7,018,257
Plan amendment	01/01/2000	40,351,356	10	5,270,482
Plan amendment	01/01/2001	30,371,382	11	3,708,879
Assumption change	01/01/2002	7,478,278	12	860,656
OCAW/PACE UIPF merger - combined and offset bases	01/01/2002	12,096,056	2	6,238,402
Plan amendment	01/01/2002	22,725,483	12	2,615,419
Plan amendment	01/01/2003	34,192,745	13	3,733,352
Plan amendment	01/01/2004	15,484,975	14	1,613,062
Plan amendment	01/01/2005	19,999,369	15	1,997,172
Assumption change	01/01/2006	5,734,882	16	551,289
Plan amendment	01/01/2007	7,757,727	17	720,458
Plan amendment	01/01/2008	3,300,982	3	1,170,301

## Section 3: Certificate of Actuarial Valuation

Type of Base	Date Established	Outstanding Balance	Years Remaining	Amortization Amount
Plan amendment	01/01/2009	3,219,123	4	882,320
Actuarial loss	01/01/2009	123,814,755	4	33,936,025
Plan amendment	01/01/2010	2,407,822	5	544,042
Assumption change	01/01/2011	35,165,332	6	6,820,698
Actuarial loss	01/01/2011	58,843,006	6	11,413,240
Assumption change	01/01/2012	10,671,105	7	1,826,927
Actuarial loss	01/01/2012	77,243,395	7	13,224,314
Actuarial loss	01/01/2013	70,381,313	8	10,853,743
Assumption change	01/01/2016	155,801,619	11	19,026,114
Actuarial loss	01/01/2019	16,262,912	14	1,694,099
Assumption change	01/01/2019	200,891,420	14	20,926,752
Actuarial loss	01/01/2020	1,993,642	15	199,089
<b>Total</b>		<b>\$1,116,994,475</b>		<b>\$179,664,122</b>

## Section 3: Certificate of Actuarial Valuation

### Schedule of FSA Bases (Credits) (Schedule MB, Line 9h)

Type of Base	Date Established	Outstanding Balance	Years Remaining	Amortization Amount
Actuarial gain	01/01/2010	\$26,740,713	5	\$6,042,009
Change in funding method	01/01/2011	21,621,565	1	21,621,565
Plan amendment	01/01/2011	79,221,270	6	15,365,825
Actuarial gain	01/01/2014	50,531,649	9	7,128,428
Actuarial gain	01/01/2015	30,442,769	10	3,976,274
Actuarial gain	01/01/2016	4,282,016	11	522,909
Actuarial gain	01/01/2017	11,070,527	12	1,274,079
Assumption change	01/01/2017	28,981,770	12	3,335,439
Actuarial gain	01/01/2018	29,739,176	13	3,247,087
<b>Total</b>		<b>\$282,631,455</b>		<b>\$62,513,615</b>

## Section 3: Certificate of Actuarial Valuation

### Exhibit H: Maximum Deductible Contribution

- Employers that contribute to defined benefit pension plans are allowed a current deduction for payments to such plans. There are various measures of a plan's funded level that are considered in the development of the maximum tax-deductible contribution amount.
- The maximum deductible amount for this valuation is the excess of 140% of "current liability" over assets as shown below. "Current liability" is one measure of the actuarial present value of all benefits earned by the participants as of the valuation date. This limit is significantly higher than the current contribution level.
- Contributions in excess of the maximum deductible amount are not prohibited; only the deductibility of these contributions is subject to challenge and may have to be deferred to a later year. In addition, if contributions are not fully deductible, an excise tax in an amount equal to 10% of the non-deductible contributions may be imposed. However, the plan sponsor may elect to exempt the non-deductible amount up to the ERISA full-funding limitation from the excise tax.
- The Trustees should review the interpretation and applicability of all laws and regulations concerning any issues as to the deductibility of contribution amounts with Fund Counsel.

1	Current liability for maximum deductible contribution, projected to the end of the plan year	\$4,588,224,404
2	140% of current liability	6,423,514,166
3	Actuarial value of assets, projected to the end of the plan year	1,398,777,729
4	<b>Maximum deductible contribution: 2 - 3</b>	<b>\$5,024,736,437</b>



## Section 3: Certificate of Actuarial Valuation

### Exhibit I: Current Liability

The table below presents the current liability for the Plan Year beginning January 1, 2020.

Item <sup>1</sup>	Number of Participants	Current Liability
Interest rate assumption		2.95%
Retired participants and beneficiaries receiving payments	33,143	\$2,594,371,227
Inactive vested participants	29,064	1,759,409,936
Active participants		
• Non-vested benefits		10,143,714
• Vested benefits		282,655,253
• Total active	<u>3,626</u>	<u>\$292,798,967</u>
<b>Total</b>	<b>65,833</b>	<b>\$4,646,580,130</b>
Expected increase in current liability due to benefits accruing during the plan year		\$15,766,960
Expected release from current liability for the plan year		208,332,938
Expected plan disbursements for the plan year, including administrative expenses of \$8,000,000		216,332,938
Current value of assets		\$1,579,161,376
Percentage funded for Schedule MB		33.98%

<sup>1</sup> The actuarial assumptions used to calculate these values are shown in Exhibit K.

## Section 3: Certificate of Actuarial Valuation

### Exhibit J: Actuarial Present Value of Accumulated Plan Benefits

The actuarial present value of accumulated plan benefits calculated in accordance with FASB ASC 960 is shown below as of January 1, 2019 and as of January 1, 2020. In addition, a reconciliation between the two dates follows.

	Benefit Information Date	
	January 1, 2019	January 1, 2020
Actuarial present value of vested accumulated plan benefits:		
• Participants currently receiving payments	\$1,785,924,017	\$1,835,163,228
• Other vested benefits	<u>1,139,421,821</u>	<u>1,067,046,117</u>
• Total vested benefits	\$2,925,345,838	\$2,902,209,345
Actuarial present value of non-vested accumulated plan benefits	<u>7,361,289</u>	<u>6,681,542</u>
<b>Total actuarial present value of accumulated plan benefits</b>	<b>\$2,932,707,127</b>	<b>\$2,908,890,887</b>

Factors	Change in Actuarial Present Value of Accumulated Plan Benefits
Benefits accumulated, net experience gain or loss, changes in data	<b>-\$1,592,573</b>
Benefits paid	<b>-205,610,430</b>
Interest	183,386,763
<b>Total</b>	<b>-\$23,816,240</b>

## Section 3: Certificate of Actuarial Valuation

### Exhibit K: Statement of Actuarial Assumptions, Methods and Models

(Schedule MB, Line 6)

Mortality Rates	<i>Non-annuitant:</i>	RP-2006 Blue Collar Employee Mortality Table with generational projection using Scale MP-2019 from 2006			
	<i>Healthy annuitant:</i>	RP-2006 Blue Collar Healthy Annuitant Mortality Table with generational projection using Scale MP-2019 from 2006			
	<i>Disabled annuitant:</i>	RP-2006 Disabled Retiree Mortality Table with generational projection using Scale MP-2019 from 2006			
	The underlying tables with the generational projection to the age of the participants as of the measurement date reasonably reflect the mortality experience of the Plan as of the measurement date. These mortality tables were then adjusted to future years using the generational projection to reflect mortality improvement between the measurement date and these years.				
	The mortality rates were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of deaths and the projected number based on the prior year's assumption over recent years.				
Annuitant Mortality Rates	Rate (%) <sup>1</sup>				
	Age	Healthy		Disabled	
		Male	Female	Male	Female
	55	0.64	0.42	2.49	1.50
	60	0.89	0.66	2.81	1.95
	65	1.45	1.06	3.63	2.53
	70	2.38	1.70	4.88	3.43
	75	3.89	2.75	6.70	4.91
	80	6.38	4.54	9.43	7.26
	85	10.51	7.80	13.71	10.85
	90	17.31	13.38	20.46	15.86
	<sup>1</sup> Mortality rates shown for base table.				

## Section 3: Certificate of Actuarial Valuation

### Termination Rates

Age	Rate (%)				
	Mortality <sup>1</sup>		Disability	Withdrawal <sup>2</sup>	
	Male	Female		Less than 10 Years of Service	10 or More Years of Service
20	0.07	0.02	0.05	15	10
25	0.07	0.02	0.05	15	10
30	0.06	0.02	0.05	15	10
35	0.07	0.03	0.06	15	10
40	0.10	0.05	0.09	15	10
45	0.16	0.09	0.18	15	10
50	0.26	0.13	0.40	15	10
55	0.38	0.19	0.85	15	10
60	0.64	0.31	1.74	15	10

<sup>1</sup> Mortality rates shown are for base table.

<sup>2</sup> Withdrawal rates are cut out at early retirement age.

The termination rates and disability rates were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of terminations and disability retirements by age and the projected number based on the prior year's assumption over recent years.

### Retirement Rates for Actives

Age	Annual Retirement Rates
55 – 59	1%
60 – 61	5%
62	25%
63 – 64	15%
65 – 69	30%
70 or older	100%

The retirement rates were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of retirements by age and the projected number based on the prior year's assumption over recent years.

### Description of Weighted Average Retirement Age

Age 65, determined as follows: The weighted average retirement age for each participant is calculated as the sum of the product of each potential current or future retirement age times the probability of surviving from current age to that age and then retiring at that age, assuming no other decrements. The overall weighted retirement age is the average of the individual retirement ages based on all the active participants included in the January 1, 2020 actuarial valuation.

## Section 3: Certificate of Actuarial Valuation

### Retirement Rates for Inactive Vested Participants

Age	Annual Retirement Rates
55 – 61	5%
62	15%
63 – 64	7%
65	40%
66	20%
67	10%
68 – 69	5%
70 or older	100%

The retirement rates for inactive vested participants were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of retirements by age and the projected number based on the prior year's assumption over recent years.

### Future Benefit Accruals

One pension credit per year.

The future benefit accruals were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the assumed and actual benefit accruals over recent years.

### Unknown Data for Participants

Same as those exhibited by participants with similar known characteristics. If not specified, participants are assumed to be male.

### Definition of Active Participants

Active participants are defined as those with at least 510 hours in the most recent plan year and who have accumulated at least one pension credit, excluding those who have retired as of the valuation date.

### Percent Married

Active participants are defined as those with at least 510 hours in the most recent plan year and who have accumulated at least one pension credit, excluding those who have retired as of the valuation date.

### Age of Spouse

Females three years younger than males.

### Benefit Election

60% of participants are assumed to elect the single life annuity form of payment and 40% of participants are assumed to elect the 50% joint and survivor form of payment.

The benefit elections were based on historical and current demographic data, adjusted to reflect the plan design, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the assumed and the actual option election patterns over recent years.

### Delayed Retirement Factors

Active participants assumed to work enough hours each month to not qualify for delayed retirement adjustment. Inactive vested participants who are assumed to commence receipt of benefits after attaining normal retirement age qualify for delayed retirement increases, but not beyond age 70.

## Section 3: Certificate of Actuarial Valuation

<b>Net Investment Return</b>	6.50% The net investment return assumption is a long-term estimate derived from historical data, current and recent market expectations, and professional judgment. As part of the analysis, a building block approach was used that reflects inflation expectations and anticipated risk premiums for each of the portfolio's asset classes well as the Plan's target asset allocation.
<b>Annual Administrative Expenses</b>	\$8,000,000 for the year beginning January 1, 2020 (equivalent to \$7,732,980 payable at the beginning of the year) The annual administrative expenses were based on historical and current data, estimated future experience and professional judgment.
<b>Actuarial Value of Assets</b>	The market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five – year period. The actuarial value is further adjusted, if necessary, to be within 20% of the market value.
<b>Actuarial Cost Method</b>	Unit Credit Actuarial Cost Method. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are allocated by service.
<b>Benefits Valued</b>	Unless otherwise indicated, includes all benefits summarized in Exhibit L.
<b>Current Liability Assumptions</b>	<i>Interest:</i> 2.95%, within the permissible range prescribed under IRC Section 431(c)(6)(E) <i>Mortality:</i> Mortality prescribed under IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1(a)(2): RP-2006 employee and annuitant mortality tables, projected forward generationally using scale MP-2018 (previously, the MP-2017 scale was used).
<b>Estimated Rate of Investment Return</b>	<i>On actuarial value of assets (Schedule MB, line 6g):</i> 5.7%, for the Plan Year ending December 31, 2019 <i>On current (market) value of assets (Schedule MB, line 6h):</i> 16.3%, for the Plan Year ending December 31, 2019
<b>FSA Contribution Timing (Schedule MB, line 3a)</b>	Unless otherwise noted, contributions are paid periodically throughout the year pursuant to collective bargaining agreements. The interest credited in the FSA is therefore assumed to be equivalent to a July 15 contribution date.
<b>Actuarial Models</b>	Segal valuation results are based on proprietary actuarial modeling software. The actuarial valuation models generate a comprehensive set of liability and cost calculations that are presented to meet regulatory, legislative and client requirements. Deterministic cost projections are based on a proprietary forecasting model. Our Actuarial Technology and Systems unit, comprised of both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility and user control. The client team programs the assumptions and the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible actuary.
<b>Justification for Change in Actuarial Assumptions (Schedule MB, line 11)</b>	For purposes of determining current liability, the current liability interest rate was changed from 3.06% to 2.95% due to a change in the permissible range and recognizing that any rate within the permissible range satisfies the requirements of IRC Section 431(c)(6)(E) and the mortality tables were changed in accordance with IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1.

## Section 3: Certificate of Actuarial Valuation

### Exhibit L: Summary of Plan Provisions

(Schedule MB, Line 6)

This exhibit summarizes the major provisions of the Plan included in the valuation. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions.

<b>Plan Year</b>	January 1 through December 31
<b>Pension Credit Year</b>	January 1 through December 31
<b>Plan Status</b>	Ongoing plan
<b>Regular Pension</b>	<ul style="list-style-type: none"> <li>• Age Requirement: 65</li> <li>• Service Requirement: 5 pension credits or years of vesting service</li> <li>• Amount: Accrual rates are based on contribution rates and differ by employer. Accrued benefits as of December 31, 2010 based on the accrual rate as of December 31, 2010. Effective January 1, 2011, future benefits earned will be based on the contribution rate(s) in effect for the plan year in which the benefit is accrued.</li> </ul>
<b>Early Retirement</b>	<ul style="list-style-type: none"> <li>• Age Requirement: 55</li> <li>• Service Requirement: 10 pension credits or years of vesting service for Programs A through F; 5 years for Program G</li> <li>• Amount: Regular pension accrued, reduced by 1/2 of 1% for each month the participant is younger than age 65.</li> </ul>
<b>Disability</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Service Requirement:</i> 10 pension credits for Programs A, B, C and G. 5 years of vesting service for Programs D, E and F</li> <li>• <i>Amount:</i> Regular pension accrued for Programs A through F. For Program G, early retirement amount plus 10%, not reduced below age 55 and not greater than the benefit payable at age 65.</li> </ul>
<b>Vesting</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Service Requirement:</i> Five years of vesting service or pension credit.</li> <li>• <i>Amount:</i> Regular pension accrued payable at Normal Retirement Age, or early retirement amount payable beginning at age 55, based on plan in effect when last active</li> <li>• <i>Normal Retirement Age:</i> 65, or if later, the participant's age on the fifth anniversary of date of participation</li> </ul>

## Section 3: Certificate of Actuarial Valuation

<b>Spouse's Pre-Retirement Death Benefit</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Service Requirement:</i> Five years of Vesting Service or 6 years of Pension Credit.</li> <li>• <i>Amount:</i> 50% of the benefit participant would have received had he or she retired the day before death and elected the joint and survivor option.</li> <li>• <i>Charge for Coverage:</i> None</li> </ul>
<b>Post-Retirement Death Benefit</b>	<p>If married, pension benefits are paid in the form of a 50% Husband-and-Wife annuity unless this form is rejected by the participant and spouse. If not rejected, the benefit amount otherwise payable is reduced to reflect the 50% Husband and Wife coverage.</p> <p>If rejected, or if not married, benefits are payable for the life of the employee without reduction, or in any other available optional form elected by the employee in an actuarially equivalent amount.</p>
<b>Optional Forms of Benefits</b>	<p>75% or 100% Husband and Wife option under Programs A through F.</p> <p>50%, 75% or 100% Husband and Wife with popup option under Programs A through F.</p> <p>50%, 75% or 100% Joint and Survivor option under Programs A through F.</p> <p>75% or 100% Joint and Survivor option for married participants under Program G.</p>
<b>Pension Credit</b>	<p>Less than 510 hours = 0 year of pension credit</p> <p>510 – 1,019 hours = ¼ year of pension credit</p> <p>1,020 – 1,529 hours = ½ year of pension credit</p> <p>1,530 – 2,039 hours = ¾ year of pension credit</p> <p>2,040 or more hours = 1 year of pension credit</p>
<b>Vesting Credit</b>	One year of vesting service for each calendar year during the contribution period in which the employee works 1,000 hours or more.
<b>Contribution Rate</b>	Varies by employers. The average contribution rate as of January 1, 2020 is \$1.6044 per hour.
<b>Changes in Plan Provisions</b>	There were no changes in plan provisions reflected in this actuarial valuation

9213821v5/00288.001



# PACE Industry Union- Management Pension Fund

## **Actuarial Certification of Plan Status under IRC Section 432**

As of January 1, 2020



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March 30, 2020

Board of Trustees  
PACE Industry Union-Management Pension Fund  
1101 Kermit Drive, Suite 800  
Nashville, TN 37217

Dear Trustees:

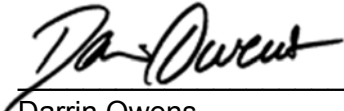
As required by ERISA Section 305 and Internal Revenue Code (IRC) Section 432, we have completed the Plan's actuarial status certification as of January 1, 2020 in accordance with the Multiemployer Pension Reform Act of 2014 (MPRA). The attached exhibits outline the projections performed and the results of the various tests required by the statute. These projections have been prepared based on the Actuarial Valuation as of January 1, 2019 and in accordance with generally accepted actuarial principles and practices and a current understanding of the law. The actuarial calculations were completed under the supervision of Susan L. Boyle, FSA, FCA, MAAA, EA, Senior Vice President and Actuary.

As of January 1, 2020, the Plan is in critical and declining status. This certification also notifies the IRS that the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan, based on the annual standards in the rehabilitation plan. This certification is being filed with the Internal Revenue Service, pursuant to ERISA section 305(b)(3) and IRC section 432(b)(3).

Segal Consulting ("Segal") does not practice law and, therefore, cannot and does not provide legal advice. Any statutory interpretation on which the certification is based reflects Segal's understanding as an actuarial firm. Due to the complexity of the statute and the significance of its ramifications, Segal recommends that the Board of Trustees consult with legal counsel when making any decisions regarding compliance with ERISA and the Internal Revenue Code.

We look forward to reviewing this certification with you at your next meeting and to answering any questions you may have. We are available to assist the Trustees in communicating this information to plan stakeholders as well as in reviewing and updating the Funding Improvement Plan as required.

Sincerely,  
Segal

By:   
Darrin Owens  
Senior Vice President



March 30, 2020

Internal Revenue Service  
Employee Plans Compliance Unit  
Group 7602 (TEGE:EP:EPCU)  
230 S. Dearborn Street  
Room 1700 - 17th Floor  
Chicago, IL 60604

To Whom It May Concern:

As required by ERISA Section 305 and the Internal Revenue Code (IRC) Section 432, we have completed the actuarial status certification as of January 1, 2020 for the following plan:

Name of Plan: PACE Industry Union-Management Pension Fund  
Plan number: EIN 11-6166763 / PN 001  
Plan sponsor: Board of Trustees, PACE Industry Union-Management Pension Fund  
Address: 1101 Kermit Drive, Suite 800, Nashville, TN 37217  
Phone number: 1.800.474.8673

As of January 1, 2020, the Plan is in critical and declining status. This certification also notifies the IRS that the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan, based on the annual standards of the rehabilitation plan.

If you have any questions on the attached certification, you may contact me at the following:

Segal  
333 West 34th Street, 3rd Floor  
New York, NY 10001  
Phone number: 212.251.5000

Sincerely,

A handwritten signature in black ink that reads "Susan L. Boyle".

Susan L. Boyle, FSA, FCA, MAAA  
Senior Vice President and Actuary  
Enrolled Actuary No. 17-06862



# Actuarial status certification as of January 1, 2020 under IRC Section 432

March 30, 2020

## Illustration Supporting Actuarial Certification of Status (Schedule MB, line 4b)

This is to certify that Segal has prepared an actuarial status certification under Internal Revenue Code Section 432 for the PACE Industry Union-Management Pension Fund as of January 1, 2020 in accordance with generally accepted actuarial principles and practices. It has been prepared at the request of the Board of Trustees to assist in administering the Fund and meeting filing and compliance requirements under federal law. This certification may not otherwise be copied or reproduced in any form without the consent of the Board of Trustees and may only be provided to other parties in its entirety.

The measurements shown in this actuarial certification may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); differences in statutory interpretation and changes in plan provisions or applicable law.

This certification is based on the January 1, 2019 actuarial valuation, dated January 22, 2020. This certification reflects the changes in the law made by the Multiemployer Pension Reform Act of 2014 (MPRA). Additional assumptions required for the projections (including those under MPRA), and sources of financial information used are summarized in Exhibit VI.

Segal does not practice law and, therefore, cannot and does not provide legal advice. Any statutory interpretation on which this certification is based reflects Segal's understanding as an actuarial firm.

This certification was based on the assumption that the Plan was qualified as a multiemployer plan for the year.

I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of my knowledge, the information supplied in this actuarial certification is complete and accurate. As required by IRC Section 432(b)(3)(B)(iii), the projected industry activity is based on information provided by the plan sponsor. In addition, as allowed by IRC Section 432(b)(3)(B), in my opinion, the contributions used for Insolvency Projections are reasonable. In my opinion, the projections are based on reasonable actuarial estimates, assumptions and methods that (other than projected industry activity and contributions as otherwise specified) offer my best estimate of anticipated experience under the Plan.



**Susan L. Boyle, FSA, FCA, MAAA**

<b>EA#</b>	17-06862
<b>Title</b>	Senior Vice President and Actuary

### **Certificate Contents**

<b>Exhibit I</b>	Status Determination as of January 1, 2020
<b>Exhibit II</b>	Summary of Actuarial Valuation Projections
<b>Exhibit III</b>	Funding Standard Account Projection
<b>Exhibit IV</b>	Funding Standard Account – Projected Bases Assumed Established After January 1, 2019
<b>Exhibit V</b>	Solvency Projection
<b>Exhibit VI</b>	Actuarial Assumptions and Methodology

# Actuarial Status Certification under IRC Section 432

## Exhibit I

### Status Determination as of January 1, 2020

Status	Condition	Component Result	Final Result
<b>Critical Status:</b>			
<b>I. Initial critical status tests:</b>			
C1.	A funding deficiency is projected in four years?	Yes	Yes
C2.	(a) A funding deficiency is projected in five years,	Yes	
	(b) AND the present value of vested benefits for non-actives is more than present value of vested benefits for actives,	Yes	
	(c) AND the normal cost plus interest on unfunded actuarial accrued liability (unit credit basis) is greater than contributions for current year?	Yes	Yes
C3.	(a) A funding deficiency is projected in five years,	Yes	
	(b) AND the funded percentage is less than 65%?	Yes	Yes
C4.	(a) The funded percentage is less than 65%,	Yes	
	(b) AND the present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over seven years?	No	No
C5.	The present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over five years?	No	No
<b>II. In Critical Status? (If any of C1-C5 is Yes, then Yes)</b>			<b>Yes</b>
<b>III. Determination of critical and declining status:</b>			
C6.	(a) Any of (C1) through (C5) are Yes?	Yes	Yes
	(b) AND EITHER Insolvency is projected within 15 years using assumptions described in Exhibit VI.B?	Yes	Yes
	(c) OR		
	(i) The ratio of inactives to actives is at least 2 to 1,	Yes	
	(ii) AND insolvency is projected within 20 years using assumptions described in Exhibit VI.B?	Yes	Yes

## Actuarial Status Certification under IRC Section 432

Status	Condition	Component Result	Final Result
(d) OR			
	(i) The funded percentage is less than 80%,	Yes	
	(ii) AND insolvency is projected within 20 years using assumptions described in Exhibit VI.B?	Yes	Yes
<b>In Critical and Declining Status?</b>			<b>Yes</b>
<b>Endangered Status:</b>			
E1. (a)	Is not in critical status,	No	
	(b) AND the funded percentage is less than 80%?	Yes	No
E2. (a)	Is not in critical status,	No	
	(b) AND a funding deficiency is projected in seven years?	Yes	No
<b>In Endangered Status? (Yes when either (E1) or (E2) is Yes)</b>			<b>No</b>
<b>In Seriously Endangered Status? (Yes when BOTH (E1) and (E2) are Yes)</b>			<b>No</b>
<b>Neither Critical Status Nor Endangered Status</b>			
<b>Neither Critical nor Endangered Status?</b>			<b>No</b>

## Actuarial Status Certification under IRC Section 432

### Documentation Regarding Progress Under Rehabilitation Plan (Schedule MB, line 4c)

This certification notifies the IRS that the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan, based on the annual standards of the rehabilitation plan.

The Rehabilitation Plan states that the Fund will make adequate progress, to the extent reasonable based on financial markets activity and other relevant factors, toward enabling the Fund to forestall insolvency past 2028. Currently, a projected insolvency during 2032 meets this standard.



# Actuarial Status Certification under IRC Section 432

## Exhibit II Summary of Actuarial Valuation Projections

The actuarial factors as of January 1, 2020 (based on projections from the January 1, 2019 valuation certificate):

<b>I. Financial Information</b>			
1.	Market value of assets		\$1,578,998,879
2.	Actuarial value of assets		1,525,054,353
3.	Reasonably anticipated contributions, including withdrawal liability payments		
a.	Upcoming year		105,983,681
b.	Present value for the next five years		298,236,013
c.	Present value for the next seven years		372,584,143
4.	Reasonably anticipated withdrawal liability payments, included in 3a above		93,004,983
5.	Projected benefit payments		206,015,037
6.	Projected administrative expenses (beginning of year)		7,964,969
<b>II. Liabilities</b>			
1.	Present value of vested benefits for active participants		150,340,552
2.	Present value of vested benefits for non-active participants		2,760,901,128
3.	Total unit credit accrued liability		2,918,391,754
4.	Present value of payments	<b>Benefit Payments</b>	<b>Administrative Expenses</b>
a.	Next five years	\$918,851,807	\$37,291,870
b.	Next seven years	1,231,441,095	50,549,216
5.	Unit credit normal cost plus expenses		14,947,851
6.	Ratio of inactive participants to active participants		15.6394
<b>III.</b>	<b>Funded Percentage (I.2)/(II.3)</b>		52.2%
<b>IV. Funding Standard Account</b>			
1.	Credit Balance as of the end of prior year		(\$548,737,166)
2.	Years to projected funding deficiency		0
<b>V. Years to Projected Insolvency</b>			
			13

## Exhibit III

### Funding Standard Account Projection

The table below presents the Funding Standard Account Projection for the Plan Years beginning January 1.

	Year Beginning January 1,					
	2019	2020	2021	2022	2023	2024
1. Credit balance (BOY)	(\$467,018,004)	(\$548,737,166)	(\$617,037,478)	(\$753,591,399)	(\$889,758,140)	(\$1,035,319,359)
2. Interest on (1)	(30,356,170)	(35,667,916)	(40,107,436)	(48,983,441)	(57,834,279)	(67,295,758)
3. Normal cost	7,422,644	6,982,882	6,786,942	6,596,500	6,411,402	6,231,498
4. Administrative expenses	7,732,980	7,964,969	8,203,918	8,450,036	8,703,537	8,964,643
5. Net amortization charges	120,728,794	118,172,813	134,779,831	125,433,179	123,460,409	83,536,780
6. Interest on (3), (4) and (5)	8,832,487	8,652,843	9,735,095	9,131,181	9,007,398	6,417,640
7. Expected contributions	90,653,203	105,983,681	61,235,008	60,621,578	58,124,189	55,817,325
8. Interest on (7)	<u>2,700,710</u>	<u>3,157,430</u>	<u>1,824,293</u>	<u>1,806,018</u>	<u>1,731,617</u>	<u>1,662,892</u>
9. Credit balance (EOY): (1) + (2) – (3) – (4) – (5) – (6) + (7) + (8)	(\$548,737,166)	(\$617,037,478)	(\$753,591,399)	(\$889,758,140)	(\$1,035,319,359)	(\$1,150,285,461)

	2025	2026	2027	2028	2029
1. Credit balance (BOY)	(\$1,150,285,461)	(\$1,278,514,867)	(\$1,412,363,266)	(\$1,537,245,606)	(\$1,647,501,941)
2. Interest on (1)	(74,768,555)	(83,103,466)	(91,803,612)	(99,920,964)	(107,087,626)
3. Normal cost	6,056,642	5,886,693	5,721,512	5,560,966	5,404,925
4. Administrative expenses	9,233,582	9,510,589	9,795,907	10,089,784	10,392,478
5. Net amortization charges	88,033,031	84,154,239	67,069,344	45,269,678	45,379,849
6. Interest on (3), (4) and (5)	6,716,012	6,470,849	5,368,140	3,959,828	3,976,521
7. Expected contributions	54,941,613	53,678,272	53,288,617	52,966,913	52,660,080
8. Interest on (7)	<u>1,636,803</u>	<u>1,599,165</u>	<u>1,587,557</u>	<u>1,577,972</u>	<u>1,568,831</u>
9. Credit balance (EOY): (1) + (2) – (3) – (4) – (5) – (6) + (7) + (8)	(\$1,278,514,867)	(\$1,412,363,266)	(\$1,537,245,606)	(\$1,647,501,941)	(\$1,765,514,429)

Exhibit IV  
 Funding Standard Account – Projected Bases Assumed Established after January 1, 2019  
 Schedule of Funding Standard Account Bases

Type of Base	Date Established	Base Established	Amortization Period	Amortization Payment
Actuarial loss	1/1/2020	\$12,230,858	15	\$1,221,395
Actuarial gain	1/1/2021	(27,019,944)	15	(2,698,259)
Actuarial gain	1/1/2022	(18,421,604)	15	(1,839,614)
Actuarial loss	1/1/2023	12,529,245	15	1,251,193
Actuarial gain	1/1/2024	(29,208,488)	15	(2,916,811)

## Exhibit V Solvency Projections

The table below presents the projected Market Value of Assets for the Plan Years beginning January 1, 2019 through 2032.

	Year Beginning January 1,						
	2019	2020	2021	2022	2023	2024	2025
1. Market Value at beginning of year	\$1,475,054,635	\$1,578,998,879	\$1,553,901,247	\$1,477,183,041	\$1,391,263,428	\$1,293,401,966	\$1,186,368,238
2. Contributions	13,409,347	12,978,698	12,590,747	12,213,378	11,846,588	11,490,380	11,144,751
3. Withdrawal liability payments	77,243,856	93,004,983	48,644,261	48,408,200	46,277,601	44,326,945	43,796,862
4. Benefit payments	205,607,360	206,015,037	210,006,263	213,979,931	218,240,149	222,254,555	225,760,195
5. Administrative expenses	9,296,993	8,240,000	8,487,200	8,741,816	9,004,070	9,274,192	9,552,418
6. Interest earnings	<u>228,195,394</u>	<u>83,173,724</u>	<u>80,540,249</u>	<u>76,180,556</u>	<u>71,258,568</u>	<u>68,677,694</u>	<u>62,383,741</u>
7. Market Value at end of year: (1)+(2)+(3)-(4)-(5)+(6)	\$1,578,998,879	\$1,553,901,247	\$1,477,183,041	\$1,391,263,428	\$1,293,401,966	\$1,186,368,238	\$1,068,380,979
	2026	2027	2028	2029	2030	2031	2032
1. Market Value at beginning of year	\$1,068,380,979	\$938,880,339	\$798,907,824	\$648,665,556	\$489,868,731	\$320,718,649	\$141,410,355
2. Contributions	10,809,703	10,485,236	10,171,349	9,864,516	9,568,263	9,282,590	9,003,971
3. Withdrawal liability payments	42,868,569	42,803,381	42,795,564	42,795,564	42,339,472	41,629,333	40,671,141
4. Benefit payments	228,803,837	231,056,480	232,587,986	233,202,284	232,932,167	231,619,587	229,380,098
5. Administrative expenses	9,838,991	10,134,161	10,438,186	10,751,332	11,073,872	11,406,088	11,748,271
6. Interest earnings	<u>55,463,916</u>	<u>47,929,509</u>	<u>39,816,990</u>	<u>32,496,711</u>	<u>22,948,222</u>	<u>12,805,459</u>	<u>0</u>
7. Market Value at end of year: (1)+(2)+(3)-(4)-(5)+(6)	\$938,880,339	\$798,907,824	\$648,665,556	\$489,868,731	\$320,718,649	\$141,410,355	\$0

## Exhibit VI

### Actuarial Assumptions and Methodology

The actuarial assumptions and plan of benefits are as used in the January 1, 2019 actuarial valuation certificate, dated January 22, 2020, except as specifically described below. We also assumed that experience would emerge as projected, except as described below. The calculations are based on a current understanding of the requirements of ERISA Section 305 and IRC Section 432.

#### A. Actuarial Assumptions and Plan Provisions except as Modified by Section B

<b>Asset Information:</b>	<p>The financial information as of December 31, 2019 was based on an unaudited financial statement provided by the Fund Administrator.</p> <p>For projections after that date, the assumed administrative expenses were increased by 3% per year and the benefit payments were projected based on the January 1, 2019 actuarial valuation. The projected net investment return was assumed to be 6.5% of the average market value of assets for the 2020 - 2029 Plan Years. Any resulting investment gains or losses due to the operation of the asset valuation method are amortized over 15 years in the Funding Standard Account.</p>
<b>Projected Industry Activity:</b>	<p>As required by Internal Revenue Code Section 432, assumptions with respect to projected industry activity are based on information provided by the plan sponsor. Based on this information, the number of active participants is assumed to decline based on known employer withdrawals and by 3% per year thereafter and, on the average, contributions will be made for each active for 2,200 hours each year.</p> <p>In addition to projections of industry activity directly linked to the level of ongoing employment, these determinations also project the following contribution amounts derived from withdrawal liability assessments, as shown in Section V.</p>
<b>Future Normal Costs:</b>	<p>Based on the assumed industry activity and the unit credit cost method, we have assumed that the Normal Cost will increase by 0.2% per year due to projected mortality improvement. Total normal cost is also adjusted in accordance with the industry activity assumption.</p>

#### B. Assumptions for Insolvency Projections

Assumptions for this purpose are the same as shown in Section A with the following exceptions:

For projections after December 31, 2019, the projected net investment return was assumed to be 5.50% of the average market value of assets for 2020-2023, 5.75% for 2024-2028, and 6.00% for 2029-2032.

9080420v2/00288.515

# PACE Industry Union-Management Pension Fund

**Actuarial Valuation and Review as of January 1, 2021**



This report has been prepared at the request of the Board of Trustees to assist in administering the Fund and meeting filing requirements of federal government agencies. This valuation report may not otherwise be copied or reproduced in any form without the consent of the Board of Trustees and may only be provided to other parties in its entirety. The measurements shown in this actuarial valuation may not be applicable for other purposes.

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**Segal**



333 West 34th Street, 3rd Floor  
New York, NY 10001-2402  
segalco.com  
T 212.251.5000

March 22, 2022

Board of Trustees  
PACE Industry Union-Management Pension Fund  
1101 Kermit Drive, Suite 800  
Nashville, TN 37217

Dear Trustees:

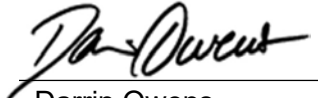
We are pleased to submit the Actuarial Valuation and Review as of January 1, 2021. It establishes the funding requirements for the current year and analyzes the preceding year's experience. It also summarizes the actuarial data and includes the actuarial information that is required to be filed with Form 5500 to federal government agencies.

The census information upon which our calculations were based was prepared by the Fund Office, under the direction of Mr. Charles Knight. That assistance is gratefully acknowledged. The actuarial calculations were completed under the supervision of Susan L. Boyle, FSA, FCA, MAAA, Enrolled Actuary.

We look forward to reviewing this report with you at your next meeting and to answering any questions you may have.

Sincerely,

Segal

By:   
Darrin Owens  
Senior Vice President

  
Katrina Duffie  
Associate Benefit Consultant

cc: Mr. Chuck Knight  
Ms. Carolyn Rossignol  
Anne Mayerson, Esq.



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# Introduction

There are several ways of evaluating funding adequacy for a pension plan. In monitoring the Plan's financial position, the Trustees should keep in mind all of these concepts.



## **Funding Standard Account**

The ERISA Funding Standard Account (FSA) measures the cumulative difference between actual contributions and the minimum required contributions. If actual contributions exceed the minimum required contributions, the excess is called the credit balance. If actual contributions fall short of the minimum required contributions, a funding deficiency occurs.



## **Zone Information**

The Pension Protection Act of 2006 (PPA'06) called on plan sponsors to actively monitor the projected FSA credit balance, the funded percentage (the ratio of the actuarial value of assets to the present value of benefits earned to date) and cash flow sufficiency. Based on these measures, plans are then categorized as critical (*Red Zone*), endangered (*Yellow Zone*), or neither (*Green Zone*). The Multiemployer Pension Reform Act of 2014 (MPRA), among other things, made the zone provisions permanent.



## **Solvency Projections**

Pension plan funding anticipates that, over the long term, both contributions and investment earnings will be needed to cover benefit payments and expenses. To the extent that contributions are less than benefit payments, investment earnings and fund assets will be needed to cover the shortfall. In some situations, a plan may be faced with insufficient assets to cover its current obligations and may need assistance from the Pension Benefit Guaranty Corporation (PBGC). MPRA provides options for some plans facing insolvency.



## **Scheduled Cost**

The Scheduled Cost is an annual amount based on benefit levels and assets that allows a comparison to current contribution levels, given the expectation of a continuing plan.







## **Withdrawal Liability**

ERISA provides for assessment of withdrawal liability to employers who withdraw from a multiemployer plan based on unfunded vested benefit liabilities.

## Important information about actuarial valuations

An actuarial valuation is a budgeting tool with respect to the financing of future uncertain obligations of a pension plan. As such, it will never forecast the precise future contribution requirements or the precise future stream of benefit payments. In any event, the actual cost of a plan will be determined by the benefits and expenses paid, not by the actuarial valuation.

In order to prepare a valuation, Segal relies on a number of input items. These include:

	<b>Plan Provisions</b>	Plan provisions define the rules that will be used to determine benefit payments, and those rules, or the interpretation of them, may change over time. Even where they appear precise, outside factors may change how they operate. It is important for the Trustees to keep Segal informed with respect to plan provisions and administrative procedures, and to review the plan summary included in our report to confirm that Segal has correctly interpreted the plan of benefits.
	<b>Participant Information</b>	An actuarial valuation for a plan is based on data provided to the actuary by the plan. Segal does not audit such data for completeness or accuracy, other than reviewing it for obvious inconsistencies compared to prior data and other information that appears unreasonable. For most plans, it is not possible nor desirable to take a snapshot of the actual workforce on the valuation date. It is not necessary to have perfect data for an actuarial valuation. The uncertainties in other factors are such that even perfect data does not produce a “perfect” result. Notwithstanding the above, it is important for Segal to receive the best possible data and to be informed about any known incomplete or inaccurate data.
	<b>Financial Information</b>	Part of the cost of a plan will be paid from existing assets – the balance will need to come from future contributions and investment income. The valuation is based on the asset values as of the valuation date, typically reported by the auditor. A snapshot as of a single date may not be an appropriate value for determining a single year’s contribution requirement, especially in volatile markets. Plan sponsors often use an “actuarial value of assets” that differs from market value to gradually reflect year-to-year changes in the market value of assets in determining the contribution requirements.
	<b>Actuarial Assumptions</b>	In preparing an actuarial valuation, Segal starts by developing a forecast of the benefits to be paid to existing plan participants for the rest of their lives and the lives of their beneficiaries. This requires actuarial assumptions as to the probability of death, disability, withdrawal, and retirement of participants in each year, as well as forecasts of the plan’s benefits for each of those events. The forecasted benefits are then discounted to a present value, typically based on an estimate of the rate of return that will be achieved on the plan’s assets. All of these factors are uncertain and unknowable. Thus, there will be a range of reasonable assumptions, and the results may vary materially based on which assumptions the actuary selects within that range. That is, there is no right answer (except with hindsight). It is important for any user of an actuarial valuation to understand and accept this constraint. The actuarial model may use approximations and estimates that will have an immaterial impact on our results. In addition, the actuarial assumptions may change over time, and while this can have a significant impact on the reported results, it does not mean that the previous assumptions or results were unreasonable or wrong.

Given the above, the user of Segal's actuarial valuation (or other actuarial calculations) needs to keep the following in mind:

The actuarial valuation is prepared for use by the Trustees. It includes information for compliance with federal filing requirements and for the Plan's auditor. Segal is not responsible for the use or misuse of its report, particularly by any other party.

An actuarial valuation is a measurement at a specific date — it is not a prediction of a plan's future financial condition. Accordingly, Segal did not perform an analysis of the potential range of financial measurements, except where otherwise noted.

Critical events for a plan include, but are not limited to, decisions about changes in benefits and contributions. The basis for such decisions needs to consider many factors such as the risk of changes in employment levels and investment losses, not just the current valuation results.

ERISA requires a plan's enrolled actuary to provide a statement in the plan's annual report disclosing any event or trend that the actuary has not taken into account, if, to the best of the actuary's knowledge, such an event or trend may require a material increase in plan costs or required contribution rates. If the Trustees are aware of any event that was not considered in this valuation and that may materially increase the cost of the Plan, they must advise Segal, so that an appropriate statement can be included.

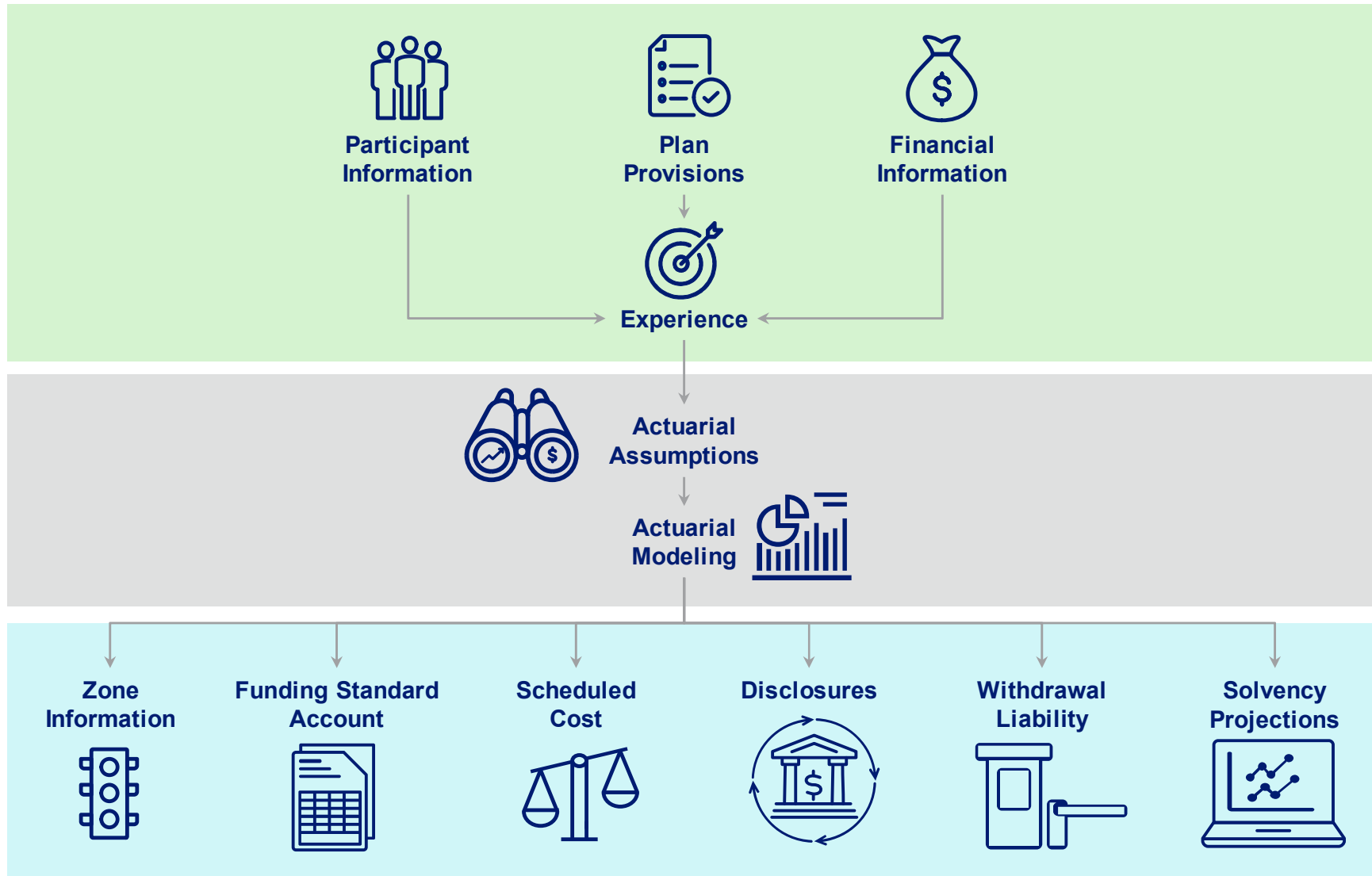
Segal does not provide investment, legal, accounting, or tax advice. This valuation is based on Segal's understanding of applicable guidance in these areas and of the Plan's provisions, but they may be subject to alternative interpretations. The Trustees should look to their other advisors for expertise in these areas.

While Segal maintains extensive quality assurance procedures, an actuarial valuation involves complex computer models and numerous inputs. In the event that an inaccuracy is discovered after presentation of Segal's valuation, Segal may revise that valuation or make an appropriate adjustment in the next valuation.

Segal's report shall be deemed to be final and accepted by the Trustees upon delivery and review. Trustees should notify Segal immediately of any questions or concerns about the final content.

As Segal has no discretionary authority with respect to the management of assets of the Plan, it is not a fiduciary in its capacity as actuaries and consultants with respect to the Plan.

# Actuarial valuation overview



# Section 1: Trustee Summary

## Summary of key valuation results

Plan Year Beginning		January 1, 2020	January 1, 2021
<b>Certified Zone Status</b>		<i>Critical and Declining</i>	<i>Critical and Declining</i>
<b>Demographic Data:</b>	<ul style="list-style-type: none"> <li>• Number of active participants</li> <li>• Number of inactive participants with vested rights</li> <li>• Number of retired participants and beneficiaries</li> <li>• Total number of participants</li> <li>• Participant ratio: non-active to actives</li> </ul>	<p>3,626</p> <p>29,064</p> <p>33,143</p> <p>65,833</p> <p>17.16</p>	<p>3,344</p> <p>27,497</p> <p>33,681</p> <p>64,522</p> <p>18.29</p>
<b>Assets:</b>	<ul style="list-style-type: none"> <li>• Market value of assets (MVA)</li> <li>• Actuarial value of assets (AVA)</li> <li>• Market value net investment return, prior year</li> <li>• Actuarial value net investment return, prior year</li> <li>• Insolvency projected during the Plan Year beginning</li> </ul>	<p>\$1,579,161,376</p> <p>1,523,644,457</p> <p>16.43%</p> <p>5.79%</p> <p>2032</p>	<p>\$1,646,837,605</p> <p>1,554,996,149</p> <p>11.48%</p> <p>9.42%</p> <p>2034</p>
<b>Cash Flow:</b>		<b>Actual 2020</b>	<b>Projected 2021</b>
	<ul style="list-style-type: none"> <li>• Employer contributions</li> <li>• Withdrawal liability payments</li> <li>• Funding deficiency payments</li> <li>• Benefit payments</li> <li>• Administrative expenses</li> <li>• Net cash flow</li> <li>• Cash flow as a percentage of MVA</li> </ul>	<p>\$13,014,653</p> <p>96,887,592</p> <p>4,180,182</p> <p><b>-209,464,088</b></p> <p><b>-8,157,106</b></p> <p><b>-\$103,538,767</b></p> <p><b>-6.6%</b></p>	<p>\$11,915,129</p> <p>47,293,296</p> <p>0</p> <p><b>-211,963,066</b></p> <p><b>-8,200,000</b></p> <p><b>-\$160,954,641</b></p> <p><b>-9.8%</b></p>

## Section 1: Trustee Summary

### Summary of key valuation results

Plan Year Beginning		January 1, 2020	January 1, 2021
<b>Actuarial Liabilities based on Unit Credit:</b>	• Valuation interest rate	6.50%	6.50%
	• Normal cost, including administrative expenses	\$14,587,972	\$14,317,143
	• Actuarial accrued liability	2,908,890,887	2,874,253,340
	• Unfunded actuarial accrued liability	1,385,246,430	1,319,257,191
<b>Funded Percentages:</b>	• Actuarial accrued liabilities under unit credit method	\$2,908,890,887	\$2,874,253,340
	• MVA funded percentage	54.3%	57.3%
	• AVA funded percentage (PPA basis)	52.4%	54.1%
<b>Statutory Funding Information:</b>	• Funding deficiency at the end of prior Plan Year	-\$550,883,410	-\$609,511,179
	• Minimum required contribution	726,992,312	803,950,449
	• Maximum deductible contribution	5,024,736,437	5,269,422,641

## Section 1: Trustee Summary

This January 1, 2021 actuarial valuation report is based on financial and demographic information as of that date. The Plan's actuarial status does not reflect short-term fluctuations of the financial markets or employment levels, but rather is based on the market value of assets on the last day of the preceding Plan Year. Future changes in economic conditions are uncertain, and Segal is available to prepare projections of potential outcomes upon request.

This report does not reflect elections that the Trustees may make under the American Rescue Plan Act of 2021 (ARPA), which became law on March 11, 2021. Specifically, ARPA authorizes the Pension Benefit Guaranty Corporation (PBGC) to provide special financial assistance (SFA) to plans with solvency issues that meet certain eligibility requirements. ARPA also provides plans without solvency issues the option to take temporary funding relief, which could affect zone status and minimum funding requirements. Any elections the Trustees make under ARPA that affect the Plan's status or funding requirements for the current Plan Year will be reflected in a revised report or a future actuarial valuation.

### A. Developments since last valuation

The following are developments since the last valuation, from January 1, 2020 to January 1, 2021.

1. *Participant demographics:* The number of active participants decreased 7.8% from 3,626 to 3,344. The ratio of non-active to active participants, which is one measure of plan maturity, increased from 17.2 to 18.3.
2. *Plan assets:* The net investment return on the market value of assets during 2020 was 11.48%. For comparison, the assumed rate of return on plan assets over the long term is 6.50%. The net investment return on the actuarial value of assets, which reflects smoothing of prior year gains and losses, was 9.42%.
3. *Cash flows:* Cash inflow includes contributions, withdrawal liability payments and funding deficiency payments, and cash outflow includes benefits paid to participants and administrative expenses. In the Plan Year ending December 31, 2020, the Plan had a net cash outflow of \$103.5 million, or about 6.6% of assets on a market value basis and is expected to increase to 9.8% for the current year.
4. *Assumption changes:* Since the last valuation, actuarial assumptions related to investment return for the solvency projection and administrative expenses were revised. We selected the new assumptions based on a review of recent plan experience and short-term market expectations, and they represent our best estimate of anticipated experience under the Plan.
5. The Plan is eligible for financial assistance under American Rescue Plan Act of 2021. While this valuation does not reflect the impact of the financial assistance, it will significantly impact the future solvency of the Plan. We expect that the Trustees will apply for financial assistance as soon as permissible.



## Section 1: Trustee Summary

### B. Actuarial valuation results

The following commentary applies to various funding measures for the current Plan Year.

1. **Zone status:** The Plan was certified to be in critical and declining status under the Pension Protection Act of 2006 (PPA) for the current Plan Year, in other words, the Plan is in the “Red Zone.” This certification result is due to the fact that the funded percentage was under 65%, there was a projected deficiency for the current year in the FSA, and the Plan was projected to be insolvent within 15 years. Please refer to the actuarial certification dated March 31, 2021 for more information.
2. **Funded percentages:** During the last Plan Year, the funded percentage that will be reported on the Plan’s annual funding notice increased from 52.4% to 54.1%. Please note that there are different measurements of funded percentage for different purposes. More information can be found in Section 2.
3. **Funding Standard Account:** During the last Plan Year, the funding deficiency increased from \$550,883,410 to \$609,511,179.
4. **Funding concerns:** The impending insolvency is being monitored by the Trustees. The actions already taken to address this issue include contribution rate increases and plan changes that project the Plan to forestall insolvency per the Rehabilitation Plan. Despite these actions, the Plan is projected to be insolvent during 2034. The Plan is expected to apply for special financial assistance under the American Rescue Plan Act of 2021 (ARPA) which is intended to address the impending projected insolvency.





## Section 1: Trustee Summary

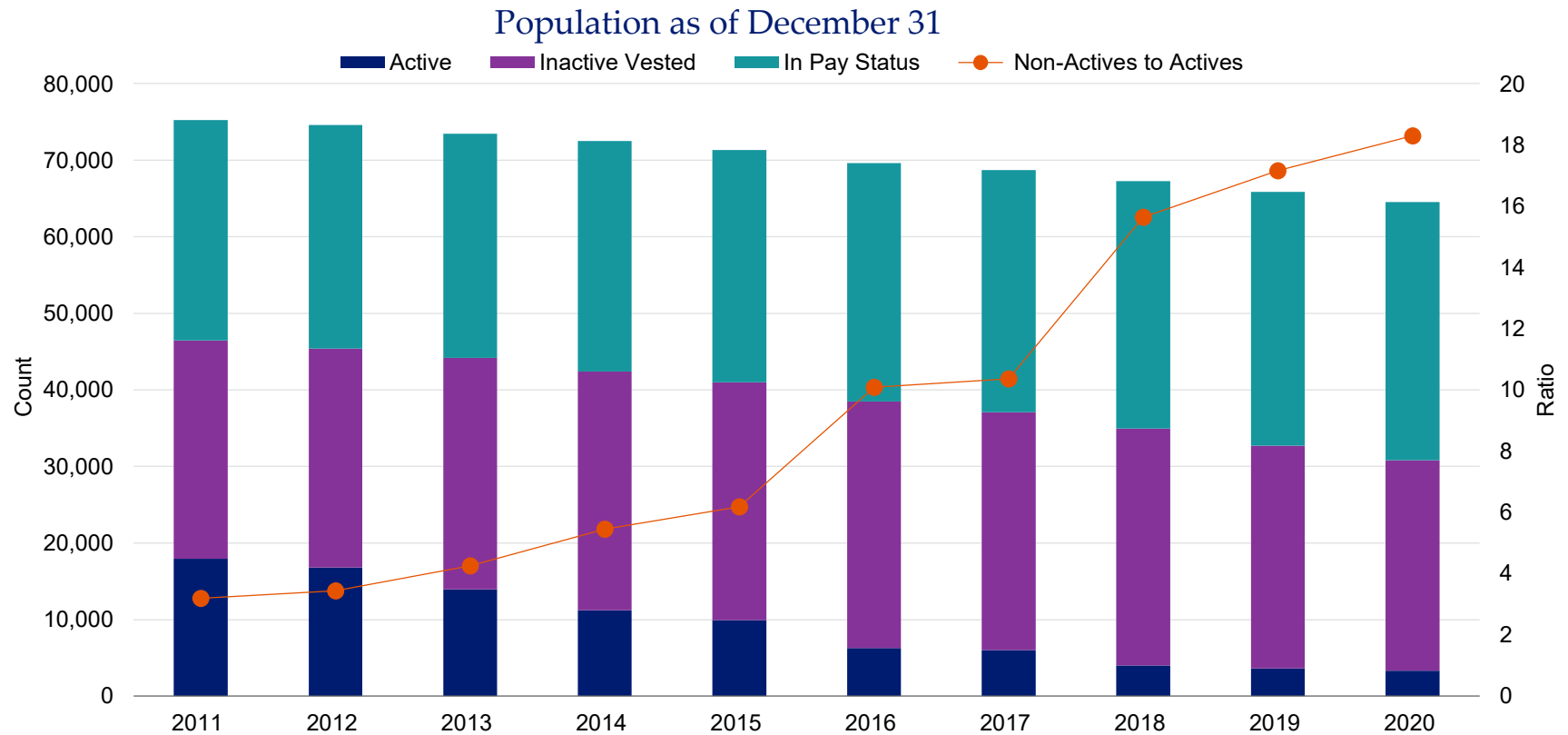
### C. Projections and risk

1. *Importance of projections:* Most of the results included in this valuation report are snapshot measurements, showing the Plan's status as of the valuation date. In addition to understanding the Plan's current status, it is also important to understand where the Plan is headed through actuarial projections. Projections may evaluate various metrics, such as funded percentage, Funding Standard Account, zone status, cash flows and solvency. We recommend projections beyond those included in this report.
2. *Baseline projections:* Based on the actuarial assumptions included in this report, including an investment return assumption of 6.50% per year and level future covered employment, the Funding Standard Account deficiency is projected to continue to increase.
3. *Understanding risk:* Projections can also help the Trustees understand the sensitivity of future results to various risk factors, such as investment volatility or changes in future contributions. For example, if future investment returns are less than the actuarial assumption, or future contributions are less than projected, the Plan may face insolvency sooner than expected. See Section 2 for a general discussion on the risks facing the Plan, and how they might be better evaluated, understood and addressed. We recommend a more detailed assessment of the risks to provide the Trustees with a better understanding of the risks inherent in the Plan. This assessment may include scenario testing, sensitivity testing, stress testing and stochastic modeling. A detailed risk assessment is important for the Plan because the Plan is expected to apply for Special Financial Assistance under ARPA.



# Section 2: Actuarial Valuation Results

## Participant information



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
In Pay Status	28,786	29,220	29,292	30,083	30,346	31,168	31,665	32,274	33,143	33,681
Inactive Vested	28,530	28,577	30,196	31,171	31,042	32,175	31,009	30,925	29,064	27,497
Active	17,932	16,819	13,980	11,224	9,934	6,282	6,046	4,041	3,626	3,344
Ratio	3.20	3.44	4.26	5.46	6.18	10.08	10.37	15.64	17.16	18.29

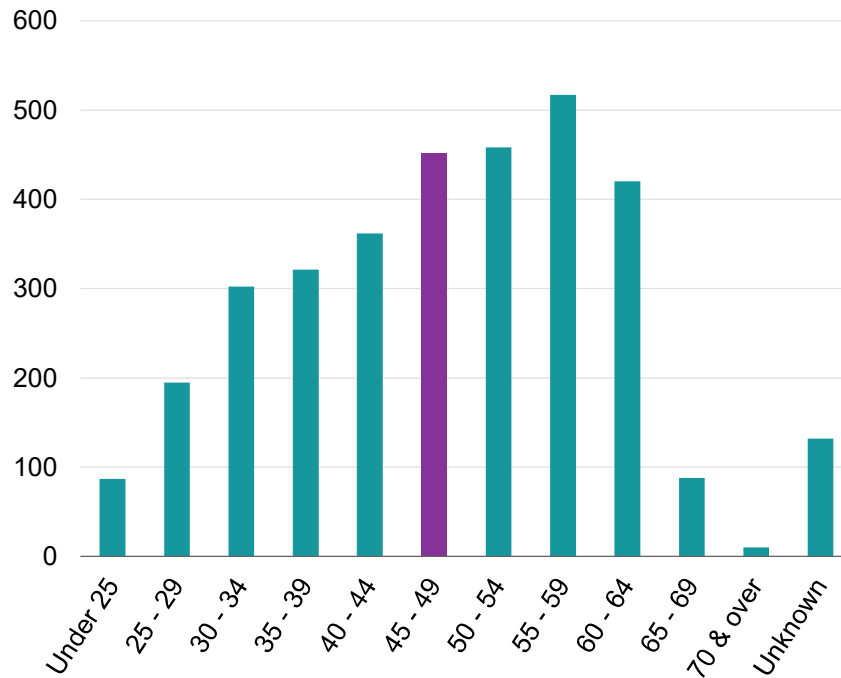
## Section 2: Actuarial Valuation Results

### Active participants

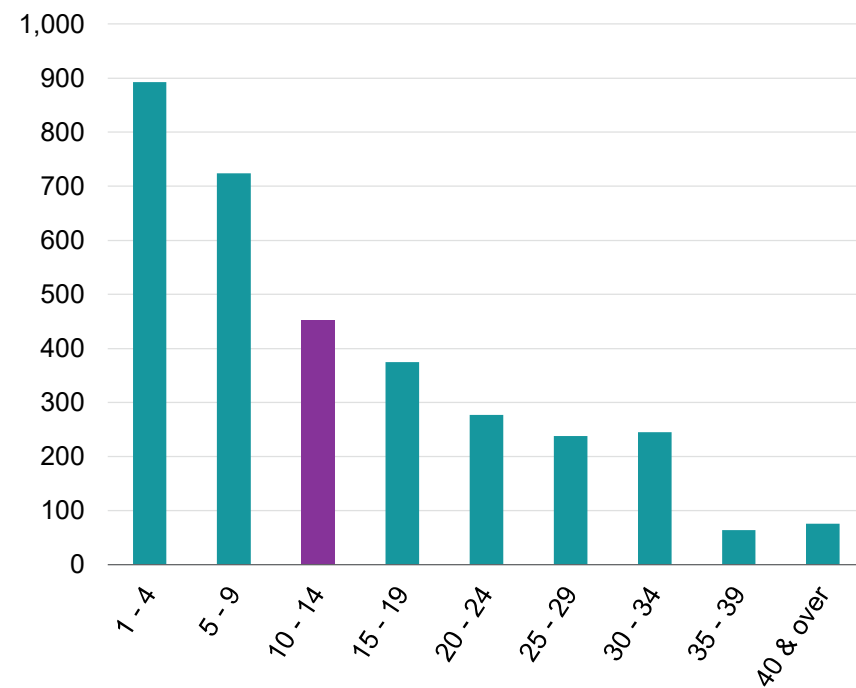
As of December 31,	2019	2020	Change
Active participants	3,626	3,344	-7.8%
Average age	47.2	47.0	-0.2
Average pension credits	13.9	13.6	-0.3

Distribution of Active Participants as of December 31, 2020

by Age



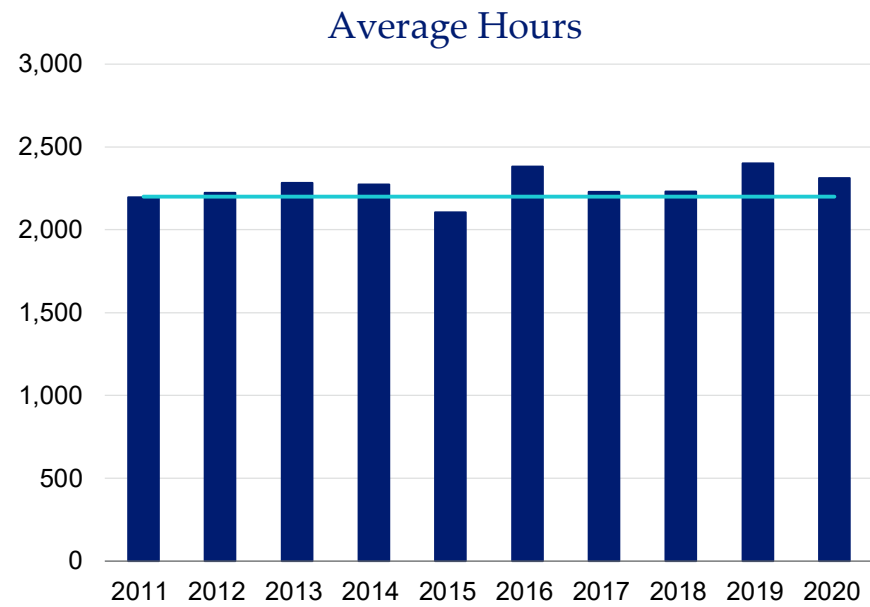
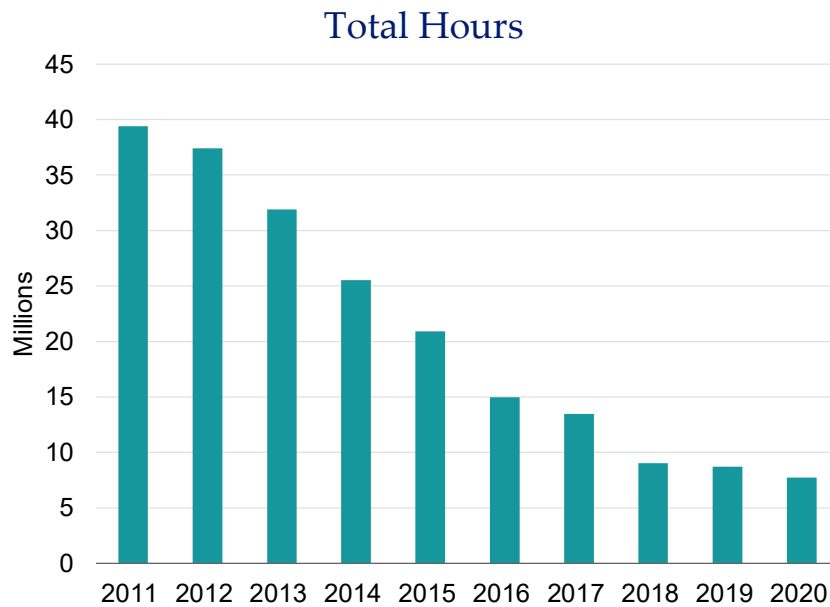
by Pension Credits



## Section 2: Actuarial Valuation Results

### Historical employment

- The 2021 zone certification was based on an industry activity assumption of the active population decreasing by participants from employers that withdrew during 2020 and 3% thereafter and a long-term employment assumption of 2,200 hours.
- This valuation continues to reflect a 3% decline in the number of active participants per year after known withdrawals, each working 2,200 hours.



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	5-year average	10-year average
<span style="color: teal;">■</span> Total Hours <sup>1</sup>	39.39	37.40	31.92	25.51	20.91	14.97	13.47	9.01	8.70	7.74	10.78	20.90
<span style="color: darkblue;">■</span> Average Hours	2,197	2,223	2,283	2,273	2,104	2,382	2,228	2,231	2,400	2,313	2,311	2,263

Note: The total hours of contributions are based on total contributions divided by the average contribution rate for the year, which may differ from the hours reported to the Fund Office

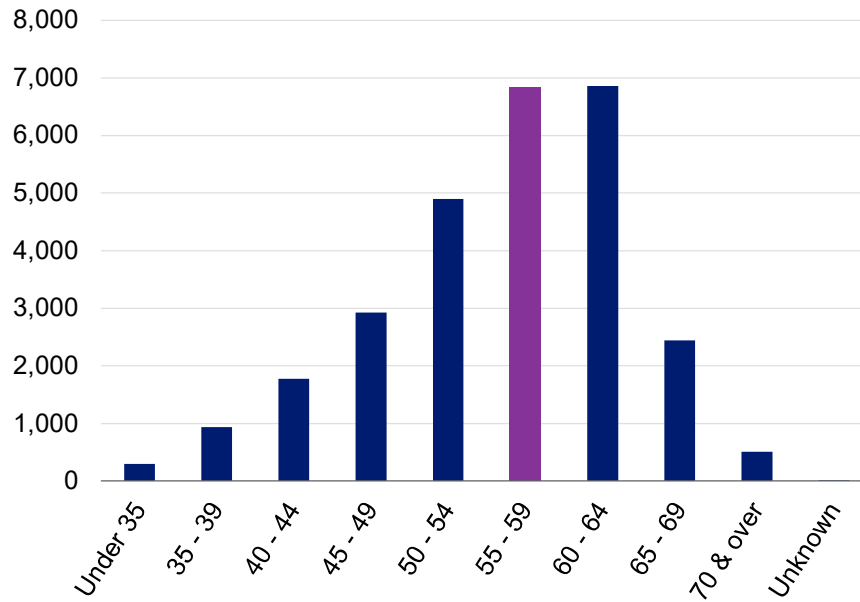
<sup>1</sup> In millions

## Section 2: Actuarial Valuation Results

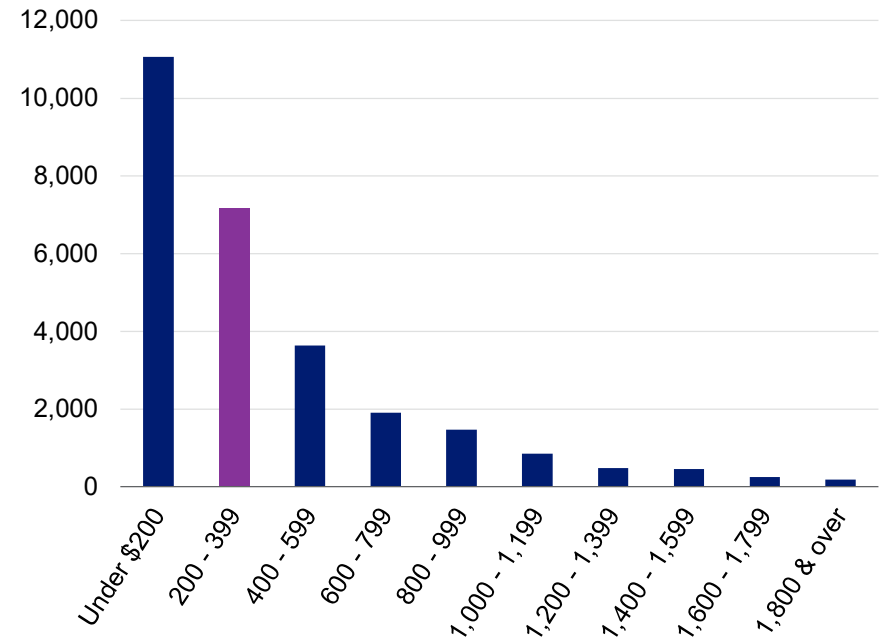
### Inactive vested participants

As of December 31,	2019	2020	Change
Inactive vested participants <sup>1</sup>	29,064	27,497	-5.4%
Average age	55.2	55.5	0.3
Average amount	\$400	\$393	-1.8%

Distribution of Inactive Vested Participants as of December 31, 2020  
by Age



by Monthly Amount



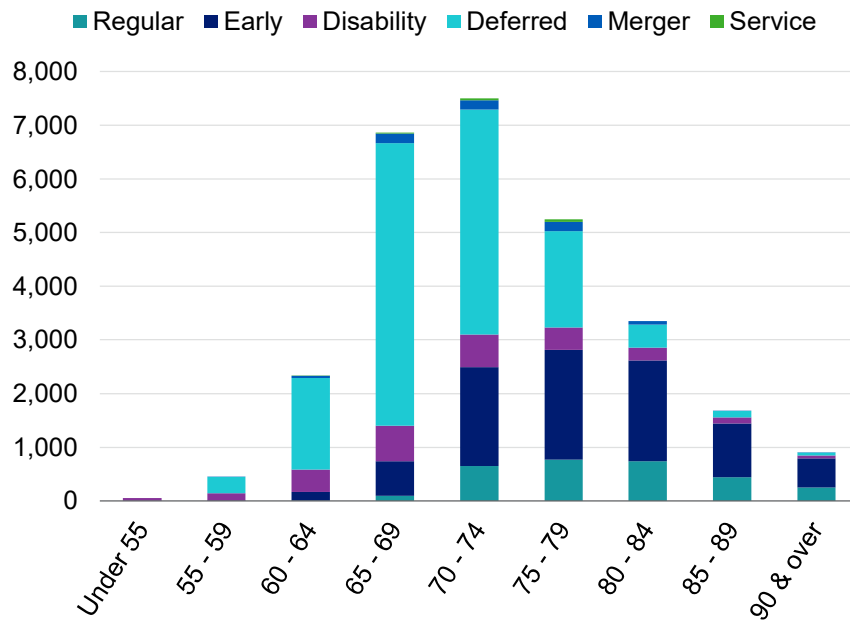
<sup>1</sup> A participant who is not currently active and has satisfied the requirements for, but has not yet commenced, a pension is considered an “inactive vested” participant.

## Section 2: Actuarial Valuation Results

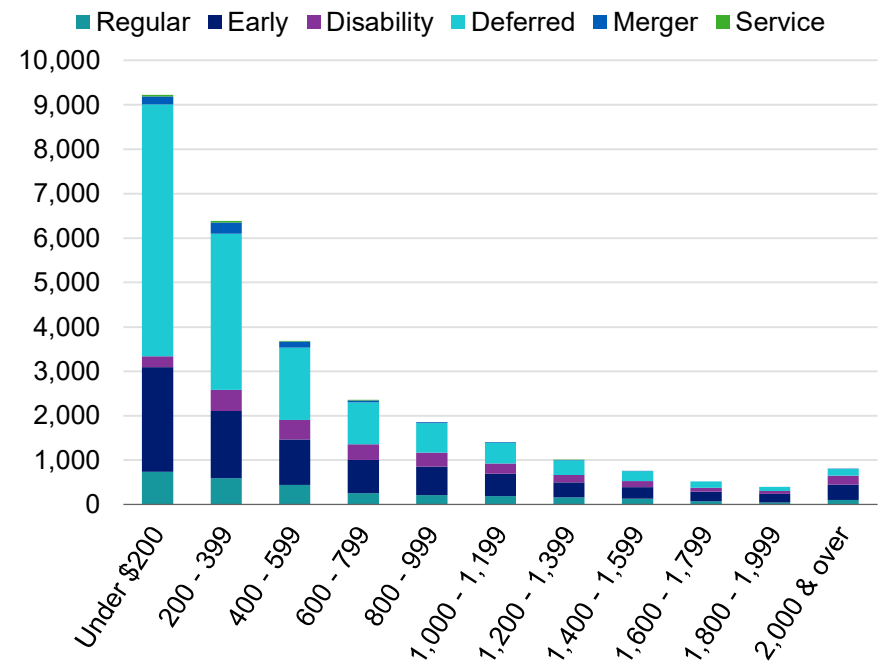
### Pay status information

As of December 31,	2019	2020	Change
Pensioners	27,977	28,378	1.4%
Average age	73.3	73.4	0.1
Average amount	\$551	\$554	0.5%
Beneficiaries	5,166	5,303	2.7%
Total monthly amount	\$16,779,283	\$17,146,460	2.2%

Distribution of Pensioners as of December 31, 2020  
by Type and Age



by Type and Monthly Amount



## Section 2: Actuarial Valuation Results

### Progress of pension rolls

Year	Total In Pay Status			New Awards	
	Number	Average Age	Average Amount	Number	Average Amount
2011	24,925	71.6	\$505	1,303	\$530
2012	25,241	71.8	508	1,321	481
2013	25,212	72.1	516	1,074	606
2014	25,825	72.2	523	1,655	567
2015	25,941	72.5	530	1,182	589
2016	26,493	72.7	538	1,569	620
2017	26,828	72.9	543	1,438	551
2018	27,263	73.2	549	1,562	591
2019	27,977	73.3	551	1,875	522
2020	28,378	73.4	554	1,708	537

## Section 2: Actuarial Valuation Results

### New pension awards

Year Ended Dec 31	Total		Regular		Early		Disability		Deferred		Merger		Service	
	Number	Average Monthly Amount	Number	Average Monthly Amount	Number	Average Monthly Amount	Number	Average Monthly Amount	Number	Average Monthly Amount	Number	Average Monthly Amount	Number	Average Monthly Amount
2011	1,303	\$530	244	\$674	339	\$674	126	\$871	564	\$319	19	\$242	11	\$272
2012	1,321	481	243	521	292	647	110	969	653	318	21	188	2	608
2013	1,074	606	196	792	247	828	80	1,030	548	379	3	303	–	–
2014	1,655	567	195	858	202	1,013	116	1,179	1,119	376	23	374	–	–
2015	1,182	589	86	1,113	100	1,163	78	1,231	886	424	32	397	–	–
2016	1,569	620	81	881	101	1,440	85	1,151	1,259	511	43	335	–	–
2017	1,438	551	52	1,033	51	1,618	53	1,251	1,238	464	44	330	–	–
2018	1,562	591	26	1,349	49	1,404	38	1,034	1,404	538	45	423	–	–
2019	1,875	522	41	899	56	1,566	41	1,009	1,686	470	51	407	–	–
2020	1,708	537	19	1,031	26	1,393	27	1,580	1,587	505	49	337	–	–

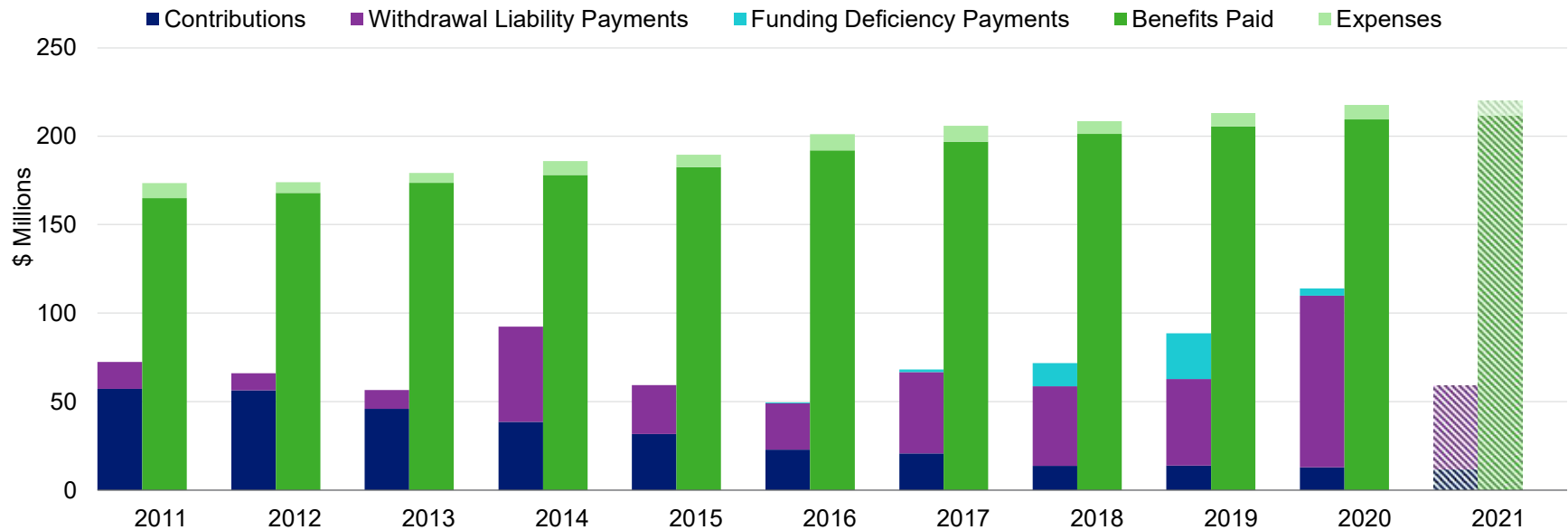


## Section 2: Actuarial Valuation Results

### Financial information

- Benefits and expenses are funded solely from contributions and investment earnings.

#### Cash Flow



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 <sup>1</sup>
Contributions <sup>2</sup>	\$57.34	\$56.56	\$45.98	\$38.50	\$31.66	\$22.89	\$20.76	\$13.80	\$13.96	\$13.01	\$11.92
W/L Payments <sup>2</sup>	15.06	9.48	10.67	53.88	27.79	26.13	46.01	44.97	48.86	96.89	47.29
F/D Payments <sup>2</sup>	0.00	0.00	0.00	0.00	0.00	0.49	1.38	13.10	25.75	4.18	0.00
Benefits Paid <sup>2</sup>	164.98	167.93	173.68	178.03	182.42	191.98	196.75	201.39	205.61	209.46	211.74
Expenses <sup>2</sup>	8.45	6.09	5.60	7.92	7.12	9.16	9.20	7.16	7.45	8.16	8.20

<sup>1</sup> Projected

<sup>2</sup> In millions

## Section 2: Actuarial Valuation Results

### Determination of Actuarial Value of Assets

<b>1</b>	Market value of assets, December 31, 2020			\$1,646,837,605
<b>2</b>	Calculation of unrecognized return	<b>Original Amount<sup>1</sup></b>	<b>Unrecognized Return<sup>2</sup></b>	
<b>(a)</b>	Year ended December 31, 2020	\$75,288,983	\$60,231,187	
<b>(b)</b>	Year ended December 31, 2019	139,094,539	83,456,723	
<b>(c)</b>	Year ended December 31, 2018	-204,321,172	-81,728,469	
<b>(d)</b>	Year ended December 31, 2017	149,410,076	29,882,015	
<b>(e)</b>	Year ended December 31, 2016	35,349,803	<u>0</u>	
<b>(f)</b>	Total unrecognized return			91,841,456
<b>3</b>	Preliminary actuarial value: <b>1 - 2f</b>			\$1,554,996,149
<b>4</b>	Adjustment to be within 20% corridor			0
<b>5</b>	Final actuarial value of assets as of December 31, 2020: <b>3 + 4</b>			\$1,554,996,149
<b>6</b>	Actuarial value as a percentage of market value: <b>5 ÷ 1</b>			94.4%
<b>7</b>	Amount deferred for future recognition: <b>1 - 5</b>			\$91,841,456

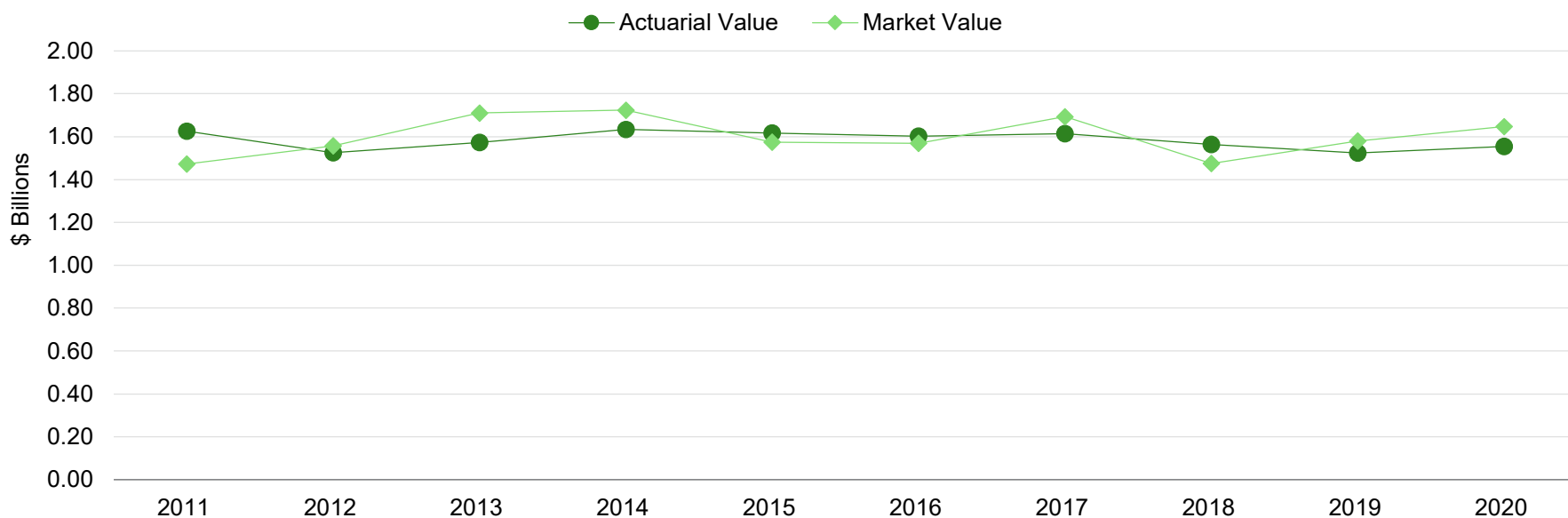
<sup>1</sup> Total return minus expected return on a market value basis

<sup>2</sup> Recognition at 20% per year over five years

## Section 2: Actuarial Valuation Results

### Asset history for years ended December 31

Actuarial Value of Assets vs. Market Value of Assets



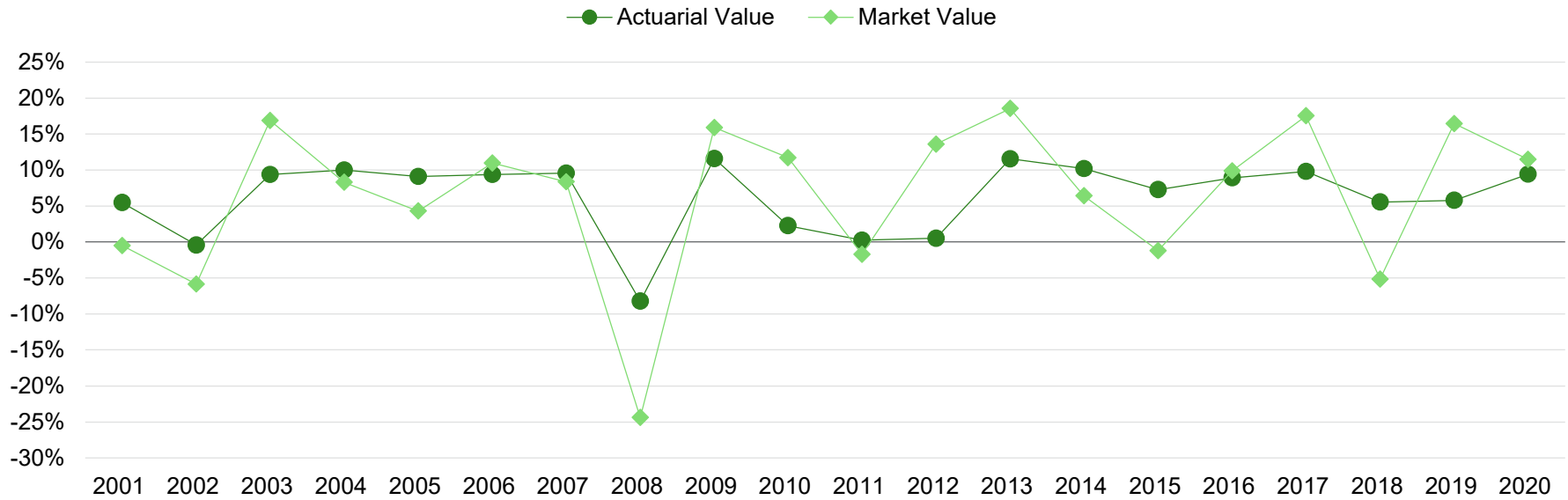
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Actuarial Value <sup>1</sup>	\$1.63	\$1.53	\$1.57	\$1.63	\$1.62	\$1.60	\$1.61	\$1.56	\$1.52	\$1.55
Market Value <sup>1</sup>	1.47	1.56	1.71	1.72	1.57	1.57	1.69	1.48	1.58	1.65
Ratio	110.4%	98.0%	91.9%	94.8%	102.7%	102.0%	95.3%	106.0%	96.5%	94.4%

<sup>1</sup> In billions

## Section 2: Actuarial Valuation Results

### Historical investment returns

Market Value and Actuarial Rates of Return for Years Ended  
December 31



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
AVA	5.5%	-0.4%	9.4%	10.0%	9.1%	9.4%	9.6%	-8.2%	11.6%	2.3%	0.2%	0.5%	11.6%	10.2%	7.2%	8.9%	9.8%	5.5%	5.8%	9.4%
MVA	-0.5%	-5.8%	16.9%	8.3%	4.3%	11.0%	8.3%	-24.4%	15.9%	11.7%	-1.7%	13.6%	18.5%	6.4%	-1.2%	9.9%	17.5%	-5.2%	16.4%	11.5%

Average Rates of Return	Actuarial Value	Market Value
Most recent five-year average return:	7.89%	9.71%
Most recent ten-year average return:	6.81%	8.24%
20-year average return:	6.19%	5.98%

## Section 2: Actuarial Valuation Results

### Actuarial experience

- Assumptions should consider experience and should be based on reasonable expectations for the future.
- Each year actual experience is compared to that projected by the assumptions. Differences are reflected in the actuarial valuation.
- Assumptions are not changed if experience is believed to be a short-term development that will not continue over the long term. On the other hand, if experience is expected to continue, assumptions are changed.

#### Experience for the Year Ended December 31, 2020

<b>1</b>	Gain from investments	\$42,573,046
<b>2</b>	Loss from administrative expenses	-161,733
<b>3</b>	Net gain from other experience (0.4% of projected accrued liability)	<u>11,674,001</u>
<b>4</b>	<b>Net experience gain: 1 + 2 + 3</b>	<b><u>\$54,085,314</u></b>

## Section 2: Actuarial Valuation Results

### Investment experience

- Actuarial planning is long term. The obligations of a pension plan are expected to continue for the lifetime of all its participants.
- The assumed long-term rate of return of 6.50% considers past experience, the Trustees' asset allocation policy and future expectations.

#### Gain from Investments

<b>1</b>	Average actuarial value of assets	\$1,457,621,036
<b>2</b>	Assumed rate of return	6.50%
<b>3</b>	Expected net investment income: <b>1 x 2</b>	\$94,745,367
<b>4</b>	Net investment income (9.42% actual rate of return)	<u>137,318,413</u>
<b>5</b>	<b>Actuarial gain from investments: 4 – 3</b>	<b><u>\$42,573,046</u></b>

### Administrative expenses

- Administrative expenses for the year ended December 31, 2020 totaled \$8,157,106, as compared to the assumption of \$8,000,000.

### Other experience

- The net gain from other experience is not considered significant. Some differences between projected and actual experience include:
  - Mortality experience
  - Extent of turnover among the participants
  - Retirement experience (earlier or later than projected)
  - Number of disability retirements

## Section 2: Actuarial Valuation Results

### Actuarial assumptions

- The following assumptions were changed with this valuation:
  - Administrative expenses were increased to \$8,200,000 for the year beginning January 1, 2021.
  - The annual year-by-year net investment returns for solvency projection purposes were changed based on the Plan's asset allocation and short-term capital market assumptions, to 5.00% for 2022-2024, 5.75% for 2025-2028, and 6.50% thereafter. For 2021, the preliminary market return for the year was reflected.
- Details on actuarial assumptions and methods are in Section 3.

### Plan provisions

- There were no changes in plan provisions since the prior valuation.
- A summary of plan provisions is in Section 3.

### Contribution and accrual rates

- As of January 1, 2021, the average contribution rate is \$1.6825 per hour compared to \$1.6044 per hour as of January 1, 2020.
- As of January 1, 2021, the average accrual rate is \$46.42 compared to \$44.81 as of January 1, 2020.

## Section 2: Actuarial Valuation Results

### Plan funding

#### Comparison of Funded Percentages

Plan Year Beginning	January 1, 2020		January 1, 2021	
<b>Market Value of Assets</b>	<b>\$1,579,161,376</b>		<b>\$1,646,837,605</b>	
	<b>Amount</b>	<b>Funded %</b>	<b>Amount</b>	<b>Funded %</b>
• Funding interest rate		6.50%		6.50%
• Present value (PV) of future benefits	\$2,953,348,054	53.5%	\$2,915,475,847	56.5%
• PV of accumulated plan benefits (PVAB)	2,908,890,887	54.3%	2,874,253,340	57.3%
• Current liability interest rate		2.95%		2.43%
• Current liability	\$4,646,580,130	34.0%	\$4,863,335,261	33.9%
<b>Actuarial Value of Assets</b>	<b>\$1,523,644,457</b>		<b>\$1,554,996,149</b>	
	<b>Amount</b>	<b>Funded %</b>	<b>Amount</b>	<b>Funded %</b>
• Funding interest rate		6.50%		6.50%
• PV of future benefits	\$2,953,348,054	51.6%	\$2,915,475,847	53.3%
• PPA'06 liability and annual funding notice	2,908,890,887	52.4%	2,874,253,340	54.1%

These measurements are not necessarily appropriate for assessing the sufficiency of the Plan's assets to cover the estimated cost of settling the Plan's benefit obligations or the need for or the amount of future contributions. The funded percentages based on the actuarial value of assets would be different if they were based on the market value of assets.



## Section 2: Actuarial Valuation Results

### Pension Protection Act of 2006

#### 2021 Actuarial status certification

- PPA'06 requires trustees to actively monitor their plans' financial prospects to identify emerging funding challenges so they can be addressed effectively.
- As reported in the 2021 certification, the Plan was classified as critical and declining because the funded percentage was less than 65%, there was a projected deficiency in the FSA within four years, and the plan was expected to be insolvent within 15 years.
- In addition, the Plan is making the scheduled progress in meeting the requirements of its Rehabilitation Plan.

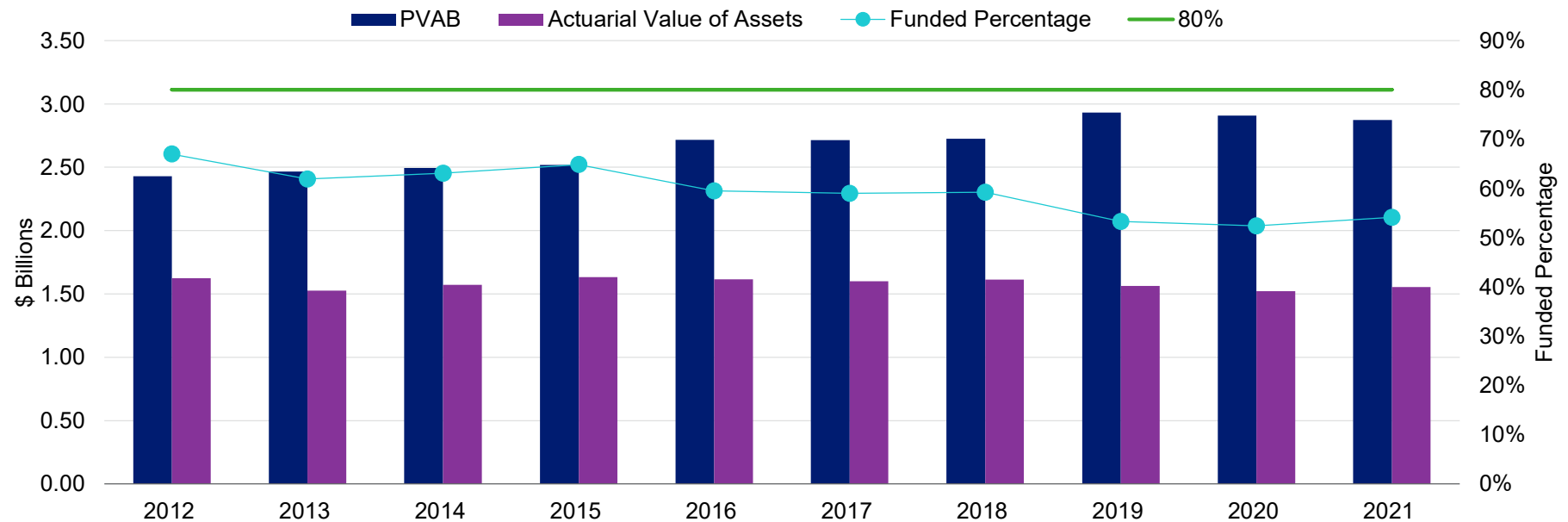
#### Rehabilitation Plan

- The Plan is operating under a Rehabilitation Plan adopted on July 19, 2010, and most recently updated in 2018 that is intended to forestall insolvency. That Plan indicated that, based on reasonable expectations, the Fund's assets are projected to be exhausted in 2028 and therefore PBGC financial assistance will be needed to continue payment of Plan benefits at the reduced PBGC guaranteed benefit level.
- The Plan reduced adjustable benefits and increased contribution rate. No further contribution rate increases are required.
- The annual standards detailed in the Rehabilitation Plan are projected to be met as of this valuation, since insolvency is projected beyond 2028.
- Segal will continue to assist the Trustees to evaluate and update the Rehabilitation Plan, as required, and to prepare the required assessment of Scheduled Progress in meeting the requirements of the Rehabilitation Plan.

## Section 2: Actuarial Valuation Results

### Pension Protection Act of 2006 historical information

#### Funded Percentage and Zone



Plan Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Zone Status	<b>RED</b>	<b>RED</b>	<b>RED</b>	<b>RED-C&amp;D</b>	<b>RED-C&amp;D</b>	<b>RED-C&amp;D</b>	<b>RED-C&amp;D</b>	<b>RED-C&amp;D</b>	<b>RED-C&amp;D</b>	<b>RED-C&amp;D</b>
PVAB <sup>1</sup>	\$2.43	\$2.47	\$2.49	\$2.52	\$2.72	\$2.72	\$2.73	\$2.93	\$2.91	\$2.87
AVA <sup>1</sup>	1.63	1.53	1.57	1.63	1.62	1.60	1.61	1.56	1.52	1.55
Funded %	67.0%	61.9%	63.1%	64.9%	59.5%	59.0%	59.2%	53.3%	52.4%	54.1%

<sup>1</sup> In billions

## Section 2: Actuarial Valuation Results

### Funding Standard Account (FSA)

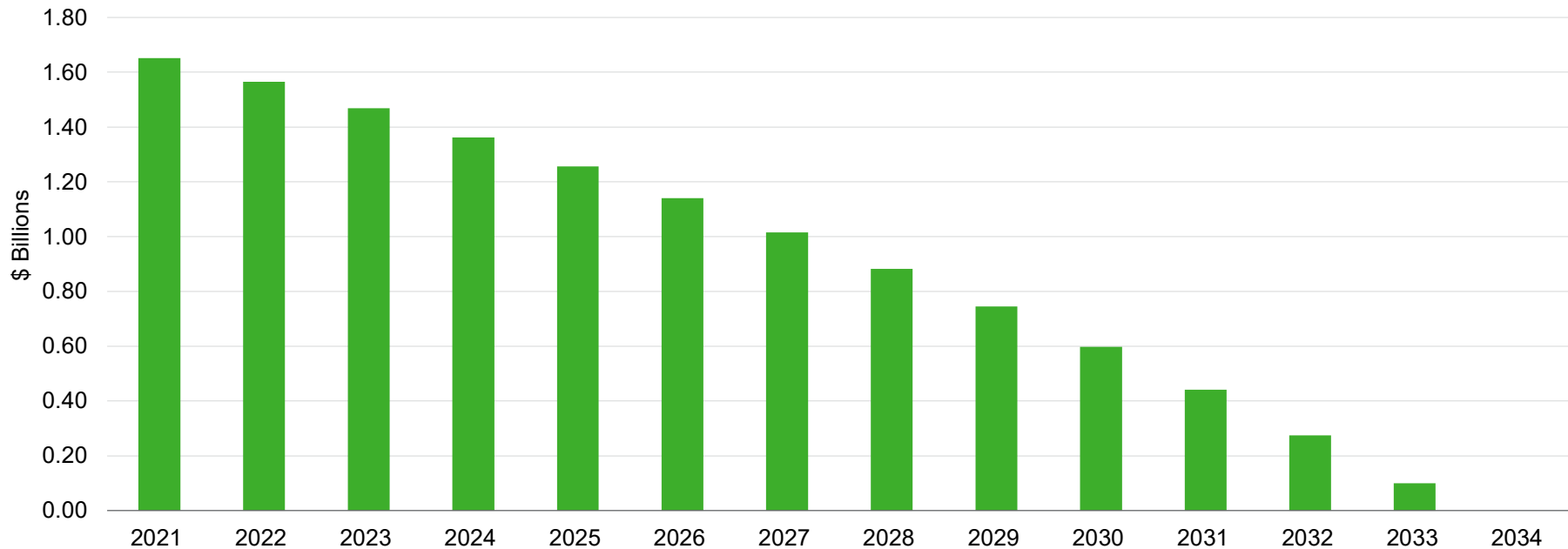
- The minimum funding requirement for the year beginning January 1, 2021 is \$803,950,449.
- Based on the assumption that the active population will decline by participants of known employer withdrawals and will work an average of 2,200 hours at a \$1.6825 average contribution rate, the contributions projected for the year beginning January 1, 2021 including withdrawal liability payments are \$59,208,424. The funding deficiency is projected to continue to increase.
- Employers contributing to plans in critical status will generally not be subject to the excise tax if a funding deficiency develops, provided the parties fulfill their obligations under the Rehabilitation Plan, including negotiation of bargaining agreements consistent with Schedules provided by the Trustees. However, in accordance with the Rehabilitation Plan, employers withdrawing from the Plan are assessed a portion of the funding deficiency.

## Section 2: Actuarial Valuation Results

### Solvency projection

- This projection assumes the following, unless otherwise noted:
  - The Plan will earn a market rate of return equal to 5.00% for 2022-2024, 5.75% for 2025-2028, and 6.50% thereafter. For 2021, a 10.6% preliminary market return is reflected.
  - Industry activity is based on an active population declining by 3% per year after known withdrawals, and 2,200 hours per capita.
  - Negotiated contribution rates and expected withdrawal liability income.
  - Administrative expenses are projected to increase 2.5% per year.
  - There are no plan amendments or changes in law/regulation.
  - All other experience emerges as assumed, and no assumption changes are made.
- The projections in this valuation illustrate the potential future impact of one given set of assumptions. Additional scenarios would demonstrate sensitivity to risk from investment return, employment and other factors.
- PPA'06 requires Trustees to monitor plan solvency - the ability to pay benefits and expenses when due.
- Based on this valuation, assets are projected to be exhausted in 2034, as shown below. This is two years later than projected in the prior year valuation, due to favorable market returns in 2020 and 2021. This projection does not reflect the impact of the Plan receiving Special Financial Assistance under the American Rescue Plan Act.

#### Projected Assets as of December 31



## Section 2: Actuarial Valuation Results

### Risk

- The actuarial valuation results are dependent on a single set of assumptions; however, there is a risk that emerging results may differ significantly as actual experience proves to be different from the current assumptions.
- We have not been engaged to perform a detailed analysis of the potential range of the impact of risk relative to the Plan's future financial condition, but have included a brief discussion of some risks that may affect the Plan.
- Economic Shock Risk. Potential implications for the Plan due to the effects of the COVID-19 pandemic (that were not reflected as of the valuation date) include:
  - Volatile financial markets and investment returns lower than assumed
  - Changes in future demographic experience, such as retirement, disability, turnover, and mortality patterns
  - The ability of withdrawn employers being able to continue to pay withdrawal liability
- Investment Risk (the risk that returns will be different than expected)

Since the Plan's assets are much larger than contributions, investment performance will create volatility in contribution requirements.

Each 1% asset gain or loss (relative to the assumed investment return) translates to more than one year of projected contributions.

Based on current capital market expectations and the Plan's current target asset allocation, we estimate that there is a 25% likelihood that the Plans' annual return will be less than 4% over the next 15 years and a 25% likelihood that the Plans' annual return will be greater than 8%. If the Plan earns 4% each year, the Plan is projected to be insolvent one year earlier than under the current assumptions. If the Plan earns 8% each year, the Plan is projected to be insolvent three years later than under the current assumptions.

As earlier in this Section, the market value rate of return over the last 20 years ended December 31, 2020 has ranged from a low of -24.41% to a high of 18.54%.

- Contribution Risk (the risk that actual contributions and withdrawal liability payments will be different than projected)

If withdrawal liability payments from previously withdrawn employers are not received, we project insolvency would occur three years earlier.
- Other Demographic Risk (the risk that participant experience will be different than assumed)

Examples of this risk include:

  - Actual retirements occurring earlier or later than assumed.

## Section 2: Actuarial Valuation Results

- Longevity Risk (the risk that mortality experience will be different than expected)

- Actual Experience over the Last Ten Years

Past experience can help demonstrate the sensitivity of key results to the Plan's risk profile. Over the past ten years ended December 31, 2020:

- The investment gain (loss) on market value for a year has ranged from a loss of \$204.3 million to a gain of \$164.2 million.
- The non-investment gain (loss) for a year has ranged from a loss of \$8.9 million to a gain of \$13.2 million.

- Maturity Measures

The risk associated with a pension plan increases as it becomes more mature, meaning that the actives represent a smaller portion of the liabilities of a plan. When this happens, there is a greater risk that fluctuations in the experience of the non-active participants or of the assets of a plan can result in large swings in the contribution requirements.

- Over the past ten years ended December 31, 2020, the ratio of non-active participants to active participants has increased from a low of 3.2 in 2011 to a high of 18.3 in 2020.
- As of December 31, 2020, the retired life actuarial accrued liability represents 65% of the total actuarial accrued liability. In addition, the actuarial accrued liability for inactive vested participants represents 30% of the total. The higher the non-active actuarial accrued liability is as a percent of the total liability, the greater the danger of volatility in results.
- Benefits and administrative expenses less contributions, withdrawal liability payments and funding deficiency payments totaled \$103.5 million as of December 31, 2020, 7% of the market value of assets. The Plan is dependent upon investment returns in order to pay benefits.

- There are external factors including legislative, regulatory or financial reporting changes that could impact the Plan's funding and disclosure requirements. While we do not assume any changes in such external factors, it is important to understand that they could have significant consequences for the Plan. For example, the American Rescue Plan Act (ARPA) enacted in 2021, allows for Plans in critical and declining status to apply for Special Financial Assistance, as well as increased PBGC premiums for all plans starting in 2031.
- We recommend a more detailed assessment of the risks to provide the Trustees with a better understanding of the risks inherent in the Plan. This assessment may include scenario testing, sensitivity testing, stress testing, and stochastic modeling.
- A detailed risk assessment is important for the Plan because the Plan is expected to apply for Special Financial Assistance under ARPA.

## Section 2: Actuarial Valuation Results

### Summary of PPA'06 zone status rules

- Based on projections of the credit balance in the FSA, the funded percentage, and cash flow sufficiency tests, plans are categorized in one of the “zones” described below.
- The funded percentage is determined using the actuarial value of assets and the present value of benefits earned to date, based on the actuary’s best estimate assumptions.

#### Critical Status (Red Zone)

A plan is classified as being in critical status (the Red Zone) if:

- The funded percentage is less than 65%, and either there is a projected FSA deficiency within five years or the plan is projected to be unable to pay benefits within seven years, or
- There is a projected FSA deficiency within four years, or
- There is a projected inability to pay benefits within five years, or
- The present value of vested benefits for inactive participants exceeds that for actives, contributions are less than the value of the current year’s benefit accruals plus interest on existing unfunded accrued benefit liabilities, and there is a projected FSA deficiency within five years, or
- As permitted by the Multiemployer Pension Reform Act of 2014, the plan is projected to be in the *Red Zone* within the next five years and the plan sponsor elects to be in critical status.

A critical status plan is further classified as being in critical and declining status if:

- The ratio of inactive participants to active participants is at least 2 to 1, and there is an inability to pay benefits projected within 20 years, or
- The funded percentage is less than 80%, and there is an inability to pay benefits projected within 20 years, or
- There is an inability to pay benefits projected within 15 years.

Any amortization extensions are ignored for testing initial entry into the *Red Zone*.

The Trustees are required to adopt a formal Rehabilitation Plan, designed to allow the plan to emerge from critical status by the end of the rehabilitation period. If they determine that such emergence is not reasonable, the Rehabilitation Plan must be designed to emerge as of a later time or to forestall possible insolvency.

Trustees of *Red Zone* plans have tools, such as the ability to reduce or eliminate early retirement subsidies, to remedy the situation. Accelerated forms of benefit payment (such as lump sums) are prohibited. However, unless the plan is critical and declining, Trustees may not reduce benefits of participants who retired before being notified of the plan’s critical status (other than rolling back recent benefit increases) or alter core retirement benefits payable at normal retirement age.

## Section 2: Actuarial Valuation Results

### Endangered Status (Yellow Zone)

A plan not in critical status (*Red Zone*) is classified as being in endangered status (the *Yellow Zone*) if:

- The funded percentage is less than 80%, or
- There is a projected FSA deficiency within seven years.

A plan that has both of the endangered conditions present is classified as seriously endangered.

Trustees of a plan that was in the *Green Zone* in the prior year can elect not to enter the *Yellow Zone* in the current year (although otherwise required to do so) if the plan's current provisions would be sufficient (with no further action) to allow the plan to emerge from the *Yellow Zone* within ten years.

The Trustees are required to adopt a formal Funding Improvement Plan, designed to improve the current funded percentage, and avoid a funding deficiency as of the emergence date.

### Green Zone

A plan not in critical status (the *Red Zone*) nor in endangered status (the *Yellow Zone*) is classified as being in the *Green Zone*.

### Early Election of Critical Status

Trustees of a *Green* or *Yellow Zone* plan that is projected to enter the *Red Zone* within the next five years may elect whether or not to enter the *Red Zone* for the current year.



# Section 3: Certificate of Actuarial Valuation

March 21, 2022

## Certificate of Actuarial Valuation

This is to certify that Segal has prepared an actuarial valuation of the PACE Industry Union-Management Pension Fund as of January 1, 2021 in accordance with generally accepted actuarial principles and practices. It has been prepared at the request of the Board of Trustees to assist in administering the Fund and meeting filing requirements of federal government agencies. This valuation report may not otherwise be copied or reproduced in any form without the consent of the Board of Trustees and may only be provided to other parties in its entirety.

The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law.

The valuation is based on the assumption that the Plan is qualified as a multiemployer plan for the year and on information supplied by the auditor with respect to contributions and assets and reliance on the Plan Administrator with respect to the participant data. Segal does not audit the data provided. The accuracy and comprehensiveness of the data is the responsibility of those supplying the data. To the extent we can, however, Segal does review the data for reasonableness and consistency. Based on our review of the data, we have no reason to doubt the substantial accuracy of the information on which we have based this report and we have no reason to believe there are facts or circumstances that would affect the validity of these results. Adjustments for incomplete or apparently inconsistent data were made as described in the attached Exhibit K.

I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of my knowledge, the information supplied in this actuarial valuation is complete and accurate, except as noted in Exhibit A. Each prescribed assumption for the determination of Current Liability 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.



Susan L. Boyle, FSA, FCA, MAAA  
Senior Vice President and Actuary  
Enrolled Actuary No. 20-06862

## Section 3: Certificate of Actuarial Valuation

### Exhibit A: Table of Plan Coverage

The valuation was made with respect to the following data supplied to us by the Plan Administrator.

Category	Year Ended December 31		Change from Prior Year
	2019	2020	
<b>Participants in Fund Office tabulation</b>	4,695	4,211	-10.3%
Less: Participants with less than one pension credit	1,069	867	N/A
<b>Active participants in valuation:</b>			
• Number	3,626	3,344	-7.8%
• Average age	47.2	47.0	-0.2
• Average pension credits	13.9	13.6	-0.3
• Average vesting credit	14.5	14.2	-0.3
• Average contribution rate for upcoming year	\$1.6044	\$1.6825	4.9%
• Average accrual rate for upcoming year	\$44.81	\$46.42	3.6%
• Number with unknown age information	190	132	-30.5%
• Total active vested participants	2,842	2,569	-9.6%
<b>Inactive participants with rights to a pension:</b>			
• Number	29,064	27,497	-5.4%
• Average age	55.2	55.5	0.3
• Average monthly benefit	\$400	\$393	-1.8%
<b>Pensioners:</b>			
• Number in pay status	27,977	28,378	1.4%
• Average age	73.3	73.4	0.1
• Average monthly benefit	\$551	\$554	0.5%
• Number of alternate payees in pay status	465	486	4.5%
<b>Beneficiaries:</b>			
• Number in pay status	5,166	5,303	2.7%
• Average age	74.7	74.8	0.1
• Average monthly benefit	\$264	\$268	1.5%
<b>Total participants</b>	<b>65,833</b>	<b>64,522</b>	<b>-2.0%</b>

## Section 3: Certificate of Actuarial Valuation

### Exhibit B: Actuarial Factors for Minimum Funding

	January 1, 2020	January 1, 2021
Interest rate assumption	6.50%	6.50%
Normal cost, including administrative expenses	\$14,587,972	\$14,317,143
Actuarial present value of projected benefits	2,953,348,054	2,915,475,847
Present value of future normal costs	44,457,167	41,222,507
Market value as reported by Cherry Bekaert LLP (MVA)	1,579,161,376	1,646,837,605
Actuarial value of assets (AVA)	1,523,644,457	1,554,996,149
<b>Actuarial accrued liability</b>	<b>\$2,908,890,887</b>	<b>\$2,874,253,340</b>
• Pensioners and beneficiaries <sup>1</sup>	\$1,835,163,228	\$1,867,071,009
• Inactive participants with vested rights	926,534,516	874,261,787
• Active participants	147,193,143	132,920,544
Unfunded actuarial accrued liability based on AVA	\$1,385,246,430	\$1,319,257,191

<sup>1</sup> Includes liabilities for former spouses in pay status.

## Section 3: Certificate of Actuarial Valuation

### Exhibit C: Summary Statement of Income and Expenses on a Market Value Basis

	Year Ended December 31, 2019	Year Ended December 31, 2020
<b>Contribution income:</b>		
• Employer contributions	\$13,960,248	\$13,014,653
• Funding deficiency payments	25,746,906	4,180,182
• Withdrawal liability payments	<u>48,861,895</u>	<u>96,887,592</u>
<i>Contribution income</i>	\$88,569,049	\$114,082,427
<b>Investment income:</b>		
• Interest and dividends	\$8,677,852	\$12,179,388
• Capital appreciation/(depreciation)	224,474,372	162,606,404
• Less investment fees	<u>-3,046,574</u>	<u>-1,142,842</u>
<i>Net investment income</i>	230,105,650	173,642,950
<i>Other income</i>	45,348	925,066
<b>Total income available for benefits</b>	<b>\$317,171,087</b>	<b>\$285,297,423</b>
<b>Less benefit payments and expenses:</b>		
• Pension benefits	<u>-\$205,610,430</u>	<u>-\$209,464,088</u>
• Administrative expenses	<u>-7,453,916</u>	<u>-8,157,106</u>
• Change in postretirement benefit obligation	<u>-1,548,960</u>	<u>-3,353,020</u>
<i>Total benefit payments and expenses</i>	<i>-\$213,064,346</i>	<i>-\$217,621,194</i>
<b>Market value of assets</b>	<b>\$1,579,161,376</b>	<b>\$1,646,837,605</b>

## Section 3: Certificate of Actuarial Valuation

### Exhibit D: Information on Plan Status as of January 1, 2021

Plan status (as certified on March 31, 2021, for the 2021 zone certification)	<b>Critical and Declining</b>
Scheduled progress (as certified on March 31, 2021, for the 2021 zone certification)	Yes
Actuarial value of assets for FSA	\$1,554,996,149
Accrued liability under unit credit cost method	2,874,253,340
Funded percentage for monitoring plan status	54.1%
Year in which insolvency is expected	2034

#### Annual Funding Notice for Plan Year Beginning January 1, 2021 and Ending December 31, 2021

	<b>2021 Plan Year</b>	<b>2020 Plan Year</b>	<b>2019 Plan Year</b>
Actuarial valuation date	January 1, 2021	January 1, 2020	January 1, 2019
Funded percentage	54.1%	52.4%	53.3%
Value of assets	\$1,554,996,149	\$1,523,644,457	\$1,563,392,839
Value of liabilities	2,874,253,340	2,908,890,887	2,932,707,127
Market value of assets as of Plan Year end	Not available	1,646,837,605	1,579,161,376

### Critical or Endangered Status

The Plan was in critical and declining status in the Plan Year because the funded percentage was below 65%, there was a projected deficiency in the Funding Standard Account within four years, and the Plan was projected to be insolvent within 15 years. In an effort to improve the Plan's funding situation, the Trustees adopted a Rehabilitation Plan that is intended to forestall insolvency.

## Section 3: Certificate of Actuarial Valuation

### Exhibit E: Schedule of Projection of Expected Benefit Payments

(Schedule MB, Line 8b(1))

Plan Year	Expected Annual Benefit Payments
2021	\$211,960,323
2022	214,329,371
2023	216,997,489
2024	219,449,137
2025	221,922,298
2026	223,694,562
2027	225,382,747
2028	226,506,701
2029	226,846,542
2030	226,434,585

This assumes the following:

- No additional benefits will be accrued.
- Experience is in line with valuation assumptions.
- No new entrants are covered by the Plan.

## Section 3: Certificate of Actuarial Valuation

### Exhibit F: Schedule of Active Participant Data

(Schedule MB, Line 8b(2))

The participant data is for the year ended December 31, 2020.

Age	Pension Credits									
	Total	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 & over
Under 25	87	84	3	–	–	–	–	–	–	–
25 - 29	195	131	63	1	–	–	–	–	–	–
30 - 34	302	141	131	27	3	–	–	–	–	–
35 - 39	321	114	119	62	26	–	–	–	–	–
40 - 44	362	96	104	78	52	31	1	–	–	–
45 - 49	452	84	89	93	76	71	36	3	–	–
50 - 54	458	66	81	66	62	60	68	53	2	–
55 - 59	517	28	76	57	80	62	77	111	21	5
60 - 64	420	22	41	57	61	46	46	66	34	47
65 - 69	88	2	7	9	15	6	8	11	7	23
70 & over	10	1	2	2	–	1	2	1	–	1
Unknown	132	124	8	–	–	–	–	–	–	–
<b>Total</b>	<b>3,344</b>	<b>893</b>	<b>724</b>	<b>452</b>	<b>375</b>	<b>277</b>	<b>238</b>	<b>245</b>	<b>64</b>	<b>76</b>

Note: Excludes 867 participants with less than one pension credit.

## Section 3: Certificate of Actuarial Valuation

### Exhibit G: Funding Standard Account

- ERISA imposes a minimum funding standard that requires the Plan to maintain an FSA. The accumulation of contributions in excess of the minimum required contributions is called the FSA credit balance. If actual contributions fall short on a cumulative basis, a funding deficiency has occurred.
- The FSA is charged with the normal cost and the amortization of increases or decreases in the unfunded actuarial accrued liability due to plan amendments, experience gains or losses and changes in actuarial assumptions and funding methods. The FSA is credited with employer contributions, funding deficiency payments and withdrawal liability payments.
- Increases or decreases in the unfunded actuarial accrued liability are amortized over 15 years except that short-term benefits, such as 13th checks, are amortized over the scheduled payout period.
- Employers contributing to plans in critical status will generally not be subject to the excise tax if a funding deficiency develops, provided the parties fulfill their obligations under the Rehabilitation Plan, including negotiation of bargaining agreements consistent with Schedules provided by the Trustees.

	December 31, 2020	December 31, 2021
<b>1</b> Prior year funding deficiency	\$550,883,410	\$609,511,179
<b>2</b> Normal cost, including administrative expenses	14,587,972	14,317,143
<b>3</b> Amortization charges	179,664,122	177,347,833
<b>4</b> Interest on <b>1, 2 and 3</b>	<u>48,433,808</u>	<u>52,076,450</u>
<b>5</b> Total charges	\$793,569,312	\$853,252,605
<b>6</b> Prior year credit balance	\$0	\$0
<b>7</b> Employer contributions	114,082,427	TBD
<b>8</b> Amortization credits	62,513,615	46,293,104
<b>9</b> Interest on <b>6, 7 and 8</b>	7,462,091	3,009,052
<b>10</b> Full funding limitation credits	<u>0</u>	<u>0</u>
<b>11</b> Total credits	\$184,058,133	\$49,302,156
<b>12</b> Credit balance/(Funding deficiency): <b>11 - 5</b>	-\$609,511,179	TBD
<b>13</b> Minimum contribution with interest required to avoid a funding deficiency: <b>5 -11</b> not less than zero	N/A	\$803,950,449



## Section 3: Certificate of Actuarial Valuation

### Full Funding Limitation (FFL) and Credits for Plan Year January 1, 2021

ERISA FFL (accrued liability FFL)	\$1,420,256,666
RPA'94 override (90% current liability FFL)	2,877,500,179
FFL credit	0

## Section 3: Certificate of Actuarial Valuation

### Schedule of FSA Bases (Charges) (Schedule MB, Line 9c)

Type of Base	Date Established	Outstanding Balance	Years Remaining	Amortization Amount
Plan amendment	01/01/1992	\$1,268,637	1	\$1,268,637
Plan amendment	01/01/1993	3,981,980	2	2,053,660
Plan amendment	01/01/1994	6,172,866	3	2,188,473
Plan amendment	01/01/1995	3,654,729	4	1,001,714
Plan amendment	01/01/1996	4,473,073	5	1,010,682
Plan amendment	01/01/1997	10,484,870	6	2,033,654
Assumption change	01/01/1998	10,597,313	7	1,814,294
Plan amendment	01/01/1998	53,337,966	7	9,131,629
Plan amendment	01/01/1999	45,510,029	8	7,018,257
Plan amendment	01/01/2000	37,361,131	9	5,270,482
Plan amendment	01/01/2001	28,395,566	10	3,708,879
OCAW/PACE UIPF merger - combined and offset bases	01/01/2002	6,238,402	1	6,238,402
Assumption change	01/01/2002	7,047,767	11	860,656
Plan amendment	01/01/2002	21,417,218	11	2,615,418
Plan amendment	01/01/2003	32,439,254	12	3,733,352
Plan amendment	01/01/2004	14,773,587	13	1,613,061
Plan amendment	01/01/2005	19,172,340	14	1,997,172
Assumption change	01/01/2006	5,520,527	15	551,290
Plan amendment	01/01/2007	7,494,691	16	720,458
Plan amendment	01/01/2008	2,269,175	2	1,170,301
Plan amendment	01/01/2009	2,488,695	3	882,320
Actuarial loss	01/01/2009	95,720,847	3	33,936,024
Plan amendment	01/01/2010	1,984,926	4	544,043

## Section 3: Certificate of Actuarial Valuation

Type of Base	Date Established	Outstanding Balance	Years Remaining	Amortization Amount
Assumption change	01/01/2011	30,187,035	5	6,820,698
Actuarial loss	01/01/2011	50,512,701	5	11,413,240
Assumption change	01/01/2012	9,419,050	6	1,826,927
Actuarial loss	01/01/2012	68,180,321	6	13,224,313
Actuarial loss	01/01/2013	63,396,862	7	10,853,743
Assumption change	01/01/2016	145,665,913	10	19,026,114
Actuarial loss	01/01/2019	15,515,786	13	1,694,099
Assumption change	01/01/2019	191,662,370	13	20,926,752
Actuarial loss	01/01/2020	1,911,199	14	199,089
<b>Total</b>		<b>\$998,256,826</b>		<b>\$177,347,833</b>

## Section 3: Certificate of Actuarial Valuation

### Schedule of FSA Bases (Credits) (Schedule MB, Line 9h)

Type of Base	Date Established	Outstanding Balance	Years Remaining	Amortization Amount
Actuarial gain	01/01/2010	\$22,044,120	4	\$6,042,008
Plan amendment	01/01/2011	68,006,049	5	15,365,825
Actuarial gain	01/01/2014	46,224,430	8	7,128,428
Actuarial gain	01/01/2015	28,186,817	9	3,976,274
Actuarial gain	01/01/2016	4,003,449	10	522,909
Actuarial gain	01/01/2017	10,433,217	11	1,274,079
Assumption change	01/01/2017	27,313,343	11	3,335,439
Actuarial gain	01/01/2018	28,214,075	12	3,247,087
Actuarial gain	01/01/2021	54,085,314	15	5,401,055
<b>Total</b>		<b>\$288,510,814</b>		<b>\$46,293,104</b>

## Section 3: Certificate of Actuarial Valuation

### Exhibit H: Maximum Deductible Contribution

- Employers that contribute to defined benefit pension plans are allowed a current deduction for payments to such plans. There are various measures of a plan's funded level that are considered in the development of the maximum tax-deductible contribution amount.
- The maximum deductible amount for this valuation is the excess of 140% of "current liability" over assets as shown below. "Current liability" is one measure of the actuarial present value of all benefits earned by the participants as of the valuation date. This limit is significantly higher than the current contribution level.
- Contributions in excess of the maximum deductible amount are not prohibited; only the deductibility of these contributions is subject to challenge and may have to be deferred to a later year. In addition, if contributions are not fully deductible, an excise tax in an amount equal to 10% of the non-deductible contributions may be imposed. However, the plan sponsor may elect to exempt the non-deductible amount up to the ERISA full-funding limitation from the excise tax.
- The Trustees should review the interpretation and applicability of all laws and regulations concerning any issues as to the deductibility of contribution amounts with Fund Counsel.

1	Current liability for maximum deductible contribution, projected to the end of the Plan Year	\$4,783,844,925
2	140% of current liability	6,697,382,894
3	Actuarial value of assets, projected to the end of the Plan Year	1,427,960,253
4	<b>Maximum deductible contribution: 2 - 3</b>	<b>\$5,269,422,641</b>

## Section 3: Certificate of Actuarial Valuation

### Exhibit I: Current Liability

The table below presents the current liability for the Plan Year beginning January 1, 2021.

Item <sup>1</sup>	Number of Participants	Current Liability
Interest rate assumption		2.43%
Retired participants and beneficiaries receiving payments	33,681	\$2,748,711,316
Inactive vested participants	27,497	1,823,931,626
Active participants		
• Non-vested benefits		8,956,491
• Vested benefits		281,735,828
• Total active	<u>3,344</u>	<u>\$290,692,319</u>
<b>Total</b>	<b>64,522</b>	<b>\$4,863,335,261</b>
Expected increase in current liability due to benefits accruing during the Plan Year		\$16,910,736
Expected release from current liability for the Plan Year		212,197,994
Expected plan disbursements for the Plan Year, including administrative expenses of \$8,200,000		220,397,994
Current value of assets		\$1,646,837,605
Percentage funded for Schedule MB		33.86%

<sup>1</sup> The actuarial assumptions used to calculate these values are shown in Exhibit K.

## Section 3: Certificate of Actuarial Valuation

### Exhibit J: Actuarial Present Value of Accumulated Plan Benefits

The actuarial present value of accumulated plan benefits calculated in accordance with FASB ASC 960 is shown below as of January 1, 2020 and as of January 1, 2021. In addition, a reconciliation between the two dates follows.

	Benefit Information Date	
	January 1, 2020	January 1, 2021
Actuarial present value of vested accumulated plan benefits:		
• Participants currently receiving payments	\$1,835,163,228	\$1,867,071,009
• Other vested benefits	<u>1,067,046,117</u>	<u>1,001,562,896</u>
• Total vested benefits	\$2,902,209,345	\$2,868,633,905
Actuarial present value of non-vested accumulated plan benefits	<u>6,681,542</u>	<u>5,619,435</u>
<b>Total actuarial present value of accumulated plan benefits</b>	<b>\$2,908,890,887</b>	<b>\$2,874,253,340</b>

Factors	Change in Actuarial Present Value of Accumulated Plan Benefits
Benefits accumulated, net experience gain or loss, changes in data	-\$6,876,485
Benefits paid	-209,464,088
Interest	181,703,026
<b>Total</b>	<b>-\$34,637,547</b>

## Section 3: Certificate of Actuarial Valuation

### Exhibit K: Statement of Actuarial Assumptions, Methods and Models

(Schedule MB, Line 6)

Annuitant Mortality Rates	Rate (%) <sup>1</sup>				
	Age	Healthy		Disabled	
		Male	Female	Male	Female
	55	0.64	0.42	2.49	1.50
	60	0.89	0.66	2.81	1.95
	65	1.45	1.06	3.63	2.53
	70	2.38	1.70	4.88	3.43
	75	3.89	2.75	6.70	4.91
	80	6.38	4.54	9.43	7.26
	85	10.51	7.80	13.71	10.85
	90	17.31	13.38	20.46	15.86

<sup>1</sup> Mortality rates shown for base table.

**Mortality Rates**

*Non-annuitant:* RP-2006 Blue Collar Employee Mortality Table with generational projection using Scale MP-2019 from 2006

*Healthy annuitant:* RP-2006 Blue Collar Healthy Annuitant Mortality Table with generational projection using Scale MP-2019 from 2006

*Disabled annuitant:* RP-2006 Disabled Retiree Mortality Table with generational projection using Scale MP-2019 from 2006

The underlying tables with the generational projection to the age of the participants as of the measurement date reasonably reflect the mortality experience of the Plan as of the measurement date. These mortality tables were then adjusted to future years using the generational projection to reflect mortality improvement between the measurement date and these years.

The mortality rates were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of deaths and the projected number based on the prior year's assumption over recent years.



## Section 3: Certificate of Actuarial Valuation

### Termination Rates

Age	Rate (%)				
	Mortality <sup>1</sup>		Disability	Withdrawal <sup>2</sup>	
	Male	Female		Less than 10 Years of Service	10 or More Years of Service
20	0.07	0.02	0.05	15	10
25	0.07	0.02	0.05	15	10
30	0.06	0.02	0.05	15	10
35	0.07	0.03	0.06	15	10
40	0.10	0.05	0.09	15	10
45	0.16	0.09	0.18	15	10
50	0.26	0.13	0.40	15	10
55	0.38	0.19	0.85	15	10
60	0.64	0.31	1.74	15	10

<sup>1</sup> Mortality rates shown are for base table.

<sup>2</sup> Withdrawal rates are cut out at early retirement age.

The termination rates and disability rates were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of terminations and disability retirements by age and the projected number based on the prior year's assumption over recent years.

### Retirement Rates for Actives

Age	Annual Retirement Rates
55 – 59	1%
60 – 61	5%
62	25%
63 – 64	15%
65 – 69	30%
70 or older	100%

The retirement rates were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of retirements by age and the projected number based on the prior year's assumption over recent years.

### Description of Weighted Average Retirement Age

Age 65, determined as follows: The weighted average retirement age for each participant is calculated as the sum of the product of each potential current or future retirement age times the probability of surviving from current age to that age and then retiring at that age, assuming no other decrements. The overall weighted retirement age is the average of the individual retirement ages based on all the active participants included in the January 1, 2021 actuarial valuation.

## Section 3: Certificate of Actuarial Valuation

### Retirement Rates for Inactive Vested Participants

Age	Annual Retirement Rates
55 – 61	5%
62	15%
63 – 64	7%
65	40%
66	20%
67	10%
68 – 69	5%
70 or older	100%

The retirement rates for inactive vested participants were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of retirements by age and the projected number based on the prior year's assumption over recent years.

### Future Benefit Accruals

One pension credit per year.

The future benefit accruals were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the assumed and actual benefit accruals over recent years.

### Unknown Data for Participants

Same as those exhibited by participants with similar known characteristics. If not specified, participants are assumed to be male.

### Definition of Active Participants

Active participants are defined as those with at least 510 hours in the most recent plan year and who have accumulated at least one pension credit, excluding those who have retired as of the valuation date.

### Percent Married

Active participants are defined as those with at least 510 hours in the most recent plan year and who have accumulated at least one pension credit, excluding those who have retired as of the valuation date.

### Age of Spouse

Females three years younger than males.

### Benefit Election

60% of participants are assumed to elect the single life annuity form of payment and 40% of participants are assumed to elect the 50% joint and survivor form of payment.

The benefit elections were based on historical and current demographic data, adjusted to reflect the plan design, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the assumed and the actual option election patterns over recent years.

### Delayed Retirement Factors

Active participants assumed to work enough hours each month to not qualify for delayed retirement adjustment. Inactive vested participants who are assumed to commence receipt of benefits after attaining normal retirement age qualify for delayed retirement increases, but not beyond age 70.

## Section 3: Certificate of Actuarial Valuation

<b>Net Investment Return</b>	6.50% The net investment return assumption is a long-term estimate derived from historical data, current and recent market expectations, and professional judgment. As part of the analysis, a building block approach was used that reflects inflation expectations and anticipated risk premiums for each of the portfolio's asset classes well as the Plan's target asset allocation.
<b>Annual Administrative Expenses</b>	\$8,200,000 for the year beginning January 1, 2021 (equivalent to \$7,926,304 payable at the beginning of the year) The annual administrative expenses were based on historical and current data, estimated future experience and professional judgment.
<b>Actuarial Value of Assets</b>	The market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five – year period. The actuarial value is further adjusted, if necessary, to be within 20% of the market value.
<b>Actuarial Cost Method</b>	Unit Credit Actuarial Cost Method. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are allocated by service.
<b>Benefits Valued</b>	Unless otherwise indicated, includes all benefits summarized in Exhibit L.
<b>Current Liability Assumptions</b>	<i>Interest:</i> 2.43%, within the permissible range prescribed under IRC Section 431(c)(6)(E) <i>Mortality:</i> Mortality prescribed under IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1(a)(2): RP-2006 employee and annuitant mortality tables, projected forward generationally using scale MP-2019 (previously, the MP-2018 scale was used).
<b>Estimated Rate of Investment Return</b>	<i>On actuarial value of assets (Schedule MB, line 6g):</i> 9.3%, for the Plan Year ending December 31, 2020 <i>On current (market) value of assets (Schedule MB, line 6h):</i> 11.4%, for the Plan Year ending December 31, 2020
<b>FSA Contribution Timing (Schedule MB, line 3a)</b>	Unless otherwise noted, contributions are paid periodically throughout the year pursuant to collective bargaining agreements. The interest credited in the FSA is therefore assumed to be equivalent to a July 15 contribution date.
<b>Actuarial Models</b>	Segal valuation results are based on proprietary actuarial modeling software. The actuarial valuation models generate a comprehensive set of liability and cost calculations that are prepared to meet regulatory, legislative and client requirements. Deterministic cost projections are based on a proprietary forecasting model. Our Actuarial Technology and Systems unit, comprised of both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility and user control. The client team programs the assumptions and the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible Enrolled Actuary.

## Section 3: Certificate of Actuarial Valuation

**Justification for  
Change in Actuarial  
Assumptions  
(Schedule MB, line 11)**

For purposes of determining current liability, the current liability interest rate was changed from 2.95% to 2.43% due to a change in the permissible range and recognizing that any rate within the permissible range satisfies the requirements of IRC Section 431(c)(6)(E) and the mortality tables and mortality improvement scales were changed in accordance with IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1.

Based on past experience and future expectations, the following actuarial assumptions were changed as of January 1, 2021:

Annual administrative expenses, previously \$8,000,000.

## Section 3: Certificate of Actuarial Valuation

### Exhibit L: Summary of Plan Provisions

(Schedule MB, Line 6)

This exhibit summarizes the major provisions of the Plan included in the valuation. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions.

<b>Plan Year</b>	January 1 through December 31
<b>Pension Credit Year</b>	January 1 through December 31
<b>Plan Status</b>	Ongoing plan
<b>Regular Pension</b>	<ul style="list-style-type: none"><li>• <i>Age Requirement:</i> 65</li><li>• <i>Service Requirement:</i> 5 pension credits or years of vesting service</li><li>• <i>Amount:</i> Accrual rates are based on contribution rates and differ by employer. Accrued benefits as of December 31, 2010 based on the accrual rate as of December 31, 2010. Effective January 1, 2011, future benefits earned will be based on the contribution rate(s) in effect for the plan year in which the benefit is accrued.</li></ul>
<b>Early Retirement</b>	<ul style="list-style-type: none"><li>• <i>Age Requirement:</i> 55</li><li>• <i>Service Requirement:</i> 10 pension credits or years of vesting service for Programs A through F; 5 years for Program G</li><li>• <i>Amount:</i> Regular pension accrued, reduced by 1/2 of 1% for each month the participant is younger than age 65.</li></ul>
<b>Disability</b>	<ul style="list-style-type: none"><li>• <i>Age Requirement:</i> None</li><li>• <i>Service Requirement:</i> 10 pension credits for Programs A, B, C and G. 5 years of vesting service for Programs D, E and F</li><li>• <i>Amount:</i> Regular pension accrued for Programs A through F. For Program G, early retirement amount plus 10%, not reduced below age 55 and not greater than the benefit payable at age 65.</li></ul>
<b>Vesting</b>	<ul style="list-style-type: none"><li>• <i>Age Requirement:</i> None</li><li>• <i>Service Requirement:</i> Five years of vesting service or pension credit.</li><li>• <i>Amount:</i> Regular pension accrued payable at Normal Retirement Age, or early retirement amount payable beginning at age 55, based on plan in effect when last active</li><li>• <i>Normal Retirement Age:</i> 65, or if later, the participant's age on the fifth anniversary of date of participation</li></ul>

## Section 3: Certificate of Actuarial Valuation

<b>Spouse's Pre-Retirement Death Benefit</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Service Requirement:</i> Five years of Vesting Service or 6 years of Pension Credit.</li> <li>• <i>Amount:</i> 50% of the benefit participant would have received had he or she retired the day before death and elected the joint and survivor option.</li> <li>• <i>Charge for Coverage:</i> None</li> </ul>															
<b>Post-Retirement Death Benefit</b>	<p>If married, pension benefits are paid in the form of a 50% Husband-and-Wife annuity unless this form is rejected by the participant and spouse. If not rejected, the benefit amount otherwise payable is reduced to reflect the 50% Husband and Wife coverage.</p> <p>If rejected, or if not married, benefits are payable for the life of the employee without reduction, or in any other available optional form elected by the employee in an actuarially equivalent amount.</p>															
<b>Optional Forms of Benefits</b>	<p>75% or 100% Husband and Wife option under Programs A through F.</p> <p>50%, 75% or 100% Husband and Wife with popup option under Programs A through F.</p> <p>50%, 75% or 100% Joint and Survivor option under Programs A through F.</p> <p>75% or 100% Joint and Survivor option for married participants under Program G.</p>															
<b>Pension Credit</b>	<table> <tr> <td>Less than 510 hours</td> <td>=</td> <td>0 year of pension credit</td> </tr> <tr> <td>510 – 1,019 hours</td> <td>=</td> <td>¼ year of pension credit</td> </tr> <tr> <td>1,020 – 1,529 hours</td> <td>=</td> <td>½ year of pension credit</td> </tr> <tr> <td>1,530 – 2,039 hours</td> <td>=</td> <td>¾ year of pension credit</td> </tr> <tr> <td>2,040 or more hours</td> <td>=</td> <td>1 year of pension credit</td> </tr> </table>	Less than 510 hours	=	0 year of pension credit	510 – 1,019 hours	=	¼ year of pension credit	1,020 – 1,529 hours	=	½ year of pension credit	1,530 – 2,039 hours	=	¾ year of pension credit	2,040 or more hours	=	1 year of pension credit
Less than 510 hours	=	0 year of pension credit														
510 – 1,019 hours	=	¼ year of pension credit														
1,020 – 1,529 hours	=	½ year of pension credit														
1,530 – 2,039 hours	=	¾ year of pension credit														
2,040 or more hours	=	1 year of pension credit														
<b>Vesting Credit</b>	One year of vesting service for each calendar year during the contribution period in which the employee works 1,000 hours or more.															
<b>Contribution Rate</b>	Varies by employers. The average contribution rate as of January 1, 2021 is \$1.6825 per hour.															
<b>Changes in Plan Provisions</b>	There were no changes in plan provisions reflected in this actuarial valuation.															

# PACE Industry Union- Management Pension Fund

## **Actuarial Certification of Plan Status under IRC Section 432**

As of January 1, 2021





333 West 34th Street, 3rd Floor  
New York, NY 10001-2402  
segalco.com  
T 212.251.5000

March 31, 2021

Board of Trustees  
PACE Industry Union-Management Pension Fund  
1101 Kermit Drive, Suite 800  
Nashville, TN 37217

Dear Trustees:

As required by ERISA Section 305 and Internal Revenue Code (IRC) Section 432, we have completed the Plan's actuarial status certification as of January 1, 2021 in accordance with the Multiemployer Pension Reform Act of 2014 (MPRA). The attached exhibits outline the projections performed and the results of the various tests required by the statute. These projections have been prepared based on the Actuarial Valuation as of January 1, 2020 and in accordance with generally accepted actuarial principles and practices and a current understanding of the law. The actuarial calculations were completed under the supervision of Susan L. Boyle, FSA, FCA, MAAA, EA, Senior Vice President and Actuary.

As of January 1, 2021, the Plan is in critical and declining status. This certification also notifies the IRS that the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan based on the annual standards in the rehabilitation plan. This certification is being filed with the Internal Revenue Service, pursuant to ERISA section 305(b)(3) and IRC section 432(b)(3).

This certification does not reflect the enactment of the American Rescue Plan Act of 2021 (ARPA) on March 11, 2021. We anticipate clarification of ARPA relief provisions based on regulations to be issued by the IRS and the Pension Benefit Guaranty Corporation.

Segal does not practice law and, therefore, cannot and does not provide legal advice. Any statutory interpretation on which the certification is based reflects Segal's understanding as an actuarial firm. Due to the complexity of the statute and the significance of its ramifications, Segal recommends that the Board of Trustees consult with legal counsel when making any decisions regarding compliance with ERISA and the Internal Revenue Code.

We look forward to reviewing this certification with you at your next meeting and to answering any questions you may have. We are available to assist the Trustees in communicating this information to plan stakeholders as well as in reviewing and updating the Rehabilitation Plan required.

Sincerely,

Segal

By:

A handwritten signature in black ink, appearing to read "Darrin Owens", written over a horizontal line.

Darrin Owens  
Senior Vice President





March 31, 2021

Internal Revenue Service  
Employee Plans Compliance Unit  
Group 7602 (TEGE:EP:EPCU)  
230 S. Dearborn Street  
Room 1700 - 17th Floor  
Chicago, IL 60604

To Whom It May Concern:

As required by ERISA Section 305 and the Internal Revenue Code (IRC) Section 432, we have completed the actuarial status certification as of January 1, 2021 for the following plan:


Name of Plan: PACE Industry Union-Management Pension Fund  
Plan number: EIN 11-6166763 / PN 001  
Plan sponsor: Board of Trustees, PACE Industry Union-Management Pension Fund  
Address: 1101 Kermit Drive, Suite 800, Nashville, TN 37217  
Phone number: 1.800.474.8673

As of January 1, 2021, the Plan is in critical and declining status. This certification also notifies the IRS that the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan, based on the annual standards of the rehabilitation plan.

If you have any questions on the attached certification, you may contact me at the following:

Segal  
333 West 34th Street, 3rd Floor  
New York, NY 10001-2402  
Phone number: 212.251.5000

Sincerely,

  
Susan L. Boyle, FSA, FCA, MAAA  
Senior Vice President and Actuary  
Enrolled Actuary No. 20-06862



# Actuarial status certification as of January 1, 2021 under IRC Section 432

March 31, 2021

## Illustration Supporting Actuarial Certification of Status (Schedule MB, line 4b)

This is to certify that Segal has prepared an actuarial status certification under Internal Revenue Code Section 432 for the PACE Industry Union-Management Pension Fund as of January 1, 2021 in accordance with generally accepted actuarial principles and practices. It has been prepared at the request of the Board of Trustees to assist in administering the Fund and meeting filing and compliance requirements under federal law. This certification may not otherwise be copied or reproduced in any form without the consent of the Board of Trustees and may only be provided to other parties in its entirety.

The measurements shown in this actuarial certification may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); differences in statutory interpretation and changes in plan provisions or applicable law.

This certification is based on the January 1, 2020 actuarial valuation, dated February 1, 2021. This certification reflects the changes in the law made by the Multiemployer Pension Reform Act of 2014 (MPRA). Additional assumptions required for the projections (including those under MPRA), and sources of financial information used are summarized in Exhibit VI.

Segal does not practice law and, therefore, cannot and does not provide legal advice. Any statutory interpretation on which this certification is based reflects Segal's understanding as an actuarial firm.

This certification was based on the assumption that the Plan was qualified as a multiemployer plan for the year.

I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of my knowledge, the information supplied in this actuarial certification is complete and accurate. As required by IRC Section 432(b)(3)(B)(iii), the projected industry activity is based on information provided by the plan sponsor. In addition, as allowed by IRC Section 432(b)(3)(B), in my opinion, the contributions used for Insolvency Projections are reasonable. In my opinion, the projections are based on reasonable actuarial estimates, assumptions and methods that (other than projected industry activity and contributions as otherwise specified) offer my best estimate of anticipated experience under the Plan.



**Susan L. Boyle, FSA, FCA, MAAA**

**EA#** 20-06862

**Title** Senior Vice President and Actuary

### **Certificate Contents**

<b>Exhibit I</b>	Status Determination as of January 1, 2021
<b>Exhibit II</b>	Summary of Actuarial Valuation Projections
<b>Exhibit III</b>	Funding Standard Account Projection
<b>Exhibit IV</b>	Funding Standard Account – Projected Bases Assumed Established After January 1, 2020
<b>Exhibit V</b>	Solvency Projection
<b>Exhibit VI</b>	Actuarial Assumptions and Methodology

# Actuarial Status Certification under IRC Section 432

## Exhibit I

### Status Determination as of January 1, 2021

Status	Condition	Component Result	Final Result
<b>Critical Status:</b>			
<b>I. Initial critical status tests:</b>			
C1.	A funding deficiency is projected in four years?	Yes	Yes
C2.	(a) A funding deficiency is projected in five years,	Yes	
	(b) AND the present value of vested benefits for non-actives is more than present value of vested benefits for actives,	Yes	
	(c) AND the normal cost plus interest on unfunded actuarial accrued liability (unit credit basis) is greater than contributions for current year?	Yes	Yes
C3.	(a) A funding deficiency is projected in five years,	Yes	
	(b) AND the funded percentage is less than 65%?	Yes	Yes
C4.	(a) The funded percentage is less than 65%,	Yes	
	(b) AND the present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over seven years?	No	No
C5.	The present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over five years?	No	No
<b>II. In Critical Status? (If any of C1-C5 is Yes, then Yes)</b>			<b>Yes</b>
<b>VI. Determination of critical and declining status:</b>			
C6.	(a) Any of (C1) through (C5) are Yes?	Yes	Yes
	(b) AND EITHER Insolvency is projected within 15 years using assumptions described in Exhibit VI.B?	Yes	Yes
	(c) OR		
	(i) The ratio of inactives to actives is at least 2 to 1,	Yes	
	(ii) AND insolvency is projected within 20 years using assumptions described in Exhibit VI.B?	Yes	Yes
	(d) OR		
	(i) The funded percentage is less than 80%,	Yes	
	(ii) AND insolvency is projected within 20 years using assumptions described in Exhibit VI.B?	Yes	Yes
<b>In Critical and Declining Status?</b>			<b>Yes</b>

## Actuarial Status Certification under IRC Section 432

### Documentation Regarding Progress Under Rehabilitation Plan (Schedule MB, line 4c)

This certification notifies the IRS that the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan, based on the annual standards of the rehabilitation plan.

The Rehabilitation Plan states that the Fund will make adequate progress, to the extent reasonable based on financial markets activity and other relevant factors, toward enabling the Fund to forestall insolvency past 2028. Currently, a projected insolvency during 2033 meets this standard.

## Exhibit II

### Summary of Actuarial Valuation Projections

The actuarial factors as of January 1, 2021 (based on projections from the January 1, 2020 valuation certificate):

<b>I. Financial Information</b>			
1.	Market value of assets		\$1,648,616,482
2.	Actuarial value of assets		1,557,318,406
3.	Reasonably anticipated contributions		
a.	Upcoming year		12,039,738
b.	Present value for the next five years		48,718,338
c.	Present value for the next seven years		62,664,741
4.	Reasonably anticipated withdrawal liability payments		47,270,893
5.	Projected benefit payments		211,023,608
6.	Projected administrative expenses (beginning of year)		7,926,304
<b>II. Liabilities</b>			
1.	Present value of vested benefits for active participants		136,689,806
2.	Present value of vested benefits for non-active participants		2,745,239,914
3.	Total unit credit accrued liability		2,888,430,576
4.	Present value of payments	<b>Benefit Payments</b>	<b>Administrative Expenses</b>
a.	Next five years	\$934,308,544	\$36,764,235
b.	Next seven years	1,247,570,419	49,609,371
5.	Unit credit normal cost plus expenses		14,588,945
6.	Ratio of inactive participants to active participants		17.1558
<b>III. Funded Percentage (I.2)/(II.3)</b>			53.9%
<b>IV. Funding Standard Account</b>			
1.	Credit Balance/(funding deficiency) as of the end of prior year		(\$609,992,274)
2.	Years to projected funding deficiency		0
<b>V. Years to Projected Insolvency</b>			13

## Exhibit III Funding Standard Account Projection

The table below presents the Funding Standard Account Projection for the Plan Years beginning January 1.

	Year Beginning January 1,					
	2020	2021	2022	2023	2024	2025
1. Credit balance (BOY)	(\$550,883,410)	(\$609,992,274)	(\$744,884,338)	(\$877,154,056)	(\$1,016,565,375)	(\$1,123,073,284)
2. Interest on (1)	(35,807,422)	(39,649,498)	(48,417,482)	(57,015,014)	(66,076,749)	(72,999,763)
3. Normal cost	6,854,992	6,662,640	6,475,686	6,293,978	6,117,369	5,945,716
4. Administrative expenses	7,732,980	7,926,305	8,124,463	8,327,575	8,535,764	8,749,158
5. Net amortization charges	117,150,507	132,190,548	120,919,411	117,121,581	75,472,292	78,381,555
6. Interest on (3), (4) and (5)	8,563,001	9,540,667	8,808,771	8,563,304	5,858,153	6,049,968
7. Expected contributions	113,615,249	59,310,631	58,726,534	56,234,803	53,945,298	53,085,907
8. Interest on (7)	<u>3,384,789</u>	<u>1,766,963</u>	<u>1,749,561</u>	<u>1,675,329</u>	<u>1,607,120</u>	<u>1,581,517</u>
9. Credit balance (EOY): (1) + (2) – (3) – (4) – (5) – (6) + (7) + (8)	(\$609,992,274)	(\$744,884,338)	(\$877,154,056)	(\$1,016,565,375)	(\$1,123,073,284)	(\$1,240,532,020)
	2026	2027	2028	2029	2030	
1. Credit balance (BOY)	(\$1,240,532,020)	(\$1,362,830,420)	(\$1,475,344,446)	(\$1,572,346,792)	(\$1,676,161,027)	
2. Interest on (1)	(80,634,581)	(88,583,977)	(95,897,389)	(102,202,541)	(108,950,467)	
3. Normal cost	5,778,879	5,616,724	5,459,119	5,305,936	5,157,051	
4. Administrative expenses	8,967,887	9,192,084	9,421,886	9,657,433	9,898,869	
5. Net amortization charges	74,502,762	57,417,867	35,618,203	35,728,370	34,434,165	
6. Interest on (3), (4) and (5)	5,801,219	4,694,734	3,282,449	3,294,963	3,216,856	
7. Expected contributions	51,842,456	51,458,330	51,152,774	50,859,810	50,121,346	
8. Interest on (7)	<u>1,544,473</u>	<u>1,533,030</u>	<u>1,523,926</u>	<u>1,515,199</u>	<u>1,493,198</u>	
9. Credit balance (EOY): (1) + (2) – (3) – (4) – (5) – (6) + (7) + (8)	(\$1,362,830,420)	(\$1,475,344,446)	(\$1,572,346,792)	(\$1,676,161,027)	(\$1,786,203,890)	

## Exhibit IV

### Funding Standard Account – Projected Bases Assumed Established after January 1, 2020

#### Schedule of Funding Standard Account Bases

Type of Base	Date Established	Base Established	Amortization Period	Amortization Payment
Actuarial gain	1/1/2021	(\$42,711,431)	15	(\$4,265,239)
Actuarial gain	1/1/2022	(37,693,016)	15	(3,764,091)
Actuarial gain	1/1/2023	(5,746,689)	15	(573,874)
Actuarial gain	1/1/2024	(46,488,945)	15	(4,642,468)
Actuarial gain	1/1/2025	(15,891,879)	15	(1,586,991)



## Exhibit V Solvency Projection

The table below presents the projected Market Value of Assets for the Plan Years beginning January 1, 2020 through 2033.

	Year Beginning January 1,						
	2020	2021	2022	2023	2024	2025	2026
1. Market Value at beginning of year	\$1,579,161,376	\$1,648,616,482	\$1,574,381,431	\$1,491,947,070	\$1,398,677,752	\$1,297,429,123	\$1,186,311,972
2. Contributions	12,550,981	12,039,738	11,679,711	11,330,273	10,991,424	10,663,163	10,341,962
3. Withdrawal liability payments <sup>1</sup>	102,690,143	47,270,893	47,046,823	44,904,530	42,953,874	42,422,744	41,500,494
4. Benefit payments	209,463,910	211,023,608	214,235,376	217,664,382	221,092,881	223,942,305	226,681,827
5. Administrative expenses	9,360,025	8,200,000	8,405,000	8,615,125	8,830,503	9,051,266	9,277,548
6. Interest earnings	<u>173,037,917</u>	<u>85,677,926</u>	<u>81,479,481</u>	<u>76,775,386</u>	<u>74,729,457</u>	<u>68,790,513</u>	<u>62,277,287</u>
7. Market Value at end of year: (1)+(2)+(3)-(4)-(5)+(6)	\$1,648,616,482	\$1,574,381,431	\$1,491,947,070	\$1,398,677,752	\$1,297,429,123	\$1,186,311,972	\$1,064,472,340
	2027	2028	2029	2030	2031	2032	2033
1. Market Value at beginning of year	\$1,064,472,340	\$932,777,616	\$791,424,505	\$642,393,430	\$483,616,887	\$315,368,155	\$137,467,393
2. Contributions	10,031,351	9,731,328	9,438,364	9,155,990	8,880,675	8,615,949	8,358,282
3. Withdrawal liability payments	41,426,979	41,421,446	41,421,446	40,965,356	40,322,540	39,208,804	38,757,596
4. Benefit payments	228,831,941	230,314,176	231,004,813	230,799,745	229,578,670	227,516,863	224,346,535
5. Administrative expenses	9,509,487	9,747,224	9,990,905	10,240,678	10,496,695	10,759,112	11,028,090
6. Interest earnings	<u>55,188,374</u>	<u>47,555,515</u>	<u>41,104,833</u>	<u>32,142,534</u>	<u>22,623,418</u>	<u>12,550,460</u>	<u>0</u>
7. Market Value at end of year: (1)+(2)+(3)-(4)-(5)+(6)	\$932,777,616	\$791,424,505	\$642,393,430	\$483,616,887	\$315,368,155	\$137,467,393	\$0

<sup>1</sup>Includes funding deficiency payments and other income for 2020

## Exhibit VI

### Actuarial Assumptions and Methodology

The actuarial assumptions and plan of benefits are as used in the January 1, 2020 actuarial valuation certificate, dated February 1, 2021, except as specifically described below. We also assumed that experience would emerge as projected, except as described below. The calculations are based on a current understanding of the requirements of ERISA Section 305 and IRC Section 432.

#### A. Actuarial Assumptions and Plan Provisions except as Modified by Section B

<b>Asset Information:</b>	<p>The financial information as of December 31, 2020 was based on an unaudited financial statement provided by the Fund Administrator.</p> <p>For projections after that date, the assumed administrative expenses were increased by 2.5% per year and the benefit payments were projected based on the January 1, 2020 actuarial valuation. The projected net investment return was assumed to be 6.5% of the average market value of assets for the 2021 - 2030 Plan Years. Any resulting investment gains or losses due to the operation of the asset valuation method are amortized over 15 years in the Funding Standard Account.</p>
<b>Projected Industry Activity:</b>	<p>As required by Internal Revenue Code Section 432, assumptions with respect to projected industry activity are based on information provided by the plan sponsor. Based on this information, the number of active participants is assumed to decline based on known employer withdrawals and by 3% per year thereafter and, on the average, contributions will be made for each active for 2,200 hours each year.</p> <p>In addition to projections of industry activity directly linked to the level of ongoing employment, these determinations also project the following contribution amounts derived from withdrawal liability assessments, as shown in Exhibit V.</p>
<b>Future Normal Costs:</b>	<p>Based on the assumed industry activity and the unit credit cost method, we have assumed that the Normal Cost will increase by 0.2% per year due to projected mortality improvement. Total normal cost is also adjusted in accordance with the industry activity assumption.</p>

#### B. Assumptions for Insolvency Projections

Assumptions for this purpose are the same as shown in Section A with the following exceptions:

For projections after December 31, 2020, the projected net investment return was assumed to be 5.50% of the average market value of assets for 2021-2023, 5.75% for 2024-2028, and 6.00% for 2029-2033.

**PACE INDUSTRY UNION-MANAGEMENT  
PENSION FUND**

**AMENDED AND RESTATED  
AGREEMENT AND DECLARATION OF TRUST**

**Effective as of May 1, 2022**

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**PACE INDUSTRY UNION-MANAGEMENT  
PENSION FUND**

**AMENDED AND RESTATED  
AGREEMENT AND DECLARATION OF TRUST**

**THIS AMENDED AND RESTATED AGREEMENT AND DECLARATION OF TRUST** is made and entered into effective as of May 1, 2022 by and among the undersigned Trustees.

**WHEREAS**, the various employers and the Locals of the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (“USW”) and its predecessors have entered and will enter in the future into collective bargaining agreements that provide, among other things, for contributions by Employers to a trust fund for the purpose of providing pension and related benefits to Employees;

**WHEREAS**, to provide such benefits, the Paper Industry Union-Management Pension Fund, now known as the PACE Industry Union-Management Pension Fund (the “Fund”) was established pursuant to an Agreement and Declaration of Trust dated January 1, 1963 (“Trust Agreement”), as from time to time amended, to provide pension and related benefits to employees working under collective bargaining agreements between the United Paperworkers International Union and the Oil, Chemical and Atomic Workers International Union (the “Paperworkers Union”) and various employers; and

**WHEREAS**, effective January 4, 1999, the Paperworkers Union and the Oil, Chemical and Atomic Workers International Union merged to form the PACE International Union (“PACE”), and effective April 14, 2005, the PACE International Union and United Steelworkers merged to form the USW; and

**WHEREAS**, the Board of Trustees now desire to amend and restate the Trust Agreement to incorporate, *inter alia*, various amendments made since it was last amended and restated and other modifications it desires in its settlor capacity;

**NOW, THEREFORE**, it is agreed that the Agreement and Declaration of Trust is hereby amended and restated to read as follows:

## ARTICLE 1 DEFINITIONS

Whenever used in this Agreement, unless the context otherwise requires, the following words shall have the respective meanings set forth below:

1.1. Agreement or Trust Agreement. The term “Agreement” or “Trust Agreement” means this Amended and Restated Agreement and Declaration of Trust, as amended from time to time, which establishes the funding vehicle for the Plan for the benefit of Participants and their Beneficiaries, and sets forth the respective rights, obligations, and responsibilities of the Board of Trustees.

1.2. Beneficiary. The term “Beneficiary” means a person designated by a Participant, or by the terms of the Plan, who is or may become entitled to a benefit thereunder.

1.3. Code. The term “Code” means the Internal Revenue Code of 1986, as amended from time to time.

1.4. Collective Bargaining Agreement. The term “Collective Bargaining Agreement” means an agreement or agreements between an Employer and (1) the Union, or (2) a union other than the Union, or (3) a Local, requiring Contributions to the Fund.

1.5. Contributions. The term “Contributions” means the money paid or payable into the Trust pursuant to the terms of a Collective Bargaining Agreement, Participation Agreement, or other legal obligation.

1.6. Employee or Employees. The term “Employee” or “Employees” means:

(a) any person covered by a Collective Bargaining Agreement and a Participation Agreement that has been approved or accepted by the Board of Trustees, and who is engaged in employment with respect to which the Employer is obligated to make Contributions to the Trust;

(b) if admitted to participation by the Trustees, any employee of the Union or a Local, covered by a Participation Agreement and who is engaged in employment with respect to which the Union or a Local is obligated to make Contributions to the Trust;

(c) if admitted to participation by the Trustees, any employee employed by an Employer described in Article 1, Sections 7(a) and 7(c), who is covered by a Participation Agreement that requires Contributions to the Trust for all such employees.

1.7. Employer or Employers. The term “Employer” or “Employers” means:

(a) any employer that has signed a Collective Bargaining Agreement with the Union or a Local (and any amendments thereto and renewals thereof) that has been approved or accepted by the Board of Trustees, and a Participation Agreement, obligating

said employer to be bound by this Agreement and the actions of the Board of Trustees and requiring Contributions to be made to the Trust.

(b) the Union or a Local, if such organization has executed a Participation Agreement with the Fund calling for Contributions to the Trust and has been accepted for participation by the Board of Trustees. Notwithstanding this subsection, the Union and Local(s) shall not participate in the selection or replacement of Employer Trustees or vote as an Employer in any matter.

(c) any employer that has signed a Collective Bargaining Agreement with a union other than the Union (and any amendments thereto and renewals thereof) that has been approved or accepted by the Board of Trustees, and a Participation Agreement, obligating said employer to be bound by this Agreement and the actions of the Board of Trustees and requiring Contributions to be made to the Trust. Notwithstanding this subsection, an employer admitted for participation in the Fund pursuant to only this Section 7(c) shall not participate in the selection or replacement of Employer Trustees or vote as an Employer in any matter.

An Employer shall be bound by the provisions of this Agreement. An Employer that ceases to be an Employer shall continue to be subject to the provisions of this Agreement to the extent necessary to give effect to any obligations relating to its status as an Employer.

1.8. ERISA. The term “ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time.

1.9. Fund. The term “Fund” means the PACE Industry Union-Management Pension Fund.

1.10. Local. The term “Local(s)” or “Local Union (s)” means a local union of the USW or other union.

1.11. Named Fiduciary. The term “Named Fiduciary” means the Board of Trustees of the Fund. In addition, any person or entity specifically appointed by the Board of Trustees in a resolution signed by at least one Union Trustee and one Employer Trustee designating that person’s or entity’s authority and responsibility as a Named Fiduciary shall be a Named Fiduciary if such person or entity accepts such appointment in writing.

1.12. Participant. The term “Participant” means “participant” as defined in the Plan.

1.13. Participation Agreement. The term “Participation Agreement” means an agreement acceptable to the Board of Trustees that evidences the obligation of the signatory thereto to be bound by this Agreement and the actions of the Board of Trustees, and to make Contributions into the Trust.

1.14. Plan. The term “Plan” means the rules and regulations of the Fund established and maintained pursuant to this Agreement, as amended from time to time.

1.15. Trust. The term “Trust” means the assets of the Fund and shall include all property and interests in property held by the Trustees from time to time under this Trust Agreement.

1.16. Trustees, Board of Trustees, or Board. The term “Trustees” or “Board of Trustees” means collectively the individual Employer Trustees and the individual Union Trustees.

(a) The term “Employer Trustee” means a Trustee appointed by the Employer Trustees as described in Section 3.5.

(b) The term “Union Trustee” means a Trustee appointed by the Union as described in Section 3.5.

1.17. Union. The term “Union” as used herein shall mean the USW and any successor by combination, consolidation, or merger.



**ARTICLE 2**  
**NAME AND PURPOSE OF FUND**

2.1. There is hereby established a Trust to be known as the PACE Industry Union-Management Pension Fund.

2.2. The purpose of this Trust shall be to provide pension and related benefits to Employees and their Beneficiaries in the amounts and under the conditions as specified in the Plan, in accordance with applicable law.

2.3. It is the intent that this Agreement and the Plan, to the extent permitted by applicable law, be administered and operated as a multiemployer plan.

**ARTICLE 3  
TRUSTEES**

3.1. The Fund shall be administered by the Board of Trustees, which shall consist of up to six (6) Trustees, half of whom (absent a vacancy) represent Employers (“Employer Trustees”), and half of whom (absent a vacancy) represent the Union (“Union Trustees”). The Employer Trustees and the Union Trustees shall have equal voting power regardless of the number of Employer Trustees and Union Trustees.

3.2. As of the execution of this Agreement the following have been designated as the Trustees:

Union Trustees

John E. Shinn  
Michael Bolton  
Mark Rhodes

Employer Trustees

Lee Eglund

3.3. Each Trustee shall consent to and accept the appointment as Trustee in writing.

3.4. Each Trustee shall continue to serve until the Trustee’s death, incapacity, resignation, or removal as hereinafter provided.

3.5. If any Union Trustee is disqualified, dies, becomes incapable of acting hereunder, resigns, or is removed as hereinafter provided, a successor Union Trustee shall be appointed by the Union, acting through its International President. If any Employer Trustee is disqualified, dies, becomes incapable of acting hereunder, resigns, or is removed as hereinafter provided, a successor Employer Trustee shall be appointed by the remaining Employer Trustees.

3.6. A Trustee must give thirty (30) days prior written notice of a resignation to the Fund office and to the remaining Trustees, unless the remaining Trustees unanimously agree to allow shorter notice.

3.7. Any Employer Trustee may be removed by a written notice of removal signed on behalf of a majority of the Employer Trustees and sent to the Trustee being removed, the Fund office, and the remaining Trustees. Any Union Trustee may be removed by a written notice of removal signed by the Union’s International President and sent to the Trustee being removed, the Fund office, and the remaining Trustees. Such notice of removal shall not become effective unless it contains the name, and written acceptance, of the person designated to fill the vacancy created by the removal.

3.8. In the event of a removal and/or continued Trustee vacancy for any reason for ninety (90) days, the Board of Trustees may petition a presiding judge of the United States District Court of the district where the Fund maintains its principal office for appointment of a successor Trustee.

3.9. Any Trustee shall, immediately upon appointment as Trustee and upon acceptance of the Trustee's appointment in writing, become vested with all the property, writings, powers and duties of a Trustee hereunder, and, if necessary, notice of the appointment of the successor Trustee shall be given to any bank used as a depository for the Trust, as well as to any other institution or person holding any of the Trust.

3.10. Pending appointment of a successor Trustee in accordance with this Article, subject to the provisions of Article 4, no vacancy in the Board of Trustees shall impair the power of the remaining Trustees to administer the Trust and the Plan.

3.11. The Trustees may decide from time to time and in accordance with applicable law to pay reasonable compensation to a Trustee who is not receiving full-time pay from an Employer or association of Employers or from a Local Union or the Union; provided that such Trustee does not participate in any decisions with respect to the fact or amount of compensation. Except as provided in the foregoing sentence, the Trustees shall receive no compensation for their services, but may, at the discretion of the Board of Trustees, be paid in advance, or be reimbursed, from the Trust for all reasonable and necessary expenses which they are about to incur, in the performance of their duties. In the case of a Trustee who is not receiving full-time pay from an Employer or association of Employers or from a Local Union or the Union, such reimbursed expenses may include wages lost as a result of the performance of such duties.

**ARTICLE 4**  
**ORGANIZATION AND OPERATION OF THE**  
**BOARD OF TRUSTEES**

4.1. Meetings.

(a) The Board of Trustees shall meet whenever necessary to administer the Trust and Plan. There shall be at least one (1) regular meeting of the Board of Trustees per calendar year, which may but is not required to be in person.

(b) Any meeting of the Board of Trustees may be called by the Chair and Secretary, or by at least 50% of all of the Trustees upon the giving of at least ten (10) days' written notice of the time and place of such meeting to the other Trustees. Meetings of Trustees may be held at any time without notice if all the Trustees consent thereto.

(c) Any Trustee may participate in a meeting of the Board of Trustees by means of a conference telephone or similar communication equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

4.2. Chair and Secretary. The Trustees shall designate one of their number to act as Chair and one to act as Secretary. If the Chair is an Employer Trustee the Secretary shall be a Union Trustee, and vice versa. These officers may be alternated annually based on a calendar year between Employer and Union Trustees if voted by the Trustees. The Secretary shall be responsible for determining that accurate records of all actions of the Trustees, including minutes for all Trustees' meeting, are maintained. A copy of such minutes shall be retained as a record of the Plan and one copy thereof shall be distributed to each Trustee.

4.3. Quorum. In all meetings of the Trustees a quorum for the transaction of business shall consist of at least two (2) Trustees present in person or by written proxy, provided there is at least one (1) Employer Trustee and at least one (1) Union Trustee. A quorum of the Board shall entitle the Board to act as the Named Fiduciary under ERISA.

4.4. Decisions of Trustees. Decisions of the Trustees at a meeting shall be made by the concurring votes of the Union Trustees voting as a group, and of the Employer Trustees voting as a group. A majority vote of the Union Trustees, or of the Employer Trustees, as the case may be, shall be deemed to be the vote of that group. Such concurring vote shall govern not only this article but any portion of this Agreement that refers to action by the Trustees. In the event a group is unable to obtain a majority vote by reason of the absence of a Trustee of such group, the vote of such absent Trustee may be obtained by means of a telephone conference call between the absent Trustee and the Trustees present. In the event that any matter presented for decision cannot be decided because of a tie vote between the two groups of Trustees, or because of the lack of a quorum at two successive meetings duly called, either the Employer or Union Trustees may apply to the American Arbitration Association in the area in which the Fund maintains its principal office for the designation of an arbitrator who will decide any disputes among the Trustees or any other matters submitted to arbitration in accordance with the provisions of this Section 4.4. The cost

and expense incidental to any arbitration proceeding, including the fee, if any, of the impartial arbitrator, shall be a proper charge against the Fund and the Trustees are authorized to pay such charges. The decision of the arbitrator will be final and binding.

4.5. Proxies. Any Union or Employer Trustee may, by written authorization, empower any other Union or Employer Trustee, as the case may be, to act on his behalf and to use his name for execution or signature of any document for the purposes of administering the Trust and Plan.

4.6. Signatures. Except as hereinafter provided, in any instrument in writing executed by the Trustees, the Trust and the Trustees shall be bound by the signature of any two (2) Trustees, provided that one of such signing Trustees shall be an Employer Trustee and one a Union Trustee, and all persons, firms, corporations or associations dealing with the Trust shall be entitled to rely upon such signatures as being authorization to bind the Trust and Trustees.

4.7. Actions Without a Meeting. If the circumstances require it, action may be taken by the Trustees without a meeting provided, however, that in such cases there be unanimous written approval by all of the Trustees then in office of the action to be taken. For purposes of the preceding sentence, the abstention of a Trustee due to a conflict of interest shall not prevent a determination that the vote is unanimous.

**ARTICLE 5  
MANAGEMENT AND ADMINISTRATION OF THE  
TRUST AND PLAN**

5.1. The Board of Trustees shall have the power and authority to (i) interpret, apply, construe and amend the provisions of this Agreement and the Plan, and make factual determinations regarding its construction, interpretation and application, and any construction, interpretation and application adopted by the Trustees in good faith shall be afforded the maximum deference permitted by law and be binding upon the Union, the Locals, the Employer, as well as upon Employees, Beneficiaries and all other persons who may be involved or affected, and (ii) administer the Trust and Plan, and perform all acts, including those not specifically provided for in this Agreement, deemed necessary by the Board of Trustees to exercise and enforce all rights of the Trust and Plan, and to carry out their purposes. The power and authority granted under this Trust Agreement shall be vested exclusively with the Board of Trustees, except the Board of Trustees shall have the power to delegate fiduciary responsibilities to an independent fiduciary or to specified Trustees, provided such Trustees shall equally represent the Union and Employer Trustees; and to designate persons other than the Trustees to carry out fiduciary responsibilities as provided in this Agreement.

5.2. The Board of Trustees is authorized to:

(a) delegate custody of all or a portion of the Trust. Such custodian shall hold the Trust as directed in writing by the Board of Trustees. It is contemplated that assets of the Trust may be deposited in funds or accounts described in Section 408(b)(4) and Section 408(b)(8) of ERISA. Such custodian shall receive such reasonable compensation, chargeable against the Trust, as shall be agreed to by the Board of Trustees;

(b) retain an investment agent or advisor, whether it be a bank or trust company or a corporation or an individual, to counsel and advise the Board of Trustees in all matters relating to investments and reinvestments, and to manage such investments. The Board of Trustees, as the Named Fiduciary of the Trust and Plan, may enter into a contract with an investment manager as defined by Section 3(38) of ERISA, in a manner consistent with said Section 3(38), for the professional management of the Trust. It is contemplated that assets of the Trust may be deposited in funds or accounts described in Section 408(b)(4) and Section 408(b)(8) of ERISA. Such investment agent or manager shall receive such reasonable compensation, chargeable against the Trust, as shall be agreed to by the Board of Trustees;

(c) appoint a bank, trust company, insurance company or other financial institution as co-trustee ("Corporate Trustee"), and to enter into a contract with such Corporate Trustee to delegate all or part of the authority of the Board of Trustees with respect to the proper management of the Trust. The Board of Trustees may convey and transfer to the Corporate Trustee all or part of the Trust. It is contemplated that assets of the Trust may be deposited in funds or accounts described in Section 408(b)(4) and Section 408(b)(8) of ERISA. Such Corporate Trustee shall receive such reasonable compensation, chargeable against the Trust, as shall be agreed to by the Board of Trustees;

- (d) delegate certain duties to a professional administrative manager; and
- (e) delegate any administrative duties to any agent or employee of the Board of Trustees.

5.3. The Board of Trustees shall have power to interpret, apply, construe and amend the provisions of this Agreement and the Plan, and make factual determinations regarding its construction, interpretation and application, and any construction, interpretation and application adopted by the Trustees in good faith shall be afforded the maximum deference permitted by law and be binding upon the Union, the Locals, the Employer, as well as upon Employees, Beneficiaries and all other persons who may be involved or affected.

The Board of Trustees shall have full and complete authority and control over the Trust and the Plan. In operating and administering the Trust and Plan, the powers and/or duties of the Board of Trustees, or its designee, shall include, but not be limited to, the following:

(a) to administer this Agreement and Plan for the exclusive benefit of the Participants and Beneficiaries;

(b) to establish the policy and the rules pursuant to which this Agreement and Plan are to be operated and administered, including rules relating to the collection of Contributions and other payments, and amend such from time to time as necessary or appropriate;

(c) to formulate and establish the conditions of eligibility with respect to the provisions and payment of benefits and formulate all other provisions, including all details pertaining to insurance policies or contracts if they are part of the Plan, which may be required or necessary in order to carry out the intent and purpose of this Agreement and Plan, and amend them from time to time, as necessary or appropriate. The Plan shall be such as will qualify for approval by the Internal Revenue Service, and will continue as a qualified plan, so as to ensure that the employer Contributions to the Fund are proper deductions for income tax purposes;

(d) to provide for payment of benefits to persons eligible to receive benefits as determined by the Board of Trustees under the procedures contained in this Agreement, the Plan and any rules promulgated by the Board of Trustees;

(e) to adopt a claims and appeals procedure granting a Participant and his Beneficiary the right to be informed of the Board of Trustees' decision regarding payment of his benefit, and the right to know the reasons for any denial of a benefit;

(f) to receive and collect all Contributions and other amounts due to and payable to the Trust. In so doing, the Board of Trustees, in its sole discretion, shall have the right to maintain any and all actions and legal proceedings necessary for the collection of the Contributions or payments provided for and required and the right to prosecute, defend,

compromise, settle, abandon, or adjust, by arbitration or otherwise, any such actions, suits, proceedings, disputes, claims, details and things. The Board of Trustees has the power and authority to pay and provide for the payment of all reasonable and necessary expenses of collecting the Contributions or payments and the power and authority to establish rules and regulations setting forth the method of collection of Contributions and payments and when such matters should be settled or compromised;

(g) to invest and reinvest all or part of the principal and income of the Trust and keep the same invested, with or without distinction between principal and income, as the Board of Trustees or such other persons as may be properly designated hereunder shall determine, in such securities or in such property, real or personal, or share or part thereof, or part interest therein, wherever situated, as the Board of Trustees shall deem advisable, including, but not limited to, governmental, corporate or personal obligations, shares of stock, common or preferred, whether or not listed on any exchange, participation in mutual investment funds, bonds and mortgages, and other evidences of indebtedness or ownership, including stocks, bonds or other obligations, secured by personal property. To the extent permitted by ERISA, the Trustees are authorized to invest assets of the Trust in deposits described in Section 408(b)(4) of ERISA, and in common or collective trust funds or pooled investment funds, including but not limited to those described in Section 408(b)(8) of ERISA. Investments and reinvestments may be made in such investments as would be made by a person with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims, even though such investments may not be legal for trust funds under any state law or the law of the District of Columbia;

(h) to purchase insurance or enter into contracts, and to retain, administer, surrender or assign any such insurance or contracts and to pay the premiums thereon and to exercise all of the rights, provisions and options in any such insurance policies or contracts;

(i) to sell, convey, transfer, exchange, partition, lease for any term, mortgage, pledge or otherwise dispose of any and all property, real or personal or to grant options with respect to any property held by the Board of Trustees. Any sale, option or other disposition of property may be at such time and on such terms as the Board of Trustees sees fit. Any sale, option or other disposition of property may be made for cash or upon credit, or partly in cash and partly on credit. No person dealing with the Board of Trustees shall be bound to see to the application of the purchase money or to inquire into the validity, expedience or propriety of any such sale, option, or other disposition;

(j) to receive, hold, manage, invest, reinvest, improve, repair and control all monies and property, real or personal, at any time forming part of the Trust;

(k) to purchase and sell contracts or other properties through such broker or brokers as the Board of Trustees may choose;

(l) to vote or refrain from voting upon any stocks, bonds or other securities; to give general or special proxies or powers of attorneys with or without power of substitution; to



appoint one or more individuals or corporations as voting trustees under voting trust agreements and pursuant to such voting agreements to delegate to such voting trustees discretion to vote; to exercise any conversion privileges, subscription rights or other options, and to make any payments incidental thereto; to oppose, or to consent to, or otherwise participate in, corporate reorganizations or other changes affecting corporate securities, and to pay any assessments or charges in connection therewith; and generally to exercise any of the powers of an owner with respect to property held as part of the Trust;

(m) to cause any securities or other property to be registered in the name of the Fund, the Board of Trustees, a custodian or in the name of a nominee without designating the same as Trust property, and to hold any investments in bearer form or otherwise in such form that title passes by delivery, but the books and records of the Board of Trustees shall at all times show that all such investments are part of the Trust;

(n) to deposit any funds received by the Trust in such bank or banks or savings institutions as the Board of Trustees may designate for that purpose; provided, however, that the depository bank or banks or savings institution shall be members of or insured by the Federal Deposit Insurance Corporation or other federal deposit insurance program. Such deposits may be made in interest bearing or non-interest-bearing accounts. The withdrawing of funds from the designated depository bank or banks or savings institutions except for transfers between depositories, shall be made only by check or other withdrawal form signed manually or by facsimile by at least two (2) Trustees, one (1) of whom shall be a Union Trustee and one (1) of whom shall be an Employer Trustee; provided, however, that the Trustees may delegate authority to sign checks to one or more employees of the Fund;

(o) to borrow or raise money for the purposes of the Fund in such amount, and upon such terms and conditions as the Board of Trustees shall deem advisable; and for any sums borrowed to issue a promissory note of the Fund, and if the Board of Trustees so decides to secure the repayment thereof by creating a security interest in all or any part of the Trust; and no person lending such money shall be obligated to see that the money lent is applied to Fund purposes or to inquire into the validity, expedience or propriety of any such borrowing;

(p) to reserve and keep unproductive such amount of the Trust as the Board of Trustees may determine to be advisable, without liability for interest on such amounts;

(q) to make, execute, acknowledge and deliver any and all documents of transfer and conveyance, including but not limited to, deeds, leases, mortgages, conveyances, contracts, waivers and releases, and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted. In exercising the Board of Trustees' authority to enter into such documents, instruments, contracts and agreements, any two (2) Trustees, one (1) of whom is an Employer Trustee, and one (1) of whom is a Union Trustee, shall have authority to execute such documents, instruments, contracts or agreements on behalf of the Board of Trustees, binding the Fund, pursuant to a resolution of the Board of Trustees authorizing such execution;

(r) to renew or extend or participate in the renewal or extension of any mortgage, upon such terms as may be deemed advisable, and to agree to a reduction in the rate of interest on any mortgage or to any other modification or change in the terms of any mortgage, or of any guarantee pertaining thereto, in any manner and to any extent that may be deemed advisable for the protection of the Trust or the preservation of any covenant or conditions of any mortgage, or in the performance of any guarantee or to enforce any such default in such manner and to such extent as may be deemed advisable; to exercise and enforce any and all rights of foreclosure, to bind in property on foreclosure, to take a deed in lieu of foreclosure with or without paying any consideration therefore, and in connection therewith to release the obligation on the bond secured by such mortgage and to exercise and enforce in any action, suit or proceeding at law or in equity any rights or remedies in respect of any such mortgage or guarantee;

(s) to employ, pay and provide for the payment of all reasonable expenses which may be incurred in connection with the establishment and operation of the Fund, such as, but not necessarily limited to, expenses for the employment of administrative, legal, expert and clerical assistance, actuarial or other consulting services, the purchase or lease of premises to be used and occupied by the Fund, and expenses of any meetings of the Board of Trustees, the purchase or the lease of such materials, supplies and equipment as the Board of Trustees, in its discretion, finds necessary or appropriate in the exercising of their rights and duties as Trustees, the costs of any arbitration, if required, and the costs and expenses or attendance by the Trustees, or any member of the staff of the Fund at any educational conference, seminar or other meeting, when deemed by the Board of Trustees, in its discretion, to be for the benefit of the Fund;

(t) to form a corporation under the laws of any jurisdiction, to participate in the forming of any such corporation or acquire an interest in or otherwise make use of any corporation already formed, for the purpose of investing in and holding title to any property;

(u) to keep true and accurate books of account and records of all of the transactions of the Fund, including at least an annual valuation of the assets and liabilities of the Trust, unless such annual valuation is omitted for one or more years upon the specific authorization of the Board of Trustees, and to have an audit made of all books and records by a certified public accountant which shall be made available to the Employers, the Union, and to a Local Union, if requested in writing, and also placed in the office of the Fund.

(v) to determine from time to time to what extent, subject to applicable law, at what times and places and under what conditions and regulations the books of the Fund shall be open for inspection; and no Employer or representative of or member of the Union shall have any right to inspect any book or document of the Fund except in accordance with such conditions and regulations, if any, as may be so prescribed from time to time by the Board of Trustees, or except as required by any applicable law;

(w) to establish and carry out a funding policy consistent with the purposes of the Fund and the requirements of applicable law, as may be appropriate from time to time;

(x) to submit this Agreement and the Plan, and any amendments to either, for approval to the United States Treasury Department, Commissioner of Internal Revenue, so that it may be ruled to be qualified and exempt from taxation under the provisions of the Internal Revenue Code, as they exist or may be amended, and if possible permit the Employer's Contributions to be deductible for tax purposes; to make whatever changes are, or may at any time be or become, necessary in this Agreement or in the Plan, in order to receive and retain such approval of the Commissioner of Internal Revenue;

(y) to admit to participation in this Fund any Employer that signs a Participation Agreement with the Board of Trustees obligating said Employer to make payments to the Fund;

(z) to determine that an Employer that is delinquent in Contributions or reports to the Fund, or that fails to execute a Participation Agreement, ceases to be an Employer;

(aa) to construe the terms and provisions of this Agreement, the Plan and all other supplementary rules or regulations. The construction adopted by the Board of Trustees in good faith shall be binding upon the Employers, the Union, the Participants and Beneficiaries and all other persons who may be involved or affected;

(bb) to merge the Trust and Plan with a similar plan, trust or trust fund or to transfer assets and/or liabilities to, or receive from, such a trust and plan, if such merger or transfer does not result in the loss of the tax-exempt status of the Trust;

(cc) to prepare, execute, file and retain a copy for the Fund records, all reports required by law or deemed by the Board of Trustees to be necessary or appropriate for the proper administration and operation of the Fund;

(dd) to prosecute, defend, compromise, settle, abandon or adjust, any suits, proceedings, arbitrations, disputes or claims;

(ee) to procure and maintain at the expense of the Fund such bonds as are required by law, together with such additional bonding coverage as the Board of Trustees may determine, for the Board of Trustees, employees of the Fund, any agents acting on behalf of or retained by the Board of Trustees, and persons to whom fiduciary responsibilities have been delegated;

(ff) to continue to have and to exercise after the termination of the Fund and until final distribution, all of the title, powers, discretion, rights and duties conferred or imposed upon the Trustees hereunder, or by law;

(gg) to perform and do any and all such actions and things that may be properly incidental to the exercising of the powers, rights, duties and responsibilities of the Board of Trustees; and

(hh) to appoint any person or entity as a Named Fiduciary by a resolution signed by at least one Union Trustee and one Employer Trustee designating that person's or entity's authority and responsibility as a Named Fiduciary if such person or entity accepts such appointment in writing.

**ARTICLE 6**  
**EMPLOYER LEGAL OBLIGATIONS AND LIABILITIES**

6.1. Each Employer shall be responsible for providing notice to the Fund as required under any applicable law. Each Employer shall comply with any notification requirement by providing written notice to the appropriate individual to whom the Board of Trustees has delegated responsibility for the daily administration of the Fund. If the Board of Trustees has not so delegated administrative responsibility, the Employer shall comply with this notification requirement by providing written notification to a member of the Board of Trustees.

6.2. In the event an Employee becomes absent from a position of employment with an Employer and the Employee is entitled to benefit accrual and vesting credit under the Plan under any applicable law, the last Employer employing the Employee before the individual commences such absence shall be liable for making Contributions on behalf of such individual to the extent required by law.

6.3. In the event that an Employer fails to comply with the Contribution or notification requirements set forth herein, and as a result causes the Fund, in whole or in part, to be subject to liability, the Employer shall be liable for the payment of such liability. In the event that the Employer fails to pay such amount, the Employer shall indemnify and hold harmless the Fund for any and all losses resulting from the Employer's failure to pay such amounts.

6.4. In the event the Board of Trustees delegates responsibility for the administration of the Fund to a professional administrative manager, the Board of Trustees shall assign, and such professional administrative manager shall assume, all responsibility for complying with the notification and coverage requirements of the Plan under applicable law. In the event that such professional administrative manager fails to comply with any such requirements, and as a result causes the Fund, in whole or in part, to be subject to liability, the professional administrative manager shall be liable for the payment of such amounts. In the event that the professional administrative manager fails to pay such amount, the professional administrative manager shall indemnify and hold harmless the Fund for any and all losses resulting from the professional administrative manager's failure to pay such amount.

**ARTICLE 7**  
**LIABILITY OF TRUSTEES, PAYMENT OF EXPENSES**

7.1. A Trustee or the Board of Trustees shall be protected in acting in good faith upon any paper or document believed by a Trustee or the Board of Trustees to be genuine and believed to have been made, executed, or delivered. So long as a Trustee or the Board of Trustees commit no act of willful misconduct or gross negligence, a Trustee or the Board of Trustees shall not be held personally liable for any liability or debts contracted by them as Trustees, or for any actions or failure to act of themselves as Trustees or of any person acting for them as Trustees, to the fullest extent allowed under ERISA.

7.2. The Trustees shall not be liable for the proper application of any part of the Trust or for any other liability arising in connection with the administration or operation of the Trust and Plan, except as herein specifically provided, to the fullest extent allowed under ERISA.

7.3. The Board of Trustees may designate legal counsel for the Trust. The Trustees shall be fully protected in acting and relying upon the advice of such legal counsel in the administration or application of the Trust and Plan.

7.4. The Board of Trustees may seek protection by any act or proceeding that they may deem necessary in order to settle their accounts; the Board of Trustees may obtain a judicial determination or declaratory judgment as to any question of construction of the Agreement or Plan, or as to any act thereunder.

7.5. The Trust shall, in the absence of bad faith and gross negligence, hold Trustees harmless for their acts as Trustees to the fullest extent allowed under ERISA, as amended, to the extent they are not covered by insurance, or indemnified by their employer.

7.6. The costs and expenses of any action, suit or proceedings brought by or against any of the Trustees, which costs and expenses shall include counsel fees, shall be paid from the Trust, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that the Trustee was grossly negligent or was guilty of willful misconduct in the performance of such Trustee's duties, to the extent not covered by insurance. Such reimbursement shall be to the fullest extent allowed by law except that the Trust may not reimburse Trustees for expenses covered by insurance or reimbursed by any Trustee's employer.

7.7. The Board of Trustees or any Trustees shall not be bound by any notice, declaration, regulation, advice, or request unless and until it shall have been received by the Trustees.

7.8. No person, partnership, corporation or association dealing with the Board of Trustees shall be obligated to see to the application of any funds or property of the Trust or to see that the terms of this Agreement or the Plan have been complied with or be obligated to inquire into the necessity or expedience of any act of the Board of Trustees; and every instrument effected by the Board of Trustees shall be conclusive in favor of any person, partnership, corporation or association relying thereon that: (a) at the time of delivery of said instrument, this Agreement was in full force and effect, (b) the said instrument was effected in accordance with the terms and

conditions of this Agreement and the Plan, and (c) the Board of Trustees was duly authorized to execute such instrument.

7.9. The Trustees and all employees of the Fund that handle funds shall be bonded by a duly authorized surety company in an amount designated by the Board of Trustees, but not less than any amount required under any applicable law. The cost of the premiums of such bonds shall be paid out of the Trust.

## **ARTICLE 8 CONTRIBUTIONS TO THE TRUST**

8.1. The Contributions of the Employers shall be made in the amounts set forth in the applicable Collective Bargaining Agreement or Participation Agreement. The Union's or Local Union's Contributions, if any, for its Employees shall be in such amount as shall be agreed to in the written agreement signed by it. The Contributions by the Employers shall be made in accordance with this Agreement and the Plan, and any rules or regulations promulgated by the Board of Trustees in connection therewith.

8.2. The Contributions of an Employer shall be made as required by the applicable Collective Bargaining Agreement and shall continue to be paid as long as the Employer is so obligated pursuant to the Collective Bargaining Agreement or, upon expiration of the Collective Bargaining Agreement, until it is no longer under a duty to make such Contributions pursuant to an obligation arising under the National Labor Relations Act or until it ceases to be an Employer within the meaning of this Agreement as hereunder provided, whichever is later. The Trustees may enforce such Contribution obligation in a United States District Court.

8.3. The Board of Trustees may compel and enforce the payment of the Contributions due in any manner which it may deem proper, subject to any rules established by the Board of Trustees for collection of delinquent Contributions. However, the Board of Trustees shall not be required to compel and enforce the payments of Contributions, or to be personally or collectively responsible therefore, if, in the opinion of the Board of Trustees, the enforcement of the payment of Contributions would involve an expense greater to the Fund than the amount to be obtained from any effort to compel or enforce the payment of the Contributions.

8.4. Each Employer shall promptly furnish to the Board of Trustees on demand, any and all records relating to such Employer's Employees determined by the Board of Trustees to be needed to determine that appropriate Contributions are being made to the Fund. If an Employer refuses to provide such records, the Trustees may institute suit to compel a payroll audit, and the Employer will be liable for the attorneys' fees and costs of the suit.

8.5. The Board of Trustees shall have authority to retain an accountant or accounting firm to perform payroll audits of the Employers to determine whether the correct amount of Contributions were being made, or it may accept the results of audits performed by the Employers' independent certified public accountants.

8.6. The obligations assumed by each Employer hereunder shall be binding upon such Employer's successors and assigns.

8.7. The Board of Trustees may take any action necessary to enforce payment of the Contributions, including, but not limited to instituting proceedings at law or equity (and the expenditure for legal fees and costs), or they may, for good reason, in their sole discretion, refrain from taking any such action.



8.8. Nonpayment by an Employer of any Contributions when due shall not relieve any other Employer from the obligation to make Contributions. An Employer that does not pay Contributions when due shall be obligated to pay all of the following in addition to any penalties required under any applicable collective bargaining agreement or other contract:

- (a) the unpaid Contributions;
- (b) interest on the unpaid Contributions at such rates as the Trustees may fix from time to time or in particular cases;
- (c) an amount equal to the greater of --
  - (1) interest on the unpaid Contributions at the rate specified above; or
  - (2) liquidated damages of twenty percent (20%) of the amount of the unpaid Contributions;
- (d) reasonable fees and all costs, (including but not limited to attorneys' and accountants' fees) incurred:
  - (1) to determine, discover and collect delinquent Contributions,
  - (2) to obtain the information necessary to properly allocate, credit and record such Contributions as necessary to administer the Fund,
  - (3) to enforce the Trustees' right to audit the employer's payroll records,

shall be due to the Fund from the delinquent Employer, including, but not limited to, payroll audit fees incurred to verify that Contributions are properly made and reported to the Fund, any other fees incurred in determining, discovering and collecting Contributions from the Employer, arbitration fees, filing fees, arbitrator's fees, fees for service of process, travel, copying charges, postage, expert fees, and such other costs to determine, discover and collect any of the amounts described in (a) through (c); and

- (e) such other amounts as a court may award, in the situation in which the Fund institutes judicial proceedings to collect delinquent Contributions.

In addition, the Board of Trustees may require a bond or cash deposit as security for prompt future payments of Contributions in the event an Employer is, in the discretion of the Board of Trustees, habitually delinquent in paying Contributions to the Fund.

8.9. In the event an Employer mistakenly makes a Contribution or makes a Contribution in excess of that required and the Employer notifies the Fund of such overpayment, the Fund may reimburse the Employer within six months after the Trustees determine that a mistake occurred.

8.10. The Board of Trustees shall have the power to make rules establishing procedures for the collection of delinquent Contributions.

## ARTICLE 9 WITHDRAWAL LIABILITY

This Article sets forth rules and regulations of the Plan governing withdrawal liability under the ERISA, as amended by the Multiemployer Pension Plan Amendments Act of 1980. To the extent this Article does not address any matter affecting an Employer's withdrawal liability, the relevant provisions of ERISA shall apply as if fully set forth in this Article. The Trustees reserve the right to amend the provisions of this Article from time to time both with respect to withdrawals occurring after, and to the extent permitted by law, to withdrawals occurring on or before the date such amendment is adopted. The Trustees shall have full authority to adopt rules and regulations governing the determination and payment of withdrawal liability, consistent with the statute and any governmental regulations promulgated under it, and such rules and regulations adopted by the Trustees shall be binding on all Employers.

### 9.1. Amount of Withdrawal Liability.

(a) An Employer's liability for a complete withdrawal, as defined in ERISA Section 4203, is the sum of following amount, determined as of the end of the year preceding the year of withdrawal:

(1) the Plan's unfunded vested benefits that are attributable to service with the Employer, and

(2) the Employer's proportional share of any unfunded vested benefits that are not attributable to service with the Employer or other Employers that had an obligation to contribute in the year preceding the year of withdrawal.

(b) The amount of the Plan's unfunded vested benefits that are attributable to service with the Employer is equal to the value of nonforfeitable benefits under the Plan that are attributable to service with the Employer reduced (but not below zero) by the share of the Plan's assets that is allocated to the Employer.

(c) The amount of the Plan's assets for the purpose of subsection (b) is equal to the Plan's total assets as of the end of the year preceding the year of withdrawal multiplied by a fraction -

(1) the numerator of which is the value of nonforfeitable benefits that are attributable to service with Employers that had an obligation to contribute in the year preceding the year of withdrawal, and

(2) the denominator of which is the value of all nonforfeitable benefits under the Plan as of the end of the year.

(d) The share of the Plan's assets that is allocated to the Employer is equal to the amount of the Plan's assets determined under subsection (c), multiplied by a fraction-

(1) the numerator of which is the sum of the Contributions, including

(1) Service with an Employer shall include all service (including past service credit) credited to the Employees (including retirees and former Employees) for whom it was the last contributing Employer prior to the relevant date.

(2) Service with a predecessor shall be taken into account as service with a withdrawing Employer, and Contributions, including surcharges imposed under Code Section 432(e)(7) or ERISA Section 305(e)(7), by and withdrawal liability assessed against such predecessor shall be treated as Contributions of the withdrawing Employer for purposes of this Article; provided that the Trustees may, on a reasonable basis uniformly applied, expand or limit the application of this credit so as to prevent duplication or omission in the assessment of withdrawal liability with respect to particular Employers and Employee groups. The determination of whether an entity (or entities or series of entities) is a predecessor of an Employer, directly or indirectly, shall be made by the Trustees on a reasonable basis uniformly applied (which determination may be made on a location-by-location basis where appropriate). The predecessors taken into account for this purpose may include any Employer that was treated as not withdrawing by reason of a transaction described in Section 4204 or 4218 of ERISA.

(i) For the sole purpose of calculating the withdrawal liability of an Employer which merges a single employer plan into the Fund, where the share of the Plan's assets allocated to the Employer cannot be determined under subsections (a) and (f) above, the following shall apply:

(1) Subsection (d) shall not apply and the share of the Plan's assets that is allocated to the Employer is equal to the sum of

(i) the market value of the Employer's assets at the merger date (accumulated with interest after the merger date) and

(ii) the sum of the Contributions, including surcharges imposed under Code Section 432(e)(7) or ERISA Section 305(e)(7), (accumulated with interest) made by the Employer for all years after the merger date through the year preceding the year of withdrawal, less the sum of the benefit payments (accumulated with interest) made to Participants and their Beneficiaries for such years that are attributable to service with the Employer.

For the purpose of the subsection, interest shall be applied at the actual rate of return calculated on a market value basis earned by the Plan in each calendar year since the merger date.

(2) Subsection (f) shall not apply and the Employer's proportionate share described in subsection (a)(2) is the amount determined in subsection (e) multiplied by a fraction, the numerator of which is the amount of the Plan's vested benefits that are attributable to service with the Employer and

the denominator of which is the amount of vested benefits that are attributable to service with Employers that had an obligation to contribute in the year preceding the year of withdrawal.

9.2. Amount of Partial Withdrawal Liability. The amount of an Employer's liability for a partial withdrawal, as defined in ERISA Section 4205, shall be a pro rata share of the liability that would have been assessed had the employer completely withdrawn, determined in accordance with ERISA section 4205.

9.3. Special Rules and Definitions.

(a) The term "Contributions for a year" means -

(1) with respect to any year before 1981, the Contributions as reported in the audited financial statement of the Plan for the year, and

(2) with respect to any year after 1980, the Contributions accrued through the end of the year if received by the Plan by April 30 of the following year and not included in the Contributions for an earlier year.

Payments of withdrawal liability shall not be considered Contributions for this purpose.

(b) All corporations, trades, or businesses that are under common control, as defined in regulations of PBGC, shall be considered a single Employer for purposes of this Article.

(c) Amounts transferred to the Plan from any other plan shall be treated as Contributions by the Employer that maintained such other plan to the extent that the amounts so transferred reduced the amount of Contributions which such Employer was otherwise obligated to make under this Plan or provided additional benefits under this Plan for Participants employed by such Employer.

(d) In calculating withdrawal liability, the Plan will disregard (as required by law) any reduction in benefits under the rehabilitation plan through the use of the simplified method set forth in PBGC Technical Update 10.3 Reg. §4211.16(d).

9.4. Notices Related to Withdrawal Liability.

(a) An Employer shall provide notice to the Trustees of any event that will constitute a complete or partial withdrawal, or any asset sale affecting the Employer's participation in the Plan, as soon as the Employer knows that event will occur. An Employer shall, within 30 days after a written request from the Trustees, furnish such information as the Trustees reasonably determine to be necessary to enable them to comply with the provisions of this article.

(b) As soon as practicable after an Employer's complete or partial withdrawal, the Trustees shall notify the Employer of the amount of the liability and the schedule for liability payments. Where the final data necessary for the calculation of the liability is not available, the Trustees may issue notice based upon estimated numbers, with the final liability calculations to be amended when such data is available. In such cases, the Employer's obligation to commence installment payments is the same as if the assessment were issued based upon final data.

(c) No later than 90 days after the Employer receives the notice described in subsection (b), it may -

- (1) ask the Trustees to review any specific matter relating to the determination of its liability and the schedule of payments,
- (2) identify any inaccuracy in the determination of the liability, and
- (3) furnish any additional relevant information to the Trustees.

After a reasonable review of any matter raised, the Trustees shall notify the Employer of their decision, the basis for the decision, and the reason for any change in the determination of the liability or schedule of payments.

#### 9.5. Payment of Withdrawal Liability.

(a) An Employer shall pay the amount determined to be its withdrawal liability over the period of years necessary to amortize the amount in level annual payments, calculated as if the first payment were made on the first day of the year following the year of withdrawal and as if each subsequent payment were made on the first day of each subsequent year.

(b) The amount of each annual payment in the case of a complete withdrawal shall be the product of (1) the average annual number of hours for which the employer was obligated to contribute for the 3 consecutive years during the last 10 years preceding the year of withdrawal, in which the number of hours for which the Employer had an obligation to contribute was the highest, multiplied by (2) the highest Contribution rate at which the Employer had an obligation to contribute during the 10 years ending with the year of withdrawal. The amount of each annual payment in the case of a partial withdrawal shall be adjusted as provided in ERISA Section 4206.

(c) Withdrawal liability shall be payable in accordance with the schedule set forth by the Trustees beginning no later than 60 days after the demand for payment is made, notwithstanding any request for a review or appeal of the determination of the amount of such liability or of the schedule.

(d) Withdrawal liability shall be payable in 12 equal installments due monthly. Such monthly payments shall be calculated to be actuarially equivalent to quarterly payments equal to  $\frac{1}{4}$  of the annual payment. If a monthly payment is not made when due,

interest on the payment shall accrue from the due date until the date on which the payment is made.

(e) The determination of the amortization period described in subsection (a) shall be based on the interest assumption used for the most recent actuarial valuation of the Plan.

(f) In any case in which the amortization period exceeds 20 years, other than in the event of a mass withdrawal, the Employer's liability shall be limited to the first 20 annual payments.

(g) The Employer shall be entitled to prepay the outstanding amount of the unpaid annual withdrawal liability payments, plus accrued interest, if any, in whole or in part, without penalty. If the payment is made pursuant to a withdrawal which is later determined to be part of a mass withdrawal, the withdrawal liability of the Employer shall not be limited to the amount of the prepayment.

(h) In the event of a default, the Trustees may require immediate payment of the outstanding amount of an Employer's withdrawal liability, plus accrued interest on the total outstanding liability from the due date of the first payment which was not timely made. The term "default" means

(1) the failure of an Employer to make, when due, any payment under this Section, if the failure is not cured within 60 days after the Employer receives notification from the Trustees of such failure, and

(2) the occurrence of any of the following events (each of which the Trustees have determined indicates a substantial likelihood that an Employer will be unable to pay its withdrawal liability):

(i) the Employer's insolvency, or any assignment by the Employer for the benefit of creditors, or the Employer's calling of a meeting of creditors for the purpose of offering a composition or extension to such creditors, or the employer's appointment of a committee of creditors or liquidating agent, or the employer's offer of a composition or extension to creditors;

(ii) the Employer's dissolution, the making (or sending notice of) an intended bulk sale by the Employer;

(iii) an assignment, pledge, mortgage or hypothecation by the Employer of property to an extent which the Trustees determine to be material in relation to the financial condition of the Employer;

(iv) the filing or commencement by the Employer, or the filing or commencement against the Employer or any of its property, of any

proceeding, suit, or action, at law or in equity, under or relating to any bankruptcy, reorganization, arrangement-of-debt, insolvency, adjustment-of-debt, receivership, liquidation, or dissolution law;

(v) the entry of any judgment or the issuance of any warrant, attachment, or injunction or government tax lien or levy against the Employer or against any of its property which the Trustees determine to be material in relation to the financial condition of the Employer;

(vi) the failure of the Employer to maintain current assets in an amount at least equal to current liabilities plus such additional amount as the Trustees may determine is appropriate in the particular circumstances, current assets and current liabilities to be determined in accordance with generally accepted accounting principles and practices consistently followed;

(vii) default by the Employer on any contractual obligation which the Trustees determine to be material in relation to the financial condition of the Employer;

(viii) the Employer's ceasing or substantially curtailing business operations;

(ix) the Employer's taking steps to liquidate a material portion of its assets;

(x) the Employer's failure to provide information requested by the Fund pursuant to Section 4219(a) of ERISA regarding its ability to pay withdrawal liability (or as to whether it has taken an action for the principal purpose of avoiding paying withdrawal liability);

(xi) the Employer's making three consecutive withdrawal liability payments more than thirty (30) days after their due date;

(xii) the Employer's taking an action for the principal purpose of avoiding paying withdrawal liability; or

(xiii) such other event as the Trustees may determine indicates a substantial likelihood that the Employer will be unable to pay its withdrawal liability.

The Trustees, from time to time, may adopt written rules of general application defining additional events which they determine indicate, alone or in combination, a substantial likelihood that an Employer will be unable to pay its withdrawal liability.

(i) Except as provided in subsection (e), interest under this



Section shall be charged at such rate as the Trustees may fix from time to time or in particular cases.

9.6. Mass Withdrawal. In the event of a mass withdrawal as defined in regulations of PBGC, withdrawal liability will be determined in accordance with ERISA Section 4219.

9.7. Damages with Respect to Delinquent Payment of Withdrawal Liability.

(a) If a Court awards a judgment in favor of the Plan against an Employer that is found delinquent in the payment of Contributions of withdrawal liability, the Employer shall pay to the Plan, in addition to amounts the Court is otherwise directed to award pursuant to ERISA Section 502(g)(2), liquidated damages in the amount of 20 percent of the delinquency but not less than interest on such delinquency.

(b) In determining the amount of the Court judgment and the liquidated damages, the applicable interest rate is such rate as the Trustees may fix from time to time or in particular cases.

9.8. Arbitration. After filing a request for a review with the Trustees in accordance with Section 4(c), the Employer may initiate a binding arbitration regarding the assessment by making a formal filing with the American Arbitration Association (“AAA”) in accordance with the procedures established by the AAA within 60 days after the earlier of (i) the date that the Employer is notified of the Trustees’ decision on review; or (ii) 120 days after the date on which the Employer requested the review. If an Employer fails to do so, the Trustees’ determination will be deemed final and not subject to challenge in arbitration or court.

All arbitration hearings shall take place in Washington, D.C., unless the Trustees and the Employer agree on a different location, in accordance with the applicable rules of the AAA to the extent consistent with ERISA.

**ARTICLE 10**  
**NONALIENATION OF BENEFITS**

No Employee, or any person claiming by or through any Employee by reason of having been named a Beneficiary by the Employee or otherwise, or any Employer, or the Union, or any other person, partnership, corporation, or association shall have any right, title or interest in the Trust or any part thereof. Title to all of the money, property and income paid into or acquired by or accrued to the Trust shall be vested in and remain exclusively in the Board of Trustees; and it is the intention of the parties hereto that said Trust shall constitute an irrevocable trust. Except to the extent that such rights or interests may be expressly granted under the provisions of the Plan, or as permitted under applicable law, no benefits or monies payable from the Trust shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge and any attempt to so anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall be void. The monies to be paid into said Trust shall not constitute or be deemed monies due to individual Employees, nor shall said monies in any manner be liable for or subject to the debts, contracts, liabilities, or torts of the parties entitled to such money upon a termination of the Trust and Plan, except to the extent that such rights or interests may be expressly granted under the provisions of the Plan, or as permitted under applicable law.

**ARTICLE 11  
AMENDMENT AND TERMINATION**

11.1 Amendment. The provisions of this Agreement and of the Plan may be amended at any time. No amendment may be adopted which will be in conflict with Collective Bargaining Agreements with the Union in a form agreed to by the Trustees, as such Agreements affect Contributions to the Fund created hereunder, be contrary to the laws governing trust funds of this nature, or be contrary to any agreements entered into by the Trustees. Notwithstanding the foregoing, or any other provision of this Agreement, the Trustees may amend the Plan or this Agreement, with or without retroactive effect, in any respect or manner that they deem necessary in order to maintain the qualification of the Plan under the Code or ERISA or with any other provision of applicable law.

11.2. Renewals and Extension. The provisions of this Agreement shall continue in effect during the term of the Collective Bargaining Agreements, and any remaining agreement that provides for the continuation of payments into the Trust and for the period thereafter necessary to terminate the Fund and Trust.

11.3. Duration. It is the intent of the parties that this Trust and Plan have perpetual duration, subject, however, to the collective bargaining process.

11.4. Termination. This Agreement and the Plan may be terminated by the Board of Trustees, by an instrument in writing executed by all the Trustees, when there is no longer in force and effect a Collective Bargaining Agreement between any Employer and any Local Union requiring Contributions to the Fund. Upon termination of the Trust, it shall be divided in accordance with the Plan, or in the absence of such a Plan provision, in accordance with the Board of Trustees' determination. In no event shall any assets of the Trust revert to any Employer, the Union, or any Local Union.

## ARTICLE 12 MISCELLANEOUS

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

12.2. Severability. If any provision of this Agreement or the Plan is held by a court of competent jurisdiction to be invalid or illegal, the remaining provisions will nevertheless be given effect insofar as the law permits.

12.3. Applicable Law. This Trust Agreement will be construed, administered, and enforced in accordance with ERISA, the Internal Revenue Code and, to the extent not pre-empted by ERISA, the laws of the State of Tennessee. Any actions, proceedings or claims in connection with or pertaining to this Agreement will be commenced in the federal courts located in Tennessee except as specifically provided otherwise in this Trust Agreement.

12.4. Headings, Plural and Gender. The division of this Agreement into Articles and Sections, the insertion of headings and the provision of a table of contents are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The singular of any word used in this Agreement shall include the plural and vice versa and words used in the masculine or feminine are intended to include any other gender.

12.5. Agent for Service of Process. The Chair and Secretary together are hereby designated as agents for service of legal process on the Fund. agent for service of process on the Trust or the Plan or any of the Trustees shall be the administrative manager at the administrative manager's principal place of business.

12.6. Notices. Any notice required to be given under this Trust Agreement shall be deemed received when delivered personally or when sent by facsimile transmission or on the fifth business day following the day on which it was mailed.

12.7. Successor Provisions of Law. Any references in this Agreement to a section of ERISA or the Code shall be deemed to include a reference to any successor provision of ERISA or the Code (or of any successor federal law).

12.8. Rights in Fund. No Participant or former Participant or any other person claiming by and through a Participant or former Participant shall have any right to any benefit provided by the Plan, nor shall any person be entitled to any payment from the assets of the Fund except as otherwise provided in the Plan unless the Board of Trustees determines that such person meets all requirements necessary to receive a benefit or other payment from the assets of the Fund.

IN WITNESS WHEREOF, the undersigned have adopted the Amended and Restated Declaration of Trust effective May 1, 2022.

  
John E. Shinn, Chair

  
Lee England, Secretary

  
Michael Bolton

  
Mark Rhodes

# PACE Industry Union-Management Pension Fund

## **Actuarial Certification of Plan Status under IRC Section 432**

As of January 1, 2022





333 West 34th Street, 3rd Floor  
New York, NY 10001-2402  
segalco.com T:212.251.5000

March 31, 2022

Board of Trustees  
PACE Industry Union-Management Pension Fund  
1101 Kermit Drive, Suite 800  
Nashville, TN 37217

Dear Trustees:

As required by ERISA Section 305 and Internal Revenue Code (IRC) Section 432, we have completed the Plan's actuarial status certification as of January 1, 2022 in accordance with the Multiemployer Pension Reform Act of 2014 (MPRA). The attached exhibits outline the projections performed and the results of the various tests required by the statute. These projections have been prepared based on the Actuarial Valuation as of January 1, 2021 and in accordance with generally accepted actuarial principles and practices and a current understanding of the law. The actuarial calculations were completed under the supervision of Susan L. Boyle, FSA, FCA, MAAA, Senior Vice President and Actuary.

This certification does not reflect Special Financial Assistance that the Trustees intend to apply for under the American Rescue Plan Act of 2021 (ARPA), enacted on March 11, 2021.

As of January 1, 2022, the Plan is in critical and declining status. This certification also notifies the IRS that the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan, based on the annual standards in the rehabilitation plan. This certification is being filed with the Internal Revenue Service, pursuant to ERISA section 305(b)(3) and IRC section 432(b)(3).

Segal does not practice law and, therefore, cannot and does not provide legal advice. Any statutory interpretation on which the certification is based reflects Segal's understanding as an actuarial firm. Due to the complexity of the statute and the significance of its ramifications, Segal recommends that the Board of Trustees consult with legal counsel when making any decisions regarding compliance with ERISA and the Internal Revenue Code.

We look forward to reviewing this certification with you at your next meeting and to answering any questions you may have. We are available to assist the Trustees in communicating this information to plan stakeholders as well as in reviewing and updating the Rehabilitation Plan required.

March 31, 2022  
Page 2

Sincerely,

Segal

By: *Susan L Boyle*  
Susan L Boyle  
Senior Vice President and Actuary

*Katrina Duffie*  
Katrina Duffie  
Associate

cc: Fund Administrator, Legal Counsel, Auditor





333 West 34th Street, 3rd Floor  
New York, NY 10001-2402  
segalco.com T:212.251.5000

March 31, 2022

Internal Revenue Service  
Employee Plans Compliance Unit  
Group 7602 (TEGE:EP:EPCU)  
230 S. Dearborn Street  
Room 1700 - 17th Floor  
Chicago, IL 60604

To Whom It May Concern:

As required by ERISA Section 305 and the Internal Revenue Code (IRC) Section 432, we have completed the actuarial status certification as of January 1, 2022 for the following plan:

Name of Plan: PACE Industry Union-Management Pension Fund  
Plan number: EIN 11-6166763 / PN 001  
Plan sponsor: Board of Trustees, PACE Industry Union-Management Pension Fund  
Address: 1101 Kermit Drive, Suite 800, Nashville, TN 37217  
Phone number: 1.800.474.8673

As of January 1, 2022, the Plan is in critical and declining status. This certification also notifies the IRS that the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan, based on the annual standards of the rehabilitation plan.

If you have any questions on the attached certification, you may contact me at the following:

Segal  
333 West 34th Street, 3rd Floor  
New York, NY 10001-2402  
Phone number: 212.251.5000

Sincerely,

A handwritten signature in black ink that reads "Susan L. Boyle". The signature is written in a cursive, flowing style.

Susan L. Boyle, FSA, FCA, MAAA  
Senior Vice President and Actuary  
Enrolled Actuary No. 20-06862



Actuarial Status Certification as of January 1, 2022 under IRC Section 432  
March 31, 2022

*Illustration Supporting Actuarial Certification of Status (Schedule MB, line 4b)*

This is to certify that Segal has prepared an actuarial status certification under Internal Revenue Code Section 432 for the PACE Industry Union-Management Pension Fund as of January 1, 2022 in accordance with generally accepted actuarial principles and practices. It has been prepared at the request of the Board of Trustees to assist in administering the Fund and meeting filing and compliance requirements under federal law. This certification may not otherwise be copied or reproduced in any form without the consent of the Board of Trustees and may only be provided to other parties in its entirety.

The measurements shown in this actuarial certification may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); differences in statutory interpretation and changes in plan provisions or applicable law.

This certification is based on the January 1, 2021 actuarial valuation, dated March 21, 2022. This certification reflects the changes in the law made by the Multiemployer Pension Reform Act of 2014 (MPRA). Additional assumptions required for the projections (including those under MPRA), and sources of financial information used are summarized in Exhibit 6.

Segal does not practice law and, therefore, cannot and does not provide legal advice. Any statutory interpretation on which this certification is based reflects Segal's understanding as an actuarial firm.

This certification was based on the assumption that the Plan was qualified as a multiemployer plan for the year.

I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of my knowledge, the information supplied in this actuarial certification is complete and accurate. In my opinion, the projections are based on reasonable actuarial estimates, assumptions and methods that offer my best estimate of anticipated experience under the Plan. In addition, as allowed by IRC Section 432(b)(3)(B), in my opinion, the contributions used for Insolvency Projections are reasonable. Furthermore, as required by IRC Section 432(b)(3)(B)(iii), the projected industry activity and contributions as otherwise specified) takes into account information provided by the plan sponsor.

*Susan L Boyle*

**Susan L. Boyle, FSA, FCA, MAAA**

**EA#** 20-06862

**Title** Senior Vice President and Actuary

**Email** sboyle@segalco.com

## Certificate Contents

<b>Exhibit 1</b>	Status Determination as of January 1, 2022
<b>Exhibit 2</b>	Summary of Actuarial Valuation Projections
<b>Exhibit 3</b>	Funding Standard Account Projection
<b>Exhibit 4</b>	Funding Standard Account — Projected Bases Assumed Established After January 1, 2021
<b>Exhibit 5</b>	Solvency Projection
<b>Exhibit 6</b>	Actuarial Assumptions and Methodology

# Actuarial Status Certification under IRC Section 432

## Exhibit 1: Status Determination as of January 1, 2022

Status	Condition	Component Result	Final Result
<b>Critical Status:</b>			
<b>1. Initial critical status tests:</b>			
	C1. A funding deficiency is projected in four years?	Yes	Yes
	C2. a. A funding deficiency is projected in five years,	Yes	
	b. <b>and</b> the present value of vested benefits for non-actives is more than present value of vested benefits for actives,	Yes	
	c. <b>and</b> the normal cost plus interest on unfunded actuarial accrued liability (unit credit basis) is greater than contributions for current year?	Yes	Yes
	C3. a. A funding deficiency is projected in five years,	Yes	
	b. <b>and</b> the funded percentage is less than 65%?	Yes	Yes
	C4. a. The funded percentage is less than 65%,	Yes	
	b. <b>and</b> the present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over seven years	No	No
	C5. The present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over five years?	No	No
	<b>2. In Critical Status? (If any of C1-C5, then Yes)</b>		<b>Yes</b>
	<b>3. Determination of critical and declining status:</b>		
	C6. a. Any of (C1) through (C5) are Yes?	Yes	Yes
	b. <b>and either</b> Insolvency is projected within 15 years using assumptions described in Exhibit 6.B?	Yes	Yes
	c. <b>or</b>		
	1) The ratio of inactives to actives is at least 2 to 1,	Yes	
	2) <b>and</b> insolvency is projected within 20 years using assumptions described in Exhibit 6.B?	Yes	Yes
	d. <b>or</b>		
	1) The funded percentage is less than 80%,	Yes	
	2) <b>and</b> insolvency is projected within 20 years using assumptions described in Exhibit 6.B	Yes	Yes

## Documentation Regarding Progress Under Rehabilitation Plan (Schedule MB, line 4c)

This certification notifies the IRS that the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan, based on the annual standards of the rehabilitation plan.

The Rehabilitation Plan states that the Fund will make adequate progress, to the extent reasonable based on financial markets activity and other relevant factors, toward enabling the Fund to forestall insolvency past 2028. Currently, a projected insolvency during 2034 meets this standard.

## Exhibit 2: Summary of Actuarial Valuation Projections

The actuarial factors as of January 1, 2022 (based on projections from the January 1, 2021 valuation certificate):

1. Financial Information			
a.	Market value of assets		\$1,664,434,175
b.	Actuarial value of assets		1,552,421,939
c.	Reasonably anticipated contributions		
1)	Upcoming year		11,556,083
2)	Present value for the next five years		46,749,488
3)	Present value for the next seven years		60,133,162
d.	Reasonably anticipated withdrawal liability payments		47,080,559
e.	Projected benefit payments		214,381,535
f.	Projected administrative expenses (beginning of year)		8,124,462
2. Liabilities			
a.	Present value of vested benefits for active participants		122,641,420
b.	Present value of vested benefits for non-active participants		2,719,680,205
c.	Total unit credit accrued liability		2,847,738,490
d.	Present value of payments	<b>Benefit Payments</b>	<b>Administrative Expenses</b>
1)	Next five years	\$943,419,087	\$37,683,342
2)	Next seven years	1,255,759,777	50,849,606
e.	Unit credit normal cost plus expenses		14,288,712
f.	Ratio of inactive participants to active participants		18.2949
3.	Funded Percentage (1.b)/(2.c)		54.5%
4. Funding Standard Account			
a.	Credit Balance/(Funding Deficiency) as of the end of prior year		(\$730,276,239)
b.	Years to projected funding deficiency		0
5.	Years to Projected Insolvency		13

### Exhibit 3: Funding Standard Account Projection

The table below presents the Funding Standard Account Projection for the Plan Years beginning January 1.  
**Year Beginning January 1,**

	2021	2022	2023	2024	2025	2026
1. Credit balance / (funding deficiency) (BOY)	(\$609,511,179)	(\$730,276,239)	(\$858,704,164)	(\$992,274,946)	(\$1,090,899,336)	(\$1,198,417,977)
2. Interest on (1)	(39,618,227)	(47,467,956)	(55,815,771)	(64,497,871)	(70,908,457)	(77,897,169)
3. Normal cost	6,390,837	6,164,249	5,991,280	5,823,165	5,659,767	5,500,954
4. Administrative expenses	7,926,304	8,124,462	8,327,574	8,535,763	8,749,157	8,967,886
5. Net amortization charges	131,054,729	118,428,186	112,976,352	69,758,435	71,184,438	65,921,325
6. Interest on (3), (4) and (5)	9,449,172	8,626,598	8,274,188	5,467,629	5,563,569	5,225,361
7. Expected contributions	71,542,829	58,636,642	56,141,825	53,854,071	52,968,721	51,723,971
8. Interest on (7)	2,131,380	1,746,883	1,672,558	1,604,402	1,578,026	1,540,943
<b>9. Credit balance / (funding deficiency) at end of year: (1) + (2) – (3) – (4) – (5) – (6) + (7) + (8)</b>	<b>(\$730,276,239)</b>	<b>(\$858,704,164)</b>	<b>(\$992,274,946)</b>	<b>(\$1,090,899,336)</b>	<b>(\$1,198,417,977)</b>	<b>(\$1,308,665,757)</b>

	2027	2028	2029	2030	2031
1. Credit balance / (funding deficiency) (BOY)	(\$1,308,665,757)	(\$1,408,297,507)	(\$1,491,584,280)	(\$1,580,794,905)	(\$1,675,291,459)
2. Interest on (1)	(85,063,274)	(91,539,338)	(96,952,978)	(102,751,669)	(108,893,945)
3. Normal cost	5,346,597	5,196,571	5,050,755	4,909,031	4,771,284
4. Administrative expenses	9,192,083	9,421,885	9,657,432	9,898,868	10,146,340
5. Net amortization charges	48,836,429	27,036,765	27,146,934	25,852,729	3,640,638
6. Interest on (3), (4) and (5)	4,119,382	2,707,589	2,720,583	2,642,941	1,206,287
7. Expected contributions	51,394,876	51,093,223	50,804,506	50,067,102	49,212,474
8. Interest on (7)	1,531,139	1,522,152	1,513,551	1,491,582	1,466,121
<b>9. Credit balance / (funding deficiency) at end of year: (1) + (2) – (3) – (4) – (5) – (6) + (7) + (8)</b>	<b>(\$1,408,297,507)</b>	<b>(\$1,491,584,280)</b>	<b>(\$1,580,794,905)</b>	<b>(\$1,675,291,459)</b>	<b>(\$1,753,271,358)</b>



Exhibit 4: Funding Standard Account — Projected Bases Assumed Established after January 1, 2021  
*Schedule of Funding Standard Account Bases*

Type of Base	Date Established	Base Established	Amortization Period	Amortization Payment
Actuarial gain	1/1/2022	(\$51,265,906)	15	(\$5,119,504)
Actuarial gain	1/1/2023	(22,309,582)	15	(2,227,874)
Actuarial gain	1/1/2024	(62,196,946)	15	(6,211,097)
Actuarial gain	1/1/2025	(30,744,992)	15	(3,070,249)
Actuarial gain	1/1/2026	(13,862,375)	15	(1,384,321)

## Exhibit 5: Solvency Projections

The table below presents the projected Market Value of Assets for the Plan Years beginning January 1, 2021 through 2034.

	Year Beginning January 1,						
	2021	2022	2023	2024	2025	2026	2027
1. Market Value at beginning of year	\$1,646,837,605	\$1,664,434,175	\$1,578,853,156	\$1,483,384,899	\$1,377,917,461	\$1,272,892,849	\$1,158,256,229
2. Contributions	12,968,235	11,556,083	11,208,142	10,871,306	10,545,574	10,230,946	9,923,722
3. Withdrawal liability payments attributable to prior withdrawals <sup>1</sup>	59,358,093	47,080,559	44,933,683	42,982,765	42,423,147	41,493,025	41,471,154
4. Withdrawal liability payments attributable to assumed future withdrawals	0	0	0	0	0	0	0
5. Benefit payments	212,660,151	214,381,535	217,147,923	219,742,970	222,405,438	224,406,476	226,364,904
6. Administrative expenses	8,609,375	8,405,000	8,615,125	8,830,503	9,051,266	9,277,548	9,509,487
7. Interest earnings	166,539,768	78,568,874	74,152,966	69,251,964	73,463,371	67,323,432	60,656,114
8. Market Value at end of year: (1)+(2)+(3)+(4)-(5)-(6)+(7)	\$1,664,434,175	\$1,578,853,156	\$1,483,384,899	\$1,377,917,461	\$1,272,892,849	\$1,158,256,229	\$1,034,432,828
	2028	2029	2030	2031	2032	2033	2034
1. Market Value at beginning of year	\$1,034,432,828	\$901,470,026	\$765,626,924	\$620,026,078	\$464,951,083	\$300,232,358	\$126,869,047
2. Contributions	9,627,602	9,338,885	9,057,571	8,787,361	8,524,555	8,269,151	8,021,151
3. Withdrawal liability payments attributable to prior withdrawals	41,465,621	41,465,621	41,009,531	40,425,113	39,466,098	39,016,149	36,227,163
4. Withdrawal liability payments attributable to assumed future withdrawals	0	0	0	0	0	0	0
5. Benefit payments	227,786,644	228,428,943	228,343,393	227,248,395	225,350,698	222,389,557	218,967,252
6. Administrative expenses	9,747,224	9,990,905	10,240,678	10,496,695	10,759,112	11,028,090	11,303,792
7. Interest earnings	53,477,843	51,772,239	42,916,124	33,457,621	23,400,432	12,769,036	1,522,317
8. Market Value at end of year: (1)+(2)+(3)+(4)-(5)-(6)+(7)	\$901,470,026	\$765,626,924	\$620,026,078	\$464,951,083	\$300,232,358	\$126,869,047	\$0

<sup>1</sup>Includes funding deficiency payments and other income for 2021.

## Exhibit 6: Actuarial Assumptions and Methodology

The actuarial assumptions and plan of benefits are as used in the January 1, 2021 actuarial valuation certificate, dated March 21, 2022, except as specifically described below. We also assumed that experience would emerge as projected, except as described below. The calculations are based on a current understanding of the requirements of ERISA Section 305 and IRC Section 432.

### A. Actuarial Assumptions and Plan Provisions Except as Modified by Section B

<b>Asset Information:</b>	<p>The financial information as of December 31, 2021 was based on an unaudited financial statement provided by the Fund Administrator.</p> <p>For projections after that date, the assumed administrative expenses were increased by 2.5% per year and the benefit payments were projected based on the January 1, 2021 actuarial valuation. The projected net investment return was assumed to be 6.5% of the average market value of assets for the 2022–2031 Plan Years. Any resulting investment gains or losses due to the operation of the asset valuation method are amortized over 15 years in the Funding Standard Account.</p>
<b>Projected Industry Activity:</b>	<p>The projected industry activity assumption takes into account information provided by the plan sponsor as required by Internal Revenue Code Section 432, historical and current contribution levels and projections in employment levels, and professional judgment. Based on this information, the number of active participants is assumed to decline based on known employer withdrawals and by 3% per year thereafter and, on the average, contributions will be made for each active for 2,200 hours each year.</p> <p>In addition to projections of industry activity directly linked to the level of ongoing employment, these determinations also project the following contribution amounts derived from withdrawal liability assessments, as shown in Exhibit 5.</p>
<b>Future Normal Costs:</b>	<p>Based on the assumed industry activity and the unit credit cost method, we have assumed that the Normal Cost will increase by 0.2% per year due to projected mortality improvement. Total normal cost is also adjusted in accordance with the industry activity assumption.</p>

### B. Assumptions for Insolvency Projections

Assumptions for this purpose are the same as shown in Section A with the following exceptions:

For projections after December 31, 2021, the projected net investment return was assumed to be 5.00% of the average market value of assets for 2022-2024, 5.75% for 2025-2028, and 6.50% for 2029-2034.

# **PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTAL SCHEDULES**

*As of and for the Years Ended December 31, 2021 and 2020*

*And Report of Independent Auditor*

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
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## Report of Independent Auditor

To the Board of Trustees  
PACE Industry Union-Management Pension Fund  
Nashville, Tennessee

### Opinion

We have audited the accompanying financial statements of PACE Industry Union-Management Pension Fund (the “Fund”), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (“ERISA”), which comprise the statements of net assets available for benefits as of December 31, 2021 and 2020, the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding The Fund’s net assets available for benefits as of December 31, 2021, and changes therein for the year then ended and its financial status as of December 31, 2020, and changes therein for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Emphasis of Matter

As discussed in Note 5, the Fund’s actuary certified that the Fund is in “critical status” as defined by the Pension Protection Act of 2006. Additionally, at January 1, 2021, the Fund did not meet the minimum funding requirements of the Employee Retirement Income Security Act of 1974 (“ERISA”). Our opinion is not modified with respect to that matter.

### Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund’s ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Exercise professional judgment and maintain professional skepticism through the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions of events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

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

## **Supplemental Schedules Required by ERISA**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules, Schedule of Assets (Held at End of Year) – Form 5500, Schedule H, Part IV, Line 4i as of December 31, 2021 and Schedule of Reportable Transactions – Form 5500, Schedule H, Part IV, Line 4j for the year then ended, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedules is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

*Cherry Bekaert LLP*

Nashville, Tennessee  
October 6, 2022



**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**

DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Investments, at fair value:		
Mutual funds	\$ 646,824,716	\$ 718,187,005
Collective trust funds	596,136,036	589,662,813
Commingled funds	195,233,764	120,355,068
Fund interests in limited partnerships ("LPs")	<u>187,709,357</u>	<u>171,208,591</u>
Total Investments, at Fair Value	<u>1,625,903,873</u>	<u>1,599,413,477</u>
Receivables:		
Employer contributions (net of allowance for uncollectible accounts of \$64,077 in 2021 and \$78,839 in 2020)	2,762,743	3,963,821
Receivable from USW Industry 401(k) Fund	2,137,031	2,167,919
Receivable from USW HRA Fund	783,520	765,880
Other	<u>1,591</u>	<u>631,836</u>
Total Receivables	<u>5,684,885</u>	<u>7,529,456</u>
Furniture and equipment, net	80,845	112,929
Other assets	458,168	162,696
Cash	<u>53,709,853</u>	<u>60,860,766</u>
<b>Total Assets</b>	<u>1,685,837,624</u>	<u>1,668,079,324</u>
<b>LIABILITIES</b>		
Postretirement benefit obligations	20,480,125	20,510,952
Accounts payable and accrued expenses	<u>508,473</u>	<u>730,767</u>
<b>Total Liabilities</b>	<u>20,988,598</u>	<u>21,241,719</u>
<b>Net Assets Available for Benefits</b>	<u>\$ 1,664,849,026</u>	<u>\$ 1,646,837,605</u>

The accompanying notes to the financial statements are an integral part of these statements.

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**

YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
Additions to net assets attributed to:		
Net change resulting from investment activity:		
Net appreciation in fair value of investments	\$ 154,010,382	\$ 162,562,697
Interest and dividend income	15,116,417	12,179,388
Total Investment Income	<u>169,126,799</u>	<u>174,742,085</u>
Less investment expenses	<u>2,154,930</u>	<u>1,142,842</u>
	166,971,869	173,599,243
Fund interest in limited partnerships – (decrease) increase in partners' capital resulting from operations	<u>(429,849)</u>	<u>43,707</u>
Net change resulting from investment activity	<u>166,542,020</u>	<u>173,642,950</u>
Contributions:		
Participating employers	12,895,616	13,014,653
Withdrawal liability payments	51,847,423	96,887,592
Funding deficiency payments	<u>6,727,171</u>	<u>4,180,182</u>
Total Contributions	<u>71,470,210</u>	<u>114,082,427</u>
Securities litigation recoveries	-	1,407
Other income	<u>203,404</u>	<u>923,659</u>
Total Additions	<u>238,215,634</u>	<u>288,650,443</u>
Deductions from net assets attributed to:		
Benefits paid	212,660,591	209,464,088
Professional services	1,051,316	1,746,229
Salaries and other employee benefits, net of reimbursements	3,303,729	6,542,709
Other general and administrative expenses	<u>3,188,577</u>	<u>3,221,188</u>
Total Deductions	<u>220,204,213</u>	<u>220,974,214</u>
Net increase	18,011,421	67,676,229
Net assets available for benefits, beginning of year	<u>1,646,837,605</u>	<u>1,579,161,376</u>
Net assets available for benefits, end of year	<u>\$ 1,664,849,026</u>	<u>\$ 1,646,837,605</u>

The accompanying notes to the financial statements are an integral part of these statements.

# PACE INDUSTRY UNION-MANAGEMENT PENSION FUND

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

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### Note 1—Description of plan

The following description of the PACE Industry Union-Management Pension Fund (the “Fund”) provides only general information. Participants should refer to the Fund’s plan of benefits (the “Plan”) for a more complete description of the Plan’s provisions.

*General Description of Plan* – The multiemployer defined benefit program was established in 1963. The Plan was restated in 2002, 2009, and 2015. The more significant provisions of the multiemployer defined benefit program are as follows:

- (i) Participating employers contribute amounts based upon the contribution rates that have been agreed to in their collective bargaining agreements with the sponsoring union and participation agreements with the Plan. The collective bargaining agreements require contributions to the Plan at fixed rates per hour. Such contributions are required to be remitted to the Plan monthly. No employee contributions are permitted.
- (ii) An employee who is engaged in covered employment, as defined, shall become a participant in the Plan on the earliest of January 1 or July 1 following completion of a 12-month period beginning on the employee’s hire date (or in calendar years thereafter) during which the employee has at least 1,000 hours of service in covered employment and is age 21 or older. Program G (see below) requires completion of 150 hours in covered employment during a similar 12-month period for employees hired on or after January 1, 1994 (the requirement is 750 hours in covered employment during a similar 12 month period for employees hired on or before December 31, 1993).
- (iii) The Plan provides for several different types of pension and other forms of benefits. Participants’ benefits are determined based on each participant’s pension credits and benefit levels. The Plan is comprised of several programs that determine pension credit as follows:

*Future Service Credit* – Future service credit is based on hours of service in covered employment and generally includes all hours in covered employment which are paid by an employer. Subject to certain limitations, hours may also be credited for certain non-working periods.

*Programs A, B, C, D, E, & F* – Participants receive one full year of future service credit for each calendar year in which they have at least 1,760 hours (effective January 1, 2011 this requirement increased to 2,040 hours for most participants) for which contributions are due from a contributing employer on their behalf. Participants may also receive a partial year of future service credit for calendar years in which they have less than 1,760 hours (effective January 1, 2011 this requirement increased to 2,040 hours for most participants).

*Program G* – Participants receive one full year of future service credit for each calendar year in which they have at least 1,800 hours (effective January 1, 2011 this requirement increased to 2,040 hours) for which contributions are due on their behalf. Participants may also receive a partial year of future service credit for calendar years in which they have less than 1,800 hours (effective January 1, 2011 this requirement increased to 2,040 hours).

*Past Service Credit* – Past service credit is pension credit for work performed before an employer started contributing to the Plan.

*Programs A, B, C, D, E, & F* – Participants qualify for past service credit if they satisfy certain requirements. Subject to several restrictions, including type of eligible employment, participants may receive one year of past service credit for each calendar year in which they worked at least 1,200 hours in creditable employment. A partial year of past service credit for the calendar year in which covered employment or creditable employment starts may also be received. Under Programs A, B, and C, past service is available for both vesting and pension credit purposes. Under Programs D, E, and F, on or after January 1, 1999, it is available only for vesting purposes.

# PACE INDUSTRY UNION-MANAGEMENT PENSION FUND

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

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### Note 1—Description of plan (continued)

*Program G* – Participants qualify for past service credit if they satisfy certain requirements. Subject to several restrictions, including type of eligible employment, participants may receive one year of past service credit for each calendar year in which they worked at least 150 days.

For employees of employers that begin participating in the Fund on or after January 1, 2006, past service credit is limited to time worked at the facility for which the employer makes contributions to the Fund, subject to limitations as determined by the Fund's actuary.

Participants are vested after earning five years of vesting credit.

*Amendments* – Certain provisions of the Plan have been amended by the Trustees. Participants should refer to the Summary Plan Description and Summaries of Material Modifications ("SMM") for the details of such amendments and their impact on the benefits provided under the Plan. The effects of the amendments adopted by the Trustees subsequent to January 1, 2021 have not been included in the actuarial studies disclosed in Note 5.

*Fund Termination* – It is the intent of the Trustees to continue the Fund in full force and effect. However, the Trustees have the right to discontinue or terminate the Plan in whole or in part. Termination shall not permit any part of the Fund's assets to be used for or diverted to purposes other than the exclusive benefit of the pensioners, beneficiaries and participants. In the event the Fund terminates, the net assets of the Fund will be allocated as prescribed by the Plan and ERISA.

In addition, certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation ("PBGC") if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. The PBGC does not guarantee all types of benefits and the amount of any individual participant's benefit protection is subject to certain limitations, particularly with respect to benefit increases as a result of Plan amendments in effect for less than five years. Some benefits may be fully or partially provided for while other benefits may not be provided at all.

### Note 2—Summary of significant accounting policies

*Basis of Accounting* – The accompanying financial statements are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

*Investment Valuation and Income Recognition* – Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Quoted market prices as of the last day of the year, whenever available, are used to value investments. See Note 3 for a discussion of fair value measurements.

Mutual funds, commingled funds, and collective trust funds are valued at the net asset value ("NAV") of shares held by the Fund at year end. Mutual funds are registered investment companies with quoted prices that are publicly accessible.

The Fund's interests in the limited partnerships are valued at fair value as determined by the limited partnership custodian based on the beginning of year value of the Fund's interest plus actual contributions and allocated investment income, less actual distributions and allocated administrative expenses.

The Fund's purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date. Net appreciation in the fair value of investments includes the Fund's gains and losses on investments bought and sold, as well as, held during the year.

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2021 AND 2020

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**Note 2—Summary of significant accounting policies (continued)**

*Employer Contributions* – Employer contributions receivable are recorded as they become due. The carrying amounts of receivables are reduced by valuation allowances, if necessary, which reflect the Fund's best estimate of the amounts that will not be collected. Such allowances are estimated based on the Fund's knowledge of its participating employers. Any withdrawal liabilities due to the Fund are recognized as income when received due to the uncertainties surrounding ultimate collection.

*Furniture and Equipment* – Furniture and equipment are stated at cost. Depreciation is provided over the assets' estimated useful lives using the straight-line method. Expenditures for maintenance and repairs are expensed when incurred. Expenditures for renewals or betterments are capitalized. When assets are retired or sold, the cost and the related accumulated depreciation are removed from the accounts, and the resulting gain or loss is included in the statement of changes in net assets available for benefits.

*Payment of Benefits* – Benefits are recorded when paid.

*Accumulated Plan Benefits* – Accumulated plan benefits for the multiemployer defined benefit program are those estimated future periodic payments, including lump-sum distributions, under the Plan's provisions that are attributable to services rendered by the participants to the valuation date. Accumulated plan benefits include benefits expected to be paid to: (a) retired or terminated vested participants or their beneficiaries, (b) beneficiaries of participants who have died, and (c) present participants or their beneficiaries.

Benefits are based on the benefit level negotiated by participating employers in their participation agreements with the Fund. Benefits for retired or terminated participants or their beneficiaries are based on employees' benefit levels at the time of retirement or termination. The accumulated plan benefits for active participants are based on the benefit levels in effect on the date as of which the benefit information is presented. Benefits payable under all circumstances (retirement, death, disability, and termination of employment) are included to the extent they are deemed attributable to participant service rendered as of the valuation date.

The estimated actuarial present value of accumulated plan benefits is determined by the Fund's actuary and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuations are (a) life expectancy of participants was measured using the RP-2006 Blue Collar Employee Mortality Table with generational projection using Scale MP2019 from 2006, RP-2006 Blue Collar Healthy Annuitant Mortality Table with generational projection using Scale MP2019 from 2006, and RP-2006 Disabled Retiree Mortality Table with generational projection using Scale MP2019 from 2006, (b) retirement age assumptions based on historical and current demographic data (the assumed retirement age range was 55 to 70+), and (c) an investment return of 6.5%.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

# PACE INDUSTRY UNION-MANAGEMENT PENSION FUND

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

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### **Note 2—Summary of significant accounting policies (continued)**

*Postretirement Benefits Other Than Pensions for Fund Employees* – Employees of the Fund that were hired on or before December 31, 2010, who have rendered at least 5 years of service to the Fund and reached age 50 or are totally and permanently disabled are entitled to postretirement health and dental care. These benefits are subject to deductibles, copayment provisions and other limitations. The Fund reserves the right to change or terminate the benefits at any time. In addition to health and dental care, the Fund provides death benefits to the beneficiaries of such employees and certain qualified retirees of the Fund in an amount rounded up to the nearest thousand dollars, equal to the employee's annual salary at death or the retiree's salary at retirement.

Postretirement benefits, other than pensions, are accrued based on actuarially determined costs during an employee's period of service. The Fund recognizes actuarial gains and losses in the year incurred. The obligation for postretirement benefits is measured annually and changes in the obligation are included in the accompanying financial statements.

*Reimbursed Expenses* – The Fund has entered into an agreement to provide management and other services for the operations of the USW HRA Fund ("HRA") and the USW Industry 401(k) Fund ("USW 401(k)"). As part of this agreement, the Fund charges HRA and USW 401(k) a monthly allocation of costs incurred on their behalf. The amount of costs allocated to the respective funds are based upon various factors such as specific identification of direct expenses, which include salaries and employee benefits, and appropriate allocations for other common administrative and occupancy expenses.

The Fund allocated \$268,519 and \$323,395 of expenses to the HRA during 2021 and 2020, respectively. The Fund allocated \$669,555 and \$887,170 of expenses to the USW 401(k) during 2021 and 2020, respectively. The Fund records the reimbursement of these allocated costs as a reduction to salaries and other employee benefits in the accompanying statements of changes in net assets available for benefits.

*Use of Estimates* – The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

*Withdrawal Liability* – The Fund complies with provisions of the Multiemployer Pension Plan Amendments Act of 1980 that require imposition of withdrawal liability on a contributing employer that partially or completely withdraws from the Fund. The Trustees adopted the attributable method for determining withdrawal liability. Payments of withdrawal liability by a participating employer are recognized as income when received prior to end of year, or soon after year end if such payment was expected for prior year, due to uncertainty of receipt and inability to estimate the likelihood of receipt.

*Funding Deficiency Payments* – The Fund has a deficiency in its funding standard account and is allocating the deficiency to employers under the terms of the Fund's rehabilitation plan. Contributions made to the funding standard account by employers are recognized as income when received due to uncertainty of receipt and inability to estimate the likelihood of receipt.

*Date of Management's Review* – Subsequent events were evaluated through October 6, 2022, which was the date the financial statements were available to be issued.

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2021 AND 2020

**Note 3—Fair value measurements**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Fund has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used at December 31, 2021 and 2020.

*Mutual Funds, Collective Trust Funds and Commingled Funds* – Valued at NAV of shares held by the Fund at year end.

The following tables set forth by level, within the fair value hierarchy, the Fund's assets at fair value at December 31, 2021 and 2020.

**Assets at Fair Value at December 31, 2021**

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ 596,023,304	\$ 50,801,412	\$ -	\$ 646,824,716
Collective trust funds - Index funds	562,912,248	-	-	562,912,248
Collective trust funds - Bond funds	-	33,223,789	-	33,223,789
Total investments in the fair value hierarchy	1,158,935,552	84,025,201	-	1,242,960,753
Investments measured at NAV (*)	-	-	-	382,943,120
Total assets, at fair value	<u>\$ 1,158,935,552</u>	<u>\$ 84,025,201</u>	<u>\$ -</u>	<u>\$ 1,625,903,873</u>

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2021 AND 2020

**Note 3—Fair value measurements (continued)**

	<b>Assets at Fair Value at December 31, 2020</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Mutual funds	\$ 208,343,441	\$ 509,843,564	\$ -	\$ 718,187,005
Collective trust funds - Index funds	452,106,670	9,245,653	-	461,352,323
Collective trust funds - Bond funds	-	36,902,125	-	36,902,125
Commingled funds	75,268,994			75,268,994
Total investments in the fair value hierarchy	735,719,105	555,991,342	-	1,291,710,447
Investments measured at NAV (*)	-	-	-	307,703,030
Total assets, at fair value	<u>\$ 735,719,105</u>	<u>\$ 555,991,342</u>	<u>\$ -</u>	<u>\$ 1,599,413,477</u>

(\*) In accordance with Subtopic 820-10, certain investments that are measured at fair value using NAV per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

*Fair Value of Investments that Calculate Net Asset Value or its Equivalent*

The following tables summarize investments measured at fair value based on NAV per share or its equivalent as a practical expedient as of December 31, 2021 and 2020, respectively.

<b>December 31, 2021</b>	<b>Fair Value</b>	<b>Unfunded Commitments</b>	<b>Redemption Frequency (if currently eligible)</b>	<b>Redemption Notice Period</b>
Hedge fund II (b)	\$ 20,794,603	None	See (b)	See (b)
Hedge fund III (c)	28,840,527	None	See (c)	See (c)
Hedge fund IV (d)	38,942,590	None	See (d)	See (d)
Hedge fund V (e)	21,679,472	None	See (e)	See (e)
Hedge fund VI (f)	16,304,224	None	See (f)	See (f)
Hedge fund VII (g)	84,881,351	None	See (g)	See (g)
Global equity fund	119,926,239	None	None	None
Global growth fund	51,574,114	None	None	None
Private Equity Fund I	-	\$ 30,000,000	Illiquid	Illiquid



**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2021 AND 2020

**Note 3—Fair value measurements (continued)**

<b>December 31, 2020</b>	<b>Fair Value</b>	<b>Unfunded Commitments</b>	<b>Redemption Frequency (if currently eligible)</b>	<b>Redemption Notice Period</b>
Real estate debt fund (a)	\$ 443,990	None	See (a)	See (a)
Hedge fund II (b)	22,893,444	None	See (b)	See (b)
Hedge fund III (c)	26,530,769	None	See (c)	See (c)
Hedge fund IV (d)	22,192,630	None	See (d)	See (d)
Hedge fund V (e)	33,208,758	None	See (e)	See (e)
Global equity fund	91,408,365	None	None	None
Global growth fund	111,025,074	None	None	None

(a) *Real Estate Debt Fund* – The investment objective is to provide investors with attractive risk-adjusted returns through various real estate market cycles by primarily investing, directly or indirectly, in public and/or private debt and, to a lesser extent, in non-controlling equity and other interests in or relating to real estate related equity investments. Except as provided in the fund’s agreement, withdrawals were not authorized until the fund terminated in June 2021.

(b) *Hedge Fund II* – The fund has withdrawal provisions that apply to the Fund’s investment. Withdrawals can be made with 30-days’ notice to the fund. Redemptions can be gated up to 25% at the discretion of the fund’s board.

(c) *Hedge Fund III* – There is a 10% holdback on total redemptions that is held in escrow until final NAV is calculated, 20 days after month end.

(d) *Hedge Fund IV* – The fund has withdrawal provisions that apply to the Fund’s investment. Such provisions require a 1 year rolling soft lock-up period, and generally limit the timing of withdrawals that can be made by the Fund to quarterly, with 90 days pre-notification after the lock-up period. There is also a 5% holdback on total redemptions that is held in escrow until completion of the fund’s audit. As of December 31, 2020, the investment closed and 95% of funds were returned with the remaining 5% holdback paid in March 2021.

(e) *Hedge Fund V* - The fund has withdrawal provisions that apply to the Fund’s investment. Such provisions require a 4-year rolling lock-up period, and generally limit the timing of withdrawals that can be made with 45-days’ notice to the fund, with 90 days pre-notification after the lock-up period. There is also a 5% holdback on total redemptions that is held in escrow until completion of the fund’s audit.

(f) *Hedge Fund VI* - The fund has withdrawal provisions that apply to the Fund’s investment. Such provisions require a 1 year rolling soft lock-up period, and generally limit the timing of withdrawals that can be made by the Fund to monthly, with 60 days pre-notification after the lock-up period. There is also a 5% holdback on total redemptions that is held in escrow until completion of the fund’s audit.

(g) *Hedge Fund VII* - The fund has withdrawal provisions that apply to the Fund’s investment. Withdrawals can be made monthly with 28 days pre-notification. There is also a 5% holdback on total redemptions that is held in escrow until completion of the fund’s audit.

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2021 AND 2020

**Note 4—Furniture and equipment**

A summary of furniture and equipment owned by the Fund as of December 31, 2021 and 2020 is as follows:

	<u>2021</u>	<u>2020</u>
Furniture, fixtures, and equipment	\$ 153,040	\$ 153,040
Accumulated depreciation and amortization	(72,195)	(40,111)
	<u>\$ 80,845</u>	<u>\$ 112,929</u>

The Fund recognized depreciation expense of \$32,084 and \$19,018 in 2021 and 2020, respectively, which is included in other general and administrative expenses.

**Note 5—Accumulated plan benefits**

A summary of accumulated plan benefit information obtained from actuarial studies as of January 1, 2021 and 2020 is as follows:

	<u>2021</u>	<u>2020</u>
Actuarial present value of accumulated plan benefits:		
Participants currently receiving payments	\$ 1,867,071,009	\$ 1,835,163,228
Other vested participants	1,001,562,896	1,067,046,117
	<u>2,868,633,905</u>	<u>2,902,209,345</u>
Actuarial present value of nonvested accrued benefits	5,619,435	6,681,542
Total actuarial present value of accumulated plan benefits	<u>\$ 2,874,253,340</u>	<u>\$ 2,908,890,887</u>

The changes in the actuarial present value of accumulated plan benefits obtained from actuarial studies as of January 1, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Accumulated plan benefits, beginning of year	\$ 2,908,890,887	\$ 2,932,707,127
Benefits paid	(209,464,088)	(205,610,430)
Interest	181,703,026	183,386,763
Benefits accumulated and other	(6,876,485)	(1,592,573)
Net decrease	<u>(34,637,547)</u>	<u>(23,816,240)</u>
Accumulated plan benefits, end of year	<u>\$ 2,874,253,340</u>	<u>\$ 2,908,890,887</u>

As of January 1, 2021 and 2020, the Fund's actuarially determined Minimum Funding Standard Account did not meet the minimum funding requirements of ERISA.

The Fund's actuary certified that, for the plan years beginning January 1, 2021 and January 1, 2020, the Fund is in "critical status," as defined in the Pension Protection Act of 2006 ("PPA"). As required by the PPA, the Fund has notified all affected parties, including plan participants that the Fund is in critical status.

The PPA requires that pension plans in critical status adopt a rehabilitation plan aimed at improving the Fund's funded status. The Fund's Board of Trustees adopted a rehabilitation plan on July 19, 2010, which has been updated and amended from time to time, that calls for contribution rate increases, reductions in future benefit accruals, the reduction or elimination of specified benefits, and payment by a withdrawing employer of its allocable portion of the accumulated funding deficiency. A copy of the rehabilitation plan was sent to the contributing employers and unions representing plan participants. The Trustees have updated the rehabilitation plan in accordance with applicable law.

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2021 AND 2020

**Note 6—Postretirement benefits other than pensions**

Medical and life insurance benefits for certain employees of the Fund are provided by the Fund through a plan that the Fund participates in. The plan is funded as obligations become due and, therefore, has no assets. A summary of the Fund's postretirement benefit obligations included in the accompanying financial statements as of December 31, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Change in benefit obligation:		
Benefit obligation, beginning of year	\$ 20,510,952	\$ 17,157,932
Service cost	210,833	191,550
Interest cost	566,295	650,476
Actuarial (gain) loss	(282,359)	3,015,594
Benefits paid	<u>(525,596)</u>	<u>(504,600)</u>
Benefit obligation, end of year	<u>20,480,125</u>	<u>20,510,952</u>
Change in plan assets:		
Employer contributions	525,596	504,600
Benefits paid	<u>(525,596)</u>	<u>(504,600)</u>
Fair value of plan assets, at end of year	<u>-</u>	<u>-</u>
Funded status, at end of year	<u>\$ 20,480,125</u>	<u>\$ 20,510,952</u>

A summary of net periodic benefit cost related to postretirement benefits for 2021 and 2020 is as follows:

	<u>2021</u>	<u>2020</u>
Service cost	\$ 210,833	\$ 191,550
Interest cost	566,295	650,476
Amortizations of prior credit	(21,017)	(21,017)
Amortization of actuarial loss	391,340	473,411
Net periodic benefit costs	<u>\$ 1,147,451</u>	<u>\$ 1,294,420</u>

Assumptions used in determining the postretirement benefit obligation are as follows:

	<u>2021</u>	<u>2020</u>
Discount rate	2.77%	2.94%
Rate of compensation increase	2.25%	2.25%

Assumptions used in determining the periodic benefit cost are as follows:

	<u>2021</u>	<u>2020</u>
Discount rate	2.94%	3.52%
Expected return on plan assets	N/A	N/A
Rate of compensation increase	2.25%	2.25%

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2021 AND 2020

**Note 6—Postretirement benefits other than pensions (continued)**

The approximate future benefit payments, which reflect expected future service are as follows:

	<b>Estimated Benefit Payments</b>
2022	\$ 577,990
2023	596,064
2024	630,768
2025	676,126
2026	697,635
2027 through 2031	3,828,561
Total	<u>\$ 7,007,144</u>

The disclosures above were determined through actuarial valuation. For measurement purposes at December 31, 2021, various health care cost trend rates were used to calculate the anticipated increase in per capita costs of medical, prescription drug and dental benefits. Rates ranging from 5.5% to 5% were assumed in 2021, and such rates were assumed to decrease in various increments annually until reaching an ultimate level of 5% in 2022.

The health care cost trend rate assumption has a significant effect on the amounts reported. Increasing the assumed health care cost trend by one percentage point in each year would increase the accrued postretirement benefit obligation by \$4,085,086 and \$149,734 at December 31, 2021 and 2020, respectively, and would increase the net periodic postretirement benefit cost by \$191,744 in 2021 and \$9,036 in 2020. Similarly, decreasing the assumed health care cost trend by one percentage point in each year would decrease the accrued postretirement benefit obligation by \$3,140,423 and \$116,471 at December 31, 2021 and 2020, respectively, and would decrease the net periodic postretirement benefit cost by \$140,943 in 2021 and \$6,796 in 2020.

**Note 7—Multiemployer retirement plan**

Certain employees of the Fund are covered by a multiemployer pension plan (“MEPP”). The MEPP provides retirement benefits to the covered employees in accordance with a collective bargaining agreement. The collective bargaining agreement covers approximately 64% of the Fund’s employees and expires December 31, 2021. The new agreement, effective January 1, 2022 has no significant changes to participants in the MEPP. As one of many participating employers in the MEPP, the Fund is generally responsible with the other participating employers for any plan underfunding. The Fund made contributions of \$146,267 and \$143,886 during December 31, 2021 and 2020, respectively, to the MEPP for covered employees.

The Fund could be obligated to make future payments to the MEPP if the MEPP adopts a funding improvement plan or rehabilitation plan to improve its funding status as required under the PPA. As of December 31, 2021, the MEPP’s actuary certified that the plan was neither in endangered nor critical status. Therefore, the MEPP is not currently required to adopt a funding improvement plan or rehabilitation plan.

The Fund could also be obligated to make future payments to the MEPP if the Fund ceases to have an obligation to contribute to the plan or significantly reduces its contributions to the plan because of a reduced number of employees covered by the plan (known as complete or partial withdrawal liability). In the event of complete or partial withdrawal from the MEPP, the amount of additional payments generally would equal the Fund’s proportionate share of the MEPP’s unfunded vested benefits. The Fund is aware that the MEPP had unfunded vested benefits at December 31, 2021. However, due to uncertainty regarding future factors that could trigger withdrawal liability, as well as the absence of specific information regarding matters such as the MEPP’s current financial situation, delays in reporting, the potential withdrawal or bankruptcy of other contributing employers, and the impact of future plan performance, the Fund is unable to determine with any certainty the amount and timing of any potential, future withdrawal liability or changes in future funding obligations.

# PACE INDUSTRY UNION-MANAGEMENT PENSION FUND

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

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### **Note 8—Risks and uncertainties**

The Fund utilizes various investment instruments. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statements of net assets available for plan benefits.

The Fund's credit risks primarily relate to mutual funds and collective trust funds. The market values of these assets will fluctuate considerably based on investors' determinations of the performance of the underlying investments and interest rate changes. The risk of loss would increase due to poor performances by the financial markets or underlying investments and due to failures by financial institutions in which funds are held or invested.

At various times during the year, the Fund has cash deposits at banks in excess of the federally insured limit. The Fund has not experienced any losses in such accounts, and the Trustees believe the Fund is not exposed to any significant credit risk in this regard.

The actuarial present value of benefit obligations is reported based on certain assumptions pertaining to interest rates, healthcare 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 would be material to the financial statements.

### **Note 9—Income tax status**

The Fund obtained a favorable determination letter on January 18, 2017, in which the Internal Revenue Service ("IRS") stated that the Fund was in compliance with the applicable requirements of the IRC. The Fund is required to operate in conformity with the IRC to maintain its qualification. The Fund has been amended subsequent to the form submitted to the IRS for which favorable determination was received. However, the Trustees believe that the Fund is designed and is currently being operated in compliance with the applicable provisions of the IRC.

U.S. GAAP requires Fund management to evaluate tax positions taken by the Fund and recognize a tax liability (or asset) if the Fund has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Fund administrator has analyzed the tax positions taken by the Fund, and has concluded that as of December 31, 2021 and 2020, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Fund is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

### **Note 10—Related party transactions**

The Fund pays all expenses related to operations and investment related activities to various service providers. These transactions are party in interest transactions under ERISA.

An investment in a limited partnership is managed by Blackstone Real Estate Special Situations Advisors LLC (BRESSA), a fiduciary for the plan, and, therefore, this investment transaction qualified as a party in interest transaction.

Certain members of the Trustees are also trustees of the HRA and USW 401(k).

### **Note 11—Commitments and contingencies**

The Fund is periodically subject to legal actions which arise in the course of business. Fund management is unable to predict the ultimate outcome of current litigation outstanding but does not believe an ultimate liability with respect to current litigation will be material to the operating results or financial position of the Fund. As a result, no accrual for any liability is included in the financial statements.

## **SUPPLEMENTAL INFORMATION**

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
**FORM 5500, SCHEDULE H, PART IV, LINE 4i**  
**EIN: 11-6166763 PLAN NUMBER: 001**

DECEMBER 31, 2021

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor, or similar party	Description of investment, including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current value	
<b>Mutual funds:</b>				
Kopernik	Kopernik Global	\$ 30,527,106	\$ 50,801,412	
Pacific Funds	Pacific Funds	15,409,115	16,019,402	
First Eagle	First Eagle Global	95,886,279	107,658,263	
Vanguard	Vanguard S/T Tips	76,271,559	77,274,150	
Vanguard	Total Bond Index	395,596,124	388,871,853	
Nomura	High Yield Bond	6,064,230	6,199,636	
Total mutual funds		<u>619,754,413</u>	<u>646,824,716</u>	
<b>Collective trust funds:</b>				
State Street	SSGA EAFE Index Fun	83,107,536	105,356,139	
Payden & Rygel	Payden&Rygel EM Markets	31,769,699	33,223,789	
State Street	SSGA Global LG-MID NR Index	27,290,835	37,857,807	
State Street	SSGA US REIT Index	64,654,666	88,742,201	
State Street	SSGA Barclays US TIPS Index	13,133,750	14,817,390	
State Street	SSGA Russell 3000	150,045,988	213,438,317	
State Street	SSGA Russell 1000	36,098,971	45,609,945	
State Street	SSGA MSCI Emerging	58,663,841	57,090,448	
Total collective trust funds		<u>464,765,286</u>	<u>596,136,036</u>	
<b>Commingled funds:</b>				
TSE	TSE Capital			
36 South	36 South	18,465,184	20,794,603	
Alliance Bernstein	Alliance Bernstein	61,869,539	84,881,351	
Alpstone	Global Macro Fund	23,000,000	21,679,472	
First Eagle	LP	51,000,000	51,574,114	
Lombard	1798 Bear Convexity Fund	16,500,000	16,304,224	
Total commingled funds		<u>170,834,723</u>	<u>195,233,764</u>	
<b>Fund interests in limited partnerships:</b>				
WCM	WCM Global Growth	64,995,000	119,926,239	
BH-DG	BH-DG Stem	24,022,770	28,840,527	
Sculptor	Sculptor	29,000,000	38,942,591	
Total fund interests in limited partnerships		<u>118,017,770</u>	<u>187,709,357</u>	
Total investments		<u>\$ 1,373,372,192</u>	<u>\$ 1,625,903,873</u>	

\* Represents a party-in-interest.

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**SCHEDULE OF REPORTABLE TRANSACTIONS**  
**FORM 5500, SCHEDULE H, PART IV, LINE 4j**  
**EIN: 11-6166763 PLAN #: 001**

*YEAR ENDED DECEMBER 31, 2021*

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset (include interest rate and maturity in case of a loan)	Purchase Price	Selling Price	Lease Rental	Expense Incurred with Transaction	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)
<u>Category (i) - A single transaction involving securities in excess of 5% of plan assets</u>								
	First Am Treas Ob Fd Cl Z	\$ 114,288,069	\$ -	\$ -	\$ -	\$ 114,288,069	\$ 114,288,069	\$ -
	First Am Treas Ob Fd Cl Z	-	95,500,000	-	-	95,500,000	95,500,000	-
	Gqg Partners Global Equity Cit Cl B	-	114,288,069	-	-	81,953,164	114,288,069	32,334,905
<u>Category (iii) - A series of transactions involving securities in excess of 5% of plan assets</u>								
	First Am Treas Ob Fd Cl Z	651,026,023	-	-	-	651,026,023	651,026,023	-
	First Am Treas Ob Fd Cl Z	-	659,438,960	-	-	659,438,960	659,438,960	-
	Vanguard Total Bond Market Idx Instl	61,138,733	-	-	-	61,138,733	61,138,733	-
	Vanguard Total Bond Market Idx Instl	-	121,400,000	-	-	123,135,243	121,400,000	(1,735,243)
	Ssga Russell 3000 (R) Indx NI Fund	61,500,000	-	-	-	61,500,000	61,500,000	-
	Ssga Russell 3000 (R) Indx NI Fund	-	52,427,890	-	-	39,227,690	52,427,890	13,200,200
	Gqg Partners Global Equity Cit Cl B	8,800,000	-	-	-	8,800,000	8,800,000	-
	Gqg Partners Global Equity Cit Cl B	-	114,288,069	-	-	81,953,164	114,288,069	32,334,905



## MEMORANDUM

**TO:** Board, PACE Industry Union-Management Pension Fund  
**FROM:** Alan Spatrick, Hannah Schriener, Will Duryea, Meketa Investment Group  
**CC:** Chuck Knight, Carolyn Adams-Rossignol, Anne Mayerson, Tzvi Mackson  
**DATE:** February 23, 2023  
**RE:** Pension Fund Value

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Meketa Fiduciary Management calculated a total adjusted market value for the Pension Fund of \$1,307,967,109.53 as of December 31, 2022,

For several portfolios, the custody bank, US Bank, did not have December 31 valuations available. For these, we estimated the values as follows:

Ironsides Co-Investment Fund VI, L.P. – Most recent valuation was as of September 30, 2022. The fund is invested predominantly in US private equity assets. We estimated the December 31 value by adjusting the value by the fourth quarter total return of the US public equity market, as proxied by the Russell 3000 equity index.

Oakley Capital Fund V, L.P. - Most recent valuation was as of September 30, 2022. The fund is invested predominantly in European private equity assets. We estimated the December 31 value by adjusting the September 30 value by the fourth quarter total return of the MSCI Europe equity index.

BlackRock Global Infrastructure Fund IV – Initial capital call was made on December 13, 2022. We presumed no change in value over the 18 days to the end of the year.

ABS China Direct – US Bank data was as of November 30, 2022. We used the manager's valuation as of December 31, 2022.

ABS EM ex China Direct - US Bank data was as of November 30, 2022. We used the manager's valuation as of December 31, 2022.

If you have any questions or would like to discuss this matter, please email, or call us at (781) 471-3500.

AS/HS/WD/mf

**Pace Industry Union-Management Pension Fund**

**Contributions 2022 (accrual basis)**

	<u>Contributions</u>	<u>Percent of Total</u>
Default Plan	4,338	0.033%
Rehab Plan	13,181,942	99.967%
	<u>13,186,280</u>	<u>1.000</u>

**Version Updates**

Version

Date updated

v20220701p

v20220701p

07/01/2022

**TEMPLATE 1**

File name: *Template 1 Plan Name* , where "Plan Name" is an abbreviated version of the plan name.

v20220701p

**Form 5500 Projection**

For an additional submission due to merger under § 4262.4(f)(1)(ii): *Template 1 Plan Name Merged* , where "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.

For the 2018 plan year until the most recent plan year for which the Form 5500 is required to be filed by the filing date of the initial application, provide the projection of expected benefit payments as required to be attached to the Form 5500 Schedule MB if the response to line 8b(1) of the Form 5500 Schedule MB should be "Yes."

**PLAN INFORMATION**

Abbreviated Plan Name:	PIUMPF
EIN:	11-6166763
PN:	001

Complete for each Form 5500 that has been filed prior to the date the SFA application is submitted\*.

	2018 Form 5500	2019 Form 5500	2020 Form 5500	2021 Form 5500	2022 Form 5500	2023 Form 5500	2024 Form 5500	2025 Form 5500
Plan Year Start Date								
Plan Year End Date								
Plan Year	Expected Benefit Payments							
2018	\$196,975,305	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2019	\$200,749,982	\$202,404,190	N/A	N/A	N/A	N/A	N/A	N/A
2020	\$204,652,294	\$205,958,283	\$207,858,534	N/A	N/A	N/A	N/A	N/A
2021	\$208,802,028	\$209,836,820	\$210,970,274	\$211,960,323	N/A	N/A	N/A	N/A
2022	\$213,334,603	\$213,636,002	\$214,077,858	\$214,329,371		N/A	N/A	N/A
2023	\$217,915,089	\$217,670,367	\$217,352,446	\$216,997,489			N/A	N/A
2024	\$222,559,539	\$221,402,056	\$220,573,457	\$219,449,137				N/A
2025	\$226,359,478	\$224,582,456	\$223,170,091	\$221,922,298				
2026	\$229,645,469	\$227,264,719	\$225,614,925	\$223,694,562				
2027	\$232,232,163	\$229,122,563	\$227,428,752	\$225,382,747				
2028	N/A	\$230,251,477	\$228,557,406	\$226,506,701				
2029	N/A	N/A	\$228,886,011	\$226,846,542				
2030	N/A	N/A	N/A	\$226,434,585				
2031	N/A	N/A	N/A	N/A				
2032	N/A	N/A	N/A	N/A	N/A			
2033	N/A	N/A	N/A	N/A	N/A	N/A		
2034	N/A	N/A	N/A	N/A	N/A	N/A	N/A	

\* Adjust column headers as may be needed due to any changes in the plan year since 2018 and provide supporting explanation. For example, assume the plan has a calendar year plan year, but effective 10/1/2019 the plan year is changed to begin on October 1. For 2019 there will be two 2019 Forms - one for the short plan year from 1/1/2019 to 9/30/2019, and another for the plan year 10/1/2019 to 9/30/2020. For this example, modify the table to show a separate column for each of the separate Forms 5500, and identify the plan year period for each filing.

**Version Updates**

v20220701p

Version

Date updated

v20220701p

07/01/2022

**Contributing Employers**

For additional submission due to merger under § 4262.4(f)(1)(ii): *Template 2 Plan Name Merged*, where "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.

If the plan has 10,000 or more participants, as required to be entered on line 6f of the plan's most recently filed Form 5500 (by the filing date of the initial application), enter a listing of the 15 contributing employers with the largest contribution amounts and the amount of contributions paid by each employer during the most recently completed plan year. For example, if a calendar year plan filed an application on April 1, 2023, the plan would look to line 6f of the 2021 Form 5500 filed in 2022. If the line 6f of the 2021 Form 5500 showed 10,000 or more participants, the plan must list the 15 contributing employers with the largest contributions and the contributions made by each employer during 2022 without regard to whether a contribution was made on account of a year other than 2022. Alternatively, the plan may choose to provide the listing of the 15 largest contributing employers and the amounts of contributions paid by each of these employers on account of the most recently completed plan year. Identify the basis (cash or accrual) used to report the employer contributions.

If the plan is required to provide this information, it is required for the Top 15 employers even if the employer's contribution is less than 5% of total contributions.

**PLAN INFORMATION**

Abbreviated Plan Name:	PIUMPF
EIN:	11-6166763
PN:	001

Most Recently Completed Plan Year:	2022
Contribution Basis:	Accrual

Cash or Accrual

List in order with employer with largest contribution amount first		
Order	Contributions	Contributing Employer
1	\$5,479,378	Clearwater Paper Corp.
2	\$3,897,801	Huhtamaki
3	\$694,707	Crowley Petroleum Distribution Alaska
4	\$368,616	Connecticut Container Corp.
5	\$294,266	Infiana USA, Inc.
6	\$220,324	Kinder Morgan Terminals Inc.
7	\$190,831	Roaring Spring Blank Book Company
8	\$162,882	General Fibre Products, Inc.
9	\$136,414	Fiske Brothers Refining
10	\$128,242	Hollowell Industries, Inc.
11	\$125,818	Landaal Packaging - Delta Containers, Inc.
12	\$117,066	Mayo Clinic Health System - Austin
13	\$104,725	Continental Carbon
14	\$93,627	Ohmstede, Ltd.
15	\$73,368	Pioneer Packaging & Printing, Inc.

**Version Updates**

v20220701p

Version

Date updated

V20220701p

07/01/2022

**TEMPLATE 3**

File name: *Template 3 Plan Name*, where "Plan Name" is an abbreviated version of the plan name.

v20220701p

**Historical Plan Information**

For additional submission due to merger under § 4262.4(f)(1)(ii): *Template 3 Plan Name Merged*, where "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.

Provide historical plan information for the 2010 plan year through the plan year immediately preceding the date the plan's initial application was filed that separately identifies: total contributions, total contribution base units (including identification of the base unit used (i.e., hourly, weekly)), average contribution rates, and number of active participants at the beginning of each plan year. Also show separately for each of the plan years in the same period all other sources of non-investment income, including, if applicable, withdrawal liability payments collected, reciprocity contributions (if applicable), additional contributions from the rehabilitation plan (if any), and other identifiable contribution streams.

If the 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:	PIUMPF
EIN:	11-6166763
PN:	001

Unit (e.g. hourly, weekly)	hourly
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All Other Sources of Non-Investment Income

Plan Year (in order from oldest to most recent)	Plan Year Start Date	Plan Year End Date	All Other Sources of Non-Investment Income							Number of Active Participants at Beginning of Plan Year	
			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		
2010	01/01/2010	12/31/2010	\$59,575,070	42,951,714	\$1.3870				\$0	\$5,498,484.00	20,622
2011	01/01/2011	12/31/2011	\$57,342,061	39,389,046	\$1.4558				\$0	\$15,059,450.00	19,183
2012	01/01/2012	12/31/2012	\$56,562,444	37,396,433	\$1.5125				\$0	\$9,483,795.00	17,932
2013	01/01/2013	12/31/2013	\$45,977,776	31,922,037	\$1.4403				\$0	\$10,666,528.00	16,819
2014	01/01/2014	12/31/2014	\$38,496,409	25,509,783	\$1.5091				\$0	\$53,875,123.00	13,980
2015	01/01/2015	12/31/2015	\$31,658,210	20,905,919	\$1.5143				\$0	\$27,788,518.00	11,224
2016	01/01/2016	12/31/2016	\$22,890,058	14,965,823	\$1.5295				\$488,275	\$26,125,276.00	9,934
2017	01/01/2017	12/31/2017	\$20,758,603	13,470,674	\$1.5410				\$1,383,548	\$46,013,658.00	6,282
2018	01/01/2018	12/31/2018	\$13,802,244	9,014,753	\$1.5311				\$13,100,633	\$44,970,275.00	6,046
2019	01/01/2019	12/31/2019	\$13,960,248	8,701,227	\$1.6044				\$25,746,906	\$48,861,895.00	4,041
2020	01/01/2020	12/31/2020	\$13,014,653	7,735,306	\$1.6825				\$4,180,182	\$96,887,592.00	3,626
2021	01/01/2021	12/31/2021	\$12,895,616	7,556,763	\$1.7065				\$6,727,171	\$51,847,423.00	3,344
2022	01/01/2022	12/31/2022	\$13,186,280	7,600,301	\$1.7350				\$760,227	\$53,382,989.00	3,192

\* 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."

Note: 2022 information is preliminary



## TEMPLATE 4A

v20220802p

### SFA Determination - under the "basic method" for all plans, and under the "increasing assets method" for MPRA plans

File name: *Template 4A Plan Name*, where "Plan Name" is an abbreviated version of the plan name.

If submitting additional information due to a merger under § 4262.4(f)(1)(ii): *Template 4A Plan Name Merged*, where "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.

If submitting additional information due to certain events with limitations under § 4262.4(f)(1)(i): *Template 4A Plan Name Add*, where "Plan Name" is an abbreviated version of the plan name.

If submitting a supplemented application under § 4262.4(g)(6): *Template 4A Supp Plan Name*, where "Plan Name" is an abbreviated version of the plan name.

Instructions for Section C, Item (4) of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:

IFR filers submitting a supplemented application should see Addendum C for more information.

MPRA plans using the "increasing assets method" should see Addendum D for more information.

For all plans, provide information used to determine the amount of SFA under the "basic method" described in § 4262.4(a)(1).

For MPRA plans, also provide information used to determine the amount of SFA under the "increasing assets method" described in § 4262.4(a)(2)(i).

The information to be provided is:

***NOTE: All items below are provided on Sheet '4A-4 SFA Details .4(a)(1)' unless otherwise indicated.***

- a. The amount of SFA calculated using the "basic method", determined as a lump sum as of the SFA measurement date.
- b. Non-SFA interest rate required under § 4262.4(e)(1) of PBGC's SFA regulation, including supporting details on how it was determined.  
*[Sheet: 4A-1 Interest Rates]*
- c. SFA interest rate required under § 4262.4(e)(2) of PBGC's SFA regulation, including supporting details on how it was determined.  
*[Sheet: 4A-1 Interest Rates]*
- d. Fair market value of assets as of the SFA measurement date. This amount should include any assets at the SFA measurement date attributable to financial assistance received by the plan under section 4261 of ERISA, but should not reflect a payable for amounts owed to PBGC for all amounts of such financial assistance received by the plan.

e. For each plan year in the period beginning on the SFA measurement date and ending on the last day of the last plan year ending in 2051 (the "SFA coverage period"):

- i. Separately identify the projected amount of contributions, projected withdrawal liability payments reflecting a reasonable allowance for amounts considered uncollectible, and other payments expected to be made to the plan (excluding the amount of financial assistance under section 4261 of ERISA and SFA to be received by the plan).
- ii. Identify the benefit payments described in § 4262.4(b)(1) (including any benefits that were restored under 26 CFR 1.432(e)(9)-(1)(e)(3) and excluding the payments in e.iii. below), separately for current retirees and beneficiaries, current terminated vested participants not yet in pay status, current active participants, and new entrants.

*[Sheet: 4A-2 SFA Ben Pmts]*

Identify total benefit payments paid and expected to be paid from projected SFA assets separately from total benefit payments paid and expected to be paid from non-SFA assets after the projected SFA assets are fully exhausted.

- iii. Separately identify the make-up payments described in § 4262.4(b)(1) attributable to the reinstatement of benefits under § 4262.15 that were previously suspended through the SFA measurement date.

[Also see applicable examples in Section C, Item (4)e.iii. of the SFA instructions.]

- iv. Separately identify administrative expenses paid and expected to be paid (excluding the amount owed PBGC under section 4261 of ERISA) for premiums to PBGC and for all other administrative expenses.

*[Sheet: 4A-3 SFA Pcount and Admin Exp]*

Identify total administrative expenses paid and expected to be paid from projected SFA assets separately from total administrative expenses paid and expected to be paid from non-SFA assets after the projected SFA assets are fully exhausted.

- v. Provide the projected total participant count at the beginning of each year.

*[Sheet: 4A-3 SFA Pcount and Admin Exp]*

- vi. Provide the projected investment income earned by assets not attributable to SFA based on the non-SFA interest rate in b. above and the projected fair market value of non-SFA assets at the end of each plan year.

- vii. Provide the projected investment income earned by assets attributable to SFA based on the SFA interest rate in c. above (excluding investment returns for the plan year in which the sum of annual projected benefit payments and administrative expenses for the year exceeds the beginning-of-year projected SFA assets) and the projected fair market value of SFA assets at the end of each plan year.

f. The projected SFA exhaustion year. This is the first day of the plan year in which the sum of annual projected benefit payments and administrative expenses for the year exceeds the beginning-of-year projected SFA assets. Note this date is only required for the calculation method under which the requested amount of SFA is determined.

Additional instructions for each individual worksheet:

Sheet

**4A-1 SFA Determination - non-SFA Interest Rate and SFA Interest Rate**

See instructions on 4A-1 Interest Rates.

**4A-2 SFA Determination - Benefit Payments for the "basic method" for all plans, and for the "increasing assets method" for MRPA plans**

*This sheet is not required for an IFR filer submitting a supplemented application under § 4262.4(g)(6) if the total projected benefit payments are the same as those used in the application approved under the interim final rule.*

On this sheet, you will provide:

- Basic plan information (plan name, EIN/PN, SFA measurement date), and
- Year-by-year deterministic projection of benefit payments.

For each plan year in the period beginning on the SFA measurement date and ending on the last day of the last plan year ending in 2051 (the "SFA coverage period"), identify benefit payments described in § 4262.4(b)(1) for current retirees and beneficiaries, current terminated vested participants not yet in pay status, currently active participants, and new entrants. On this Sheet 4A-2, show all benefit payments as positive amounts.

If the plan has suspended benefit payments under sections 305(e)(9) or 4245(a) of ERISA, the benefit payments in this Sheet 4A-2 projection should reflect prospective reinstatement of benefits assuming such reinstatements commence as of the SFA measurement date. If the plan restored or partially restored benefits under 26 CFR 1.432(e)(9)-1(e)(3) before the SFA measurement date, the benefit payments in this Sheet 4A-2 should reflect fully restored prospective benefits.

Make-up payments to be paid to restore previously suspended benefits should not be included in this Sheet 4A-2, and are separately shown in Sheet 4A-4.

Except for the first row in the projection exhibit, each row must include the full plan year of the indicated information up to the plan year ending in 2051. The first row in the projection period is for the period beginning on the SFA measurement date and ending on the last day of the plan year containing the SFA measurement date, so the first row may contain less than a full plan year of information. For all other periods, provide the full plan year of information up to the plan year ending in 2051.

**4A-3 SFA Determination - Participant Count and Administrative Expenses for the "basic method" for all plans, and for the "increasing assets method" for MPRA plans**

*This sheet is not required for an IFR filer submitting a supplemented application under § 4262.4(g)(6).*

On this sheet, you will provide:

- Basic plan information (plan name, EIN/PN, SFA measurement date), and
- Year-by-year deterministic projection of participant count and administrative expenses.

For each plan year in the period beginning on the SFA measurement date and ending on the last day of the last plan year ending in 2051 (the "SFA coverage period"), identify the projected total participant count at the beginning of each year, as well as administrative expenses, separately for premiums to PBGC and for all other administrative expenses. On this Sheet 4A-3, show all administrative expenses as positive amounts.

Any amounts owed to PBGC for financial assistance under section 4261 of ERISA should not be included in this Sheet 4A-3.

Except for the first row in the projection exhibit, each row must include the full plan year of the indicated information up to the plan year ending in 2051. The first row in the projection period is for the period beginning on the SFA measurement date and ending on the last day of the plan year containing the SFA measurement date, so the first row may contain less than a full plan year of information. For all other periods, provide the full plan year of information up to the plan year ending in 2051

#### **4A-4 SFA Determination - Details for the "basic method" under § 4262.4(a)(1) for all plans**

On this sheet, you will provide:

- Basic plan information (plan name, EIN/PN, SFA measurement date, non-SFA interest rate, SFA interest rate),
- MPRA plan status and, if applicable, certain MPRA information,
- Fair Market Value of Assets as of the SFA measurement date,
- SFA Amount as of the SFA measurement date calculated under the "basic method",
- Projected SFA exhaustion year (only if the requested amount of SFA is determined under the "basic method"), and
- Year-by-year deterministic projection.

For each plan year in the period beginning on the SFA measurement date and ending on the last day of the last plan year ending in 2051 (the "SFA coverage period"), provide each of the items requested in Columns (1) through (12). Show payments INTO the plan as positive amounts and payments OUT of the plan as negative amounts.

If the plan has suspended benefit payments under sections 305(e)(9) or 4245(a) of ERISA, Column (5) should show the make-up payments to be paid to restore the previously suspended benefits. These amounts should be determined as if such make-up payments are paid beginning as of the SFA measurement date. If the plan sponsor elects to pay these amounts as a lump sum, then the lump sum amount is assumed paid as of the SFA measurement date. If the plan sponsor elects to pay equal installments over 60 months, the first monthly payment is assumed paid on the first regular payment date on or after the SFA measurement date. See the examples in the SFA Instructions. If the make-up payments are paid over 60 months, each row in the projection should reflect the monthly payments for that period. The prospective reinstatement of suspended benefits is included in Column (4); Column (5) is only for make-up payments for past benefits that were suspended.

Except for the first row in the projection exhibit, each row must include the full plan year of the indicated information up to the plan year ending in 2051. The first row in the projection period is for the period beginning on the SFA measurement date and ending on the last day of the plan year containing the SFA measurement date, so the first row may contain less than a full plan year of information. For all other periods, provide the full plan year of information up to the plan year ending in 2051.

**4A-5 SFA Determination - Details for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans**

This sheet is to only be used by MPRA plans. For such plans, this sheet should be completed in addition to Sheet 4A-4.

On this sheet, you will provide:

- Basic plan information (plan name, EIN/PN, SFA measurement date, non-SFA interest rate, SFA interest rate),
- MPRA plan status, and if applicable, certain MPRA information,
- Fair Market Value of Assets as of the SFA measurement date,
- SFA Amount as of the SFA measurement date calculated under the "increasing assets method",
- Projected SFA exhaustion year (only if the requested amount of SFA is determined under the "increasing assets method"), and
- Year-by-year deterministic projection.

This sheet is identical to Sheet 4A-4, and the information in Columns (1) through (6) should be the same as that used in the "basic method" calculation in Sheet 4A-4. The SFA Amount as of the SFA Measurement Date will differ from that calculated in Sheet 4A-4, as it will be calculated in accordance with § 4262.4(a)(2)(i) as the lowest whole dollar amount (not less than \$0) for which, as of the last day of each plan year during the SFA coverage period, projected SFA assets and projected non-SFA assets are both greater than or equal to zero, and, as of the last day of the SFA coverage period, the sum of projected SFA assets and projected non-SFA assets is greater than the amount of such sum as of the last day of the immediately preceding plan year.

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

Version	Date updated	
v20220802p	08/02/2022	Cosmetic changes to increase the size of some rows
v20220701p	07/01/2022	

SFA Determination - non-SFA Interest Rate and SFA Interest Rate

Provide the non-SFA interest rate and SFA interest rate used, including supporting details on how they were determined.

**PLAN INFORMATION**

Abbreviated Plan Name:	PIUMPF
EIN:	11-6166763
PN:	001
Initial Application Date:	03/03/2023
SFA Measurement Date:	12/31/2022
Last day of first plan year ending after the measurement date:	12/31/2023

For a plan other than a plan described in § 4262.4(g) (i.e., for a plan that has not filed an initial application under PBGC's interim final rule), the last day of the third calendar month immediately preceding the plan's initial application date.  
 For a plan described in § 4262.4(g) (i.e., for a plan that filed an initial application prior to publication of the final rule), the last day of the calendar quarter immediately preceding the plan's initial application date.

Non-SFA Interest Rate Used:	5.85%	Rate used in projection of non-SFA assets.
SFA Interest Rate Used:	3.77%	Rate used in projection of SFA assets.

**Development of non-SFA interest rate and SFA interest rate:**

Plan Interest Rate:	6.50%	Interest rate used for the funding standard account projections in the plan's most recently completed certification of plan status before 1/1/2021.
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Corresponding ERISA Section 303(h)(2)(C)(i), (ii), and (iii) rates disregarding modifications made under clause (iv) of such section.

Month Year	(i)	(ii)	(iii)	
Month in which plan's initial application is filed, and corresponding segment rates (leave (i), (ii), and (iii) blank if the IRS Notice for this month has not yet been issued):	March 2023			
1 month preceding month in which plan's initial application is filed, and corresponding segment rates:	February 2023	2.31%	3.72%	4.00%
2 months preceding month in which plan's initial application is filed, and corresponding segment rates:	January 2023	2.13%	3.62%	3.93%
3 months preceding month in which plan's initial application is filed, and corresponding segment rates:	December 2022	1.95%	3.50%	3.85%

24-month average segment rates without regard to interest rate stabilization rules. These rates are issued by IRS each month. For example, the applicable segment rates for August 2021 are 1.13%, 2.70%, and 3.38%. Those rates were issued in [IRS Notice 21-50](#) on August 16, 2021 (see page 2 of notice under the heading "24-Month Average Segment Rates Without 25-Year Average Adjustment").  
 They are also available on IRS' [Funding Yield Curve Segment Rate Tables](#) web page (See Funding Table 3 under the heading "24-Month Average Segment Rates Not Adjusted").

Non-SFA Interest Rate Limit (lowest 3rd segment rate plus 200 basis points):	5.85%	This amount is calculated based on the other information entered above.
Non-SFA Interest Rate Calculation (lesser of Plan Interest Rate and Non-SFA Interest Rate Limit):	5.85%	This amount is calculated based on the other information entered above.
Non-SFA Interest Rate Match Check:	Match	If the non-SFA Interest Rate Calculation is not equal to the non-SFA Interest Rate Used, provide explanation below.

SFA Interest Rate Limit (lowest average of the 3 segment rates plus 67 basis points):	3.77%	This amount is calculated based on the other information entered.
SFA Interest Rate Calculation (lesser of Plan Interest Rate and SFA Interest Rate Limit):	3.77%	This amount is calculated based on the other information entered above.
SFA Interest Rate Match Check:	Match	If the SFA Interest Rate Calculation is not equal to the SFA Interest Rate Used, provide explanation below.

**TEMPLATE 4A - Sheet 4A-2**

v20220802p

**SFA Determination - Benefit Payments for the "basic method" for all plans, and for the "increasing assets method" for MRPA plans**

See Template 4A Instructions for Additional Instructions for Sheet 4A-2.

**PLAN INFORMATION**

Abbreviated Plan Name:	PIUMPF
EIN:	11-6166763
PN:	001
SFA Measurement Date:	12/31/2022

On this Sheet, show all benefit payment amounts as positive amounts.

**PROJECTED BENEFIT PAYMENTS for:**

SFA Measurement Date / Plan Year Start Date	Plan Year End Date	Current Retirees and Beneficiaries in Pay Status	Current Terminated Vested Participants	Current Active Participants	New Entrants	Total
12/31/2022	12/31/2023	\$191,741,204	\$21,627,607	\$3,856,317	\$0	\$217,225,128
01/01/2024	12/31/2024	\$185,721,698	\$29,020,378	\$5,221,804	\$0	\$219,963,880
01/01/2025	12/31/2025	\$179,490,111	\$36,768,453	\$6,536,161	\$0	\$222,794,725
01/01/2026	12/31/2026	\$173,059,253	\$44,060,614	\$7,846,272	\$10,362	\$224,976,501
01/01/2027	12/31/2027	\$166,432,860	\$51,505,830	\$9,164,047	\$30,874	\$227,133,611
01/01/2028	12/31/2028	\$159,622,417	\$58,643,024	\$10,426,568	\$61,733	\$228,753,742
01/01/2029	12/31/2029	\$152,637,831	\$65,272,387	\$11,560,641	\$104,591	\$229,575,450
01/01/2030	12/31/2030	\$145,493,507	\$71,353,906	\$12,653,619	\$200,940	\$229,701,972
01/01/2031	12/31/2031	\$138,207,597	\$76,632,876	\$13,636,767	\$312,289	\$228,789,529
01/01/2032	12/31/2032	\$130,802,370	\$81,287,643	\$14,534,977	\$455,551	\$227,080,541
01/01/2033	12/31/2033	\$123,304,030	\$84,998,077	\$15,357,233	\$614,707	\$224,274,047
01/01/2034	12/31/2034	\$115,742,556	\$88,364,323	\$16,105,182	\$791,032	\$221,003,093
01/01/2035	12/31/2035	\$108,151,508	\$91,157,566	\$16,764,485	\$1,048,874	\$217,122,433
01/01/2036	12/31/2036	\$100,567,611	\$93,254,293	\$17,337,499	\$1,305,538	\$212,464,941
01/01/2037	12/31/2037	\$93,030,384	\$94,763,815	\$17,850,444	\$1,595,621	\$207,240,264
01/01/2038	12/31/2038	\$85,581,274	\$95,480,039	\$18,312,540	\$1,895,856	\$201,269,709
01/01/2039	12/31/2039	\$78,263,533	\$95,982,193	\$18,678,322	\$2,209,568	\$195,133,616
01/01/2040	12/31/2040	\$71,122,097	\$95,985,919	\$18,988,316	\$2,630,780	\$188,727,112
01/01/2041	12/31/2041	\$64,202,509	\$95,499,680	\$19,229,094	\$3,044,230	\$181,975,513
01/01/2042	12/31/2042	\$57,549,500	\$94,478,346	\$19,400,884	\$3,485,787	\$174,914,517
01/01/2043	12/31/2043	\$51,205,445	\$92,932,781	\$19,483,692	\$3,933,159	\$167,555,077
01/01/2044	12/31/2044	\$45,209,184	\$91,103,564	\$19,489,133	\$4,388,816	\$160,190,697
01/01/2045	12/31/2045	\$39,594,859	\$88,861,616	\$19,455,749	\$4,999,462	\$152,911,686
01/01/2046	12/31/2046	\$34,390,750	\$86,243,043	\$19,322,597	\$5,598,420	\$145,554,810
01/01/2047	12/31/2047	\$29,617,864	\$83,272,358	\$19,147,406	\$6,226,629	\$138,264,257
01/01/2048	12/31/2048	\$25,288,802	\$80,096,254	\$18,924,136	\$6,864,687	\$131,173,879
01/01/2049	12/31/2049	\$21,407,034	\$76,621,058	\$18,625,624	\$7,515,912	\$124,169,628
01/01/2050	12/31/2050	\$17,966,725	\$73,005,221	\$18,287,251	\$8,368,500	\$117,627,697
01/01/2051	12/31/2051	\$14,953,313	\$69,098,860	\$17,874,783	\$9,203,038	\$111,129,994



**TEMPLATE 4A - Sheet 4A-3**

v20220802p

**SFA Determination - Participant Count and Administrative Expenses for the "basic method" for all plans, and for the "increasing assets method" for MPRA plans**

See Template 4A Instructions for Additional Instructions for Sheet 4A-3.

**PLAN INFORMATION**

Abbreviated Plan Name:	PIUMPF
EIN:	11-6166763
PN:	001
SFA Measurement Date:	12/31/2022

On this Sheet, show all administrative expense amounts as positive amounts

SFA Measurement Date / Plan Year Start Date		Plan Year End Date	Total Participant Count at Beginning of Plan Year	PROJECTED ADMINISTRATIVE EXPENSES for:		
				PBGC Premiums	Other	Total
12/31/2022	12/31/2023	63,624	\$2,226,840	\$6,777,230	\$9,004,070	
01/01/2024	12/31/2024	62,753	\$2,259,108	\$7,015,084	\$9,274,192	
01/01/2025	12/31/2025	61,831	\$2,287,747	\$7,264,671	\$9,552,418	
01/01/2026	12/31/2026	60,846	\$2,312,148	\$7,526,842	\$9,838,990	
01/01/2027	12/31/2027	59,834	\$2,333,526	\$7,800,634	\$10,134,160	
01/01/2028	12/31/2028	58,780	\$2,409,980	\$8,028,205	\$10,438,185	
01/01/2029	12/31/2029	57,680	\$2,422,560	\$8,328,770	\$10,751,330	
01/01/2030	12/31/2030	56,533	\$2,430,919	\$8,642,951	\$11,073,870	
01/01/2031	12/31/2031	55,343	\$2,877,836	\$8,970,994	\$11,848,830	
01/01/2032	12/31/2032	54,187	\$2,926,098	\$9,278,197	\$12,204,295	
01/01/2033	12/31/2033	52,985	\$2,914,175	\$9,656,249	\$12,570,424	
01/01/2034	12/31/2034	51,741	\$2,949,237	\$9,998,300	\$12,947,537	
01/01/2035	12/31/2035	50,457	\$2,976,963	\$10,050,383	\$13,027,346	
01/01/2036	12/31/2036	49,136	\$2,948,160	\$9,799,736	\$12,747,896	
01/01/2037	12/31/2037	47,786	\$2,962,732	\$9,471,684	\$12,434,416	
01/01/2038	12/31/2038	46,412	\$2,970,368	\$9,105,815	\$12,076,183	
01/01/2039	12/31/2039	45,018	\$2,971,188	\$8,736,829	\$11,708,017	
01/01/2040	12/31/2040	43,605	\$2,965,140	\$8,358,487	\$11,323,627	
01/01/2041	12/31/2041	42,181	\$2,952,670	\$7,965,861	\$10,918,531	
01/01/2042	12/31/2042	40,749	\$2,933,928	\$7,560,943	\$10,494,871	
01/01/2043	12/31/2043	39,314	\$2,909,236	\$7,144,069	\$10,053,305	
01/01/2044	12/31/2044	37,881	\$2,878,956	\$6,732,486	\$9,611,442	
01/01/2045	12/31/2045	36,455	\$2,879,945	\$6,294,756	\$9,174,701	
01/01/2046	12/31/2046	35,042	\$2,838,402	\$5,894,887	\$8,733,289	
01/01/2047	12/31/2047	33,647	\$2,792,701	\$5,503,154	\$8,295,855	
01/01/2048	12/31/2048	32,275	\$2,775,650	\$5,094,783	\$7,870,433	
01/01/2049	12/31/2049	30,931	\$2,752,859	\$4,697,319	\$7,450,178	
01/01/2050	12/31/2050	29,619	\$2,695,329	\$4,362,333	\$7,057,662	
01/01/2051	12/31/2051	28,345	\$2,664,430	\$4,003,370	\$6,667,800	

TEMPLATE 4A - Sheet 4A-4

SFA Determination - Details for the "basic method" under § 4262.4(a)(1) for all plans

See Template 4A Instructions for Additional Instructions for Sheet 4A-4.

PLAN INFORMATION

Abbreviated Plan Name:	PIUMPF
EIN:	11-6166763
PN:	001
MPRA Plan?	No
If a MPRA Plan, which method yields the greatest amount of SFA?	N/A
SFA Measurement Date:	12/31/2022
Fair Market Value of Assets as of the SFA Measurement Date:	\$1,332,437,138
SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet:	\$1,302,115,122
Projected SFA exhaustion year:	01/01/2029
Non-SFA Interest Rate:	5.85%
SFA Interest Rate:	3.77%

Meets the definition of a MPRA plan described in § 4262.4(a)(3)?

MPRA increasing assets method described in § 4262.4(a)(2)(i).  
MPRA present value method described in § 4262.4(a)(2)(ii).

Per § 4262.4(a)(1), the lowest whole dollar amount (not less than \$0) for which, as of the last day of each plan year during the SFA coverage period, projected SFA assets and projected non-SFA assets are both greater than or equal to zero.

Only required on this sheet if the requested amount of SFA is based on the "basic method".  
Plan Year Start Date of the plan year in which the sum of annual projected benefit payments and administrative expenses for the year exceeds the beginning-of-year projected SFA assets.

On this Sheet, show payments INTO the plan as positive amounts, and payments OUT of the plan as negative amounts.

SFA Measurement Date / Plan Year Start Date	Plan Year End Date	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
		Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments (should match total from Sheet 4A-2)	Make-up Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA; should match total from Sheet 4A-3)	Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from SFA Assets	SFA Investment Income Based on SFA Interest Rate	Projected SFA Assets at End of Plan Year (prior year assets + (7) + (8))	Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from Non-SFA Assets	Non-SFA Investment Income Based on Non-SFA Interest Rate	Projected Non-SFA Assets at End of Plan Year (prior year assets + (1) + (2) + (3) + (10) + (11))
12/31/2022	12/31/2023	\$11,994,384	\$42,996,516	\$0	-\$217,225,128	\$0	-\$9,004,070	-\$226,229,198	\$44,469,951	\$1,120,355,875	\$0	\$79,422,016	\$1,466,850,053
01/01/2024	12/31/2024	\$11,503,998	\$41,173,183	\$0	-\$219,963,880	\$0	-\$9,274,192	-\$229,238,072	\$37,556,184	\$928,673,987	\$0	\$87,223,135	\$1,606,750,369
01/01/2025	12/31/2025	\$11,037,690	\$40,925,025	\$0	-\$222,794,725	\$0	-\$9,552,418	-\$232,347,143	\$30,266,287	\$726,593,131	\$0	\$95,388,147	\$1,754,101,231
01/01/2026	12/31/2026	\$10,602,693	\$40,797,754	\$0	-\$224,976,501	\$0	-\$9,838,990	-\$234,815,491	\$22,597,433	\$514,375,073	\$0	\$103,993,096	\$1,909,494,774
01/01/2027	12/31/2027	\$10,191,563	\$40,179,693	\$0	-\$227,133,611	\$0	-\$10,134,160	-\$237,267,771	\$14,546,735	\$291,654,036	\$0	\$113,056,024	\$2,072,922,054
01/01/2028	12/31/2028	\$9,803,985	\$39,727,121	\$0	-\$228,753,742	\$0	-\$10,438,185	-\$239,191,927	\$6,110,859	\$58,572,968	\$0	\$122,593,993	\$2,245,047,153
01/01/2029	12/31/2029	\$9,436,854	\$39,727,121	\$0	-\$229,575,450	\$0	-\$10,751,330	-\$58,572,968	\$0	\$0	-\$181,753,812	\$126,894,144	\$2,239,351,459
01/01/2030	12/31/2030	\$9,088,984	\$39,335,096	\$0	-\$229,701,972	\$0	-\$11,073,870	\$0	\$0	\$0	-\$240,775,842	\$124,670,846	\$2,171,670,543
01/01/2031	12/31/2031	\$8,761,454	\$38,839,489	\$0	-\$228,789,529	\$0	-\$11,848,830	\$0	\$0	\$0	-\$240,638,359	\$120,693,799	\$2,099,326,925
01/01/2032	12/31/2032	\$8,696,602	\$37,840,617	\$0	-\$227,080,541	\$0	-\$12,204,295	\$0	\$0	\$0	-\$239,284,836	\$116,476,066	\$2,023,055,374
01/01/2033	12/31/2033	\$8,639,277	\$37,417,264	\$0	-\$224,274,047	\$0	-\$12,570,424	\$0	\$0	\$0	-\$236,844,471	\$112,078,621	\$1,944,346,064
01/01/2034	12/31/2034	\$8,589,479	\$33,747,253	\$0	-\$221,003,093	\$0	-\$12,947,537	\$0	\$0	\$0	-\$233,950,630	\$107,466,088	\$1,860,198,254
01/01/2035	12/31/2035	\$8,542,577	\$28,522,795	\$0	-\$217,122,433	\$0	-\$13,027,346	\$0	\$0	\$0	-\$230,149,779	\$102,522,542	\$1,769,636,388
01/01/2036	12/31/2036	\$8,500,307	\$27,078,735	\$0	-\$212,464,941	\$0	-\$12,747,896	\$0	\$0	\$0	-\$225,212,837	\$97,341,260	\$1,677,343,853
01/01/2037	12/31/2037	\$8,463,249	\$15,861,611	\$0	-\$207,240,264	\$0	-\$12,434,416	\$0	\$0	\$0	-\$219,674,680	\$91,815,884	\$1,573,809,917
01/01/2038	12/31/2038	\$8,430,243	\$10,549,735	\$0	-\$201,269,709	\$0	-\$12,076,183	\$0	\$0	\$0	-\$213,345,892	\$85,816,383	\$1,465,260,386
01/01/2039	12/31/2039	\$8,401,870	\$7,921,483	\$0	-\$195,133,616	\$0	-\$11,708,017	\$0	\$0	\$0	-\$206,841,633	\$79,601,108	\$1,354,343,215
01/01/2040	12/31/2040	\$8,376,393	\$180,097	\$0	-\$188,727,112	\$0	-\$11,323,627	\$0	\$0	\$0	-\$200,050,739	\$73,119,391	\$1,235,968,357
01/01/2041	12/31/2041	\$8,354,389	\$5,086	\$0	-\$181,975,513	\$0	-\$10,918,531	\$0	\$0	\$0	-\$192,894,044	\$66,415,957	\$1,117,849,745
01/01/2042	12/31/2042	\$8,336,439	\$0	\$0	-\$174,914,517	\$0	-\$10,494,871	\$0	\$0	\$0	-\$185,409,388	\$59,742,571	\$1,000,519,367
01/01/2043	12/31/2043	\$8,318,489	\$0	\$0	-\$167,555,077	\$0	-\$10,053,305	\$0	\$0	\$0	-\$177,608,382	\$53,125,457	\$884,354,931
01/01/2044	12/31/2044	\$8,304,013	\$0	\$0	-\$160,190,697	\$0	-\$9,611,442	\$0	\$0	\$0	-\$169,802,139	\$46,576,810	\$769,433,615
01/01/2045	12/31/2045	\$8,291,853	\$0	\$0	-\$152,911,686	\$0	-\$9,174,701	\$0	\$0	\$0	-\$162,086,387	\$40,098,079	\$655,737,160
01/01/2046	12/31/2046	\$8,281,430	\$0	\$0	-\$145,554,810	\$0	-\$8,733,289	\$0	\$0	\$0	-\$154,288,099	\$33,693,666	\$543,424,157
01/01/2047	12/31/2047	\$8,273,324	\$0	\$0	-\$138,264,257	\$0	-\$8,295,855	\$0	\$0	\$0	-\$146,560,112	\$27,368,018	\$432,505,387
01/01/2048	12/31/2048	\$8,265,796	\$0	\$0	-\$131,173,879	\$0	-\$7,870,433	\$0	\$0	\$0	-\$139,044,312	\$21,117,225	\$322,844,096
01/01/2049	12/31/2049	\$8,260,585	\$0	\$0	-\$124,169,628	\$0	-\$7,450,178	\$0	\$0	\$0	-\$131,619,806	\$14,937,164	\$214,422,040
01/01/2050	12/31/2050	\$8,257,110	\$0	\$0	-\$117,627,697	\$0	-\$7,057,662	\$0	\$0	\$0	-\$124,685,359	\$8,814,116	\$106,807,907
01/01/2051	12/31/2051	\$8,253,057	\$0	\$0	-\$111,129,994	\$0	-\$6,667,800	\$0	\$0	\$0	-\$117,797,794	\$2,736,830	\$0



## TEMPLATE 5A

v20220802p

### Baseline - for non-MPRA plans using the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"

File name: *Template 5A Plan Name*, where "Plan Name" is an abbreviated version of the plan name.

#### Instructions for Section C, Item (5) of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:

*This Template 5A is not required if all assumptions and methods used to determine the requested SFA amount are identical to those used in the most recent actuarial certification of plan status completed before 1/1/2021 ("pre-2021 certification of plan status"), except the non-SFA and SFA interest rates, and except any assumptions that were changed in accordance with Section III, Acceptable Assumption Changes in PBGC's SFA assumptions guidance (other than the acceptable assumption change for "missing" terminated vested participants described in Section III.E. of PBGC's SFA assumptions guidance).*

Provide a separate deterministic projection ("Baseline") using the same calculation methodology used to determine the requested SFA amount, in the same format as Template 4A (Sheets 4A-2, 4A-3, and either 4A-4 or 4A-5) that shows the amount of SFA that would be determined if all underlying assumptions and methods used in the projection were the same as those used in the pre-2021 certification of plan status, except the plan's non-SFA interest rate and SFA interest rate, which should be the same as used in Template 4A (Sheet 4A-1).

For purposes of this Template 5A, any assumption change made in accordance with Section III, Acceptable Assumption Changes, in PBGC's SFA assumptions guidance should be reflected in this Baseline calculation of the SFA amount and supporting projection information, except that an assumption change for "missing" terminated vested participants described in Section III.E of PBGC's SFA assumptions guidance should not be reflected in the Baseline projections. See examples in the SFA instructions for Section C, Item (5).

Additional instructions for each individual worksheet:

Sheet

**5A-1 Baseline - Benefit Payments for the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

See Template 4A instructions for Sheet 4A-2, except provide the benefit payment projection used to determine the Baseline SFA amount.

**5A-2 Baseline - Participant Count and Administrative Expenses for the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

See Template 4A instructions for Sheet 4A-3, except provide the projected total participant count and administrative expense projection used to determine the Baseline SFA amount.

**5A-3 Baseline - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method**

For non-MPRA plans, see Template 4A instructions for Sheet 4A-4, except provide the projection used to determine the Baseline SFA amount under the "basic method" described in § 4262.4(a)(1). Unlike Sheet 4A-4, it is not necessary to explicitly identify the projected SFA exhaustion year in Sheet 5A-3.

For MPRA plans for which the requested amount of SFA is determined under the "increasing assets method", see Template 4A instructions for Sheet 4A-5, except provide the projection used to determine the Baseline SFA amount under the "increasing assets method" described in § 4262.4(a)(2)(i). Unlike Sheet 4A-5, it is not necessary to identify the projected SFA exhaustion year in Sheet 5A-3.

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

Version	Date updated	
v20220802p	08/02/2022	Cosmetic changes to increase the size of some rows
v20220701p	07/01/2022	

**TEMPLATE 5A - Sheet 5A-1**

v20220802p

**Baseline - Benefit Payments for the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

See Template 4A instructions for Sheet 4A-2, except provide the benefit payment projection used to determine the Baseline SFA amount.

**PLAN INFORMATION**

Abbreviated Plan Name:	PIUMPF
EIN:	11-6166763
PN:	001
SFA Measurement Date:	12/31/2022

On this Sheet, show all benefit payment amounts as positive amounts.

**PROJECTED BENEFIT PAYMENTS for:**

SFA Measurement Date / Plan Year Start Date	Plan Year End Date	Current Retirees and Beneficiaries in Pay Status	Current Terminated Vested Participants	Current Active Participants	New Entrants	Total
12/31/2022	12/31/2023	\$191,741,204	\$21,627,607	\$3,856,317	\$0	\$217,225,128
01/01/2024	12/31/2024	\$185,721,698	\$29,020,378	\$5,221,804	\$0	\$219,963,880
01/01/2025	12/31/2025	\$179,490,111	\$36,768,453	\$6,536,161	\$0	\$222,794,725
01/01/2026	12/31/2026	\$173,059,253	\$44,060,614	\$7,846,272	\$10,362	\$224,976,501
01/01/2027	12/31/2027	\$166,432,860	\$51,505,830	\$9,164,047	\$30,874	\$227,133,611
01/01/2028	12/31/2028	\$159,622,417	\$58,643,024	\$10,426,568	\$61,733	\$228,753,742
01/01/2029	12/31/2029	\$152,637,831	\$65,272,387	\$11,560,641	\$104,591	\$229,575,450
01/01/2030	12/31/2030	\$145,493,507	\$71,353,906	\$12,653,619	\$200,940	\$229,701,972
01/01/2031	12/31/2031	\$138,207,597	\$76,632,876	\$13,636,767	\$312,289	\$228,789,529
01/01/2032	12/31/2032	\$130,802,370	\$81,287,643	\$14,534,977	\$455,551	\$227,080,541
01/01/2033	12/31/2033	\$123,304,030	\$84,998,077	\$15,357,233	\$614,707	\$224,274,047
01/01/2034	12/31/2034	\$115,742,556	\$88,364,323	\$16,105,182	\$791,032	\$221,003,093
01/01/2035	12/31/2035	\$108,151,508	\$91,157,566	\$16,764,485	\$1,048,874	\$217,122,433
01/01/2036	12/31/2036	\$100,567,611	\$93,254,293	\$17,337,499	\$1,305,538	\$212,464,941
01/01/2037	12/31/2037	\$93,030,384	\$94,763,815	\$17,850,444	\$1,595,621	\$207,240,264
01/01/2038	12/31/2038	\$85,581,274	\$95,480,039	\$18,312,540	\$1,895,856	\$201,269,709
01/01/2039	12/31/2039	\$78,263,533	\$95,982,193	\$18,678,322	\$2,209,568	\$195,133,616
01/01/2040	12/31/2040	\$71,122,097	\$95,985,919	\$18,988,316	\$2,630,780	\$188,727,112
01/01/2041	12/31/2041	\$64,202,509	\$95,499,680	\$19,229,094	\$3,044,230	\$181,975,513
01/01/2042	12/31/2042	\$57,549,500	\$94,478,346	\$19,400,884	\$3,485,787	\$174,914,517
01/01/2043	12/31/2043	\$51,205,445	\$92,932,781	\$19,483,692	\$3,933,159	\$167,555,077
01/01/2044	12/31/2044	\$45,209,184	\$91,103,564	\$19,489,133	\$4,388,816	\$160,190,697
01/01/2045	12/31/2045	\$39,594,859	\$88,861,616	\$19,455,749	\$4,999,462	\$152,911,686
01/01/2046	12/31/2046	\$34,390,750	\$86,243,043	\$19,322,597	\$5,598,420	\$145,554,810
01/01/2047	12/31/2047	\$29,617,864	\$83,272,358	\$19,147,406	\$6,226,629	\$138,264,257
01/01/2048	12/31/2048	\$25,288,802	\$80,096,254	\$18,924,136	\$6,864,687	\$131,173,879
01/01/2049	12/31/2049	\$21,407,034	\$76,621,058	\$18,625,624	\$7,515,912	\$124,169,628
01/01/2050	12/31/2050	\$17,966,725	\$73,005,221	\$18,287,251	\$8,368,500	\$117,627,697
01/01/2051	12/31/2051	\$14,953,313	\$69,098,860	\$17,874,783	\$9,203,038	\$111,129,994

TEMPLATE 5A - Sheet 5A-2

v20220802p

Baseline - Participant Count and Administrative Expenses for the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"

See Template 4A instructions for Sheet 4A-3, except provide the projected total participant count and administrative expense projection used to determine the Baseline SFA amount.

**PLAN INFORMATION**

Abbreviated Plan Name:	PIUMPF
EIN:	11-6166763
PN:	001
SFA Measurement Date:	12/31/2022

On this Sheet, show all administrative expense amounts as positive amounts

SFA Measurement Date / Plan Year Start Date		Plan Year End Date	Total Participant Count at Beginning of Plan Year	PROJECTED ADMINISTRATIVE EXPENSES for:		
				PBGC Premiums	Other	Total
12/31/2022	12/31/2023		63,624	\$2,226,840	\$6,777,230	\$9,004,070
01/01/2024	12/31/2024		62,753	\$2,259,108	\$7,015,084	\$9,274,192
01/01/2025	12/31/2025		61,831	\$2,287,747	\$7,264,671	\$9,552,418
01/01/2026	12/31/2026		60,846	\$2,312,148	\$7,526,842	\$9,838,990
01/01/2027	12/31/2027		59,834	\$2,333,526	\$7,800,634	\$10,134,160
01/01/2028	12/31/2028		58,780	\$2,409,980	\$8,028,205	\$10,438,185
01/01/2029	12/31/2029		57,680	\$2,422,560	\$8,328,770	\$10,751,330
01/01/2030	12/31/2030		56,533	\$2,430,919	\$8,642,951	\$11,073,870
01/01/2031	12/31/2031		55,343	\$2,877,836	\$8,970,994	\$11,848,830
01/01/2032	12/31/2032		54,187	\$2,926,098	\$9,278,197	\$12,204,295
01/01/2033	12/31/2033		52,985	\$2,914,175	\$9,656,249	\$12,570,424
01/01/2034	12/31/2034		51,741	\$2,949,237	\$9,998,300	\$12,947,537
01/01/2035	12/31/2035		50,457	\$2,976,963	\$10,050,383	\$13,027,346
01/01/2036	12/31/2036		49,136	\$2,948,160	\$9,799,736	\$12,747,896
01/01/2037	12/31/2037		47,786	\$2,962,732	\$9,471,684	\$12,434,416
01/01/2038	12/31/2038		46,412	\$2,970,368	\$9,105,815	\$12,076,183
01/01/2039	12/31/2039		45,018	\$2,971,188	\$8,736,829	\$11,708,017
01/01/2040	12/31/2040		43,605	\$2,965,140	\$8,358,487	\$11,323,627
01/01/2041	12/31/2041		42,181	\$2,952,670	\$7,965,861	\$10,918,531
01/01/2042	12/31/2042		40,749	\$2,933,928	\$7,560,943	\$10,494,871
01/01/2043	12/31/2043		39,314	\$2,909,236	\$7,144,069	\$10,053,305
01/01/2044	12/31/2044		37,881	\$2,878,956	\$6,732,486	\$9,611,442
01/01/2045	12/31/2045		36,455	\$2,879,945	\$6,294,756	\$9,174,701
01/01/2046	12/31/2046		35,042	\$2,838,402	\$5,894,887	\$8,733,289
01/01/2047	12/31/2047		33,647	\$2,792,701	\$5,503,154	\$8,295,855
01/01/2048	12/31/2048		32,275	\$2,775,650	\$5,094,783	\$7,870,433
01/01/2049	12/31/2049		30,931	\$2,752,859	\$4,697,319	\$7,450,178
01/01/2050	12/31/2050		29,619	\$2,695,329	\$4,362,333	\$7,057,662
01/01/2051	12/31/2051		28,345	\$2,664,430	\$4,003,370	\$6,667,800



TEMPLATE 5A - Sheet 5A-3

Baseline - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method

See Template 4A instructions for Sheet 4A-4 or Sheet 4A-5, except provide the projection used to determine the Baseline SFA amount.

PLAN INFORMATION

Abbreviated Plan Name:	PIUMPF
EIN:	11-6166763
PN:	001
MPRA Plan?	No
If a MPRA Plan, which method yields the greatest amount of SFA?	N/A
SFA Measurement Date:	12/31/2022
Fair Market Value of Assets as of the SFA Measurement Date:	\$1,332,437,138
SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet:	\$1,275,127,974
Non-SFA Interest Rate:	5.85%
SFA Interest Rate:	3.77%

On this Sheet, show payments INTO the plan as positive amounts, and payments OUT of the plan as negative amounts.

SFA Measurement Date / Plan Year Start Date	Plan Year End Date	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
		Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments (should match total from Sheet 5A-1)	Make-up Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA; should match total from Sheet 5A-2)	Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from SFA Assets	SFA Investment Income Based on SFA Interest Rate	Projected SFA Assets at End of Plan Year (prior year assets + (7) + (8))	Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from Non-SFA Assets	Non-SFA Investment Income Based on Non-SFA Interest Rate	Projected Non-SFA Assets at End of Plan Year (prior year assets + (1) + (2) + (3) + (10) + (11))
12/31/2022	12/31/2023	\$11,994,384	\$45,595,457	\$0	-\$217,225,128	\$0	-\$9,004,070	-\$226,229,198	\$43,452,536	\$1,092,351,312	\$0	\$79,491,700	\$1,469,518,678
01/01/2024	12/31/2024	\$11,503,998	\$43,661,912	\$0	-\$219,963,880	\$0	-\$9,274,192	-\$229,238,072	\$36,500,412	\$899,613,652	\$0	\$87,445,979	\$1,612,130,567
01/01/2025	12/31/2025	\$11,037,690	\$43,398,754	\$0	-\$222,794,725	\$0	-\$9,552,418	-\$232,347,143	\$29,170,712	\$696,437,221	\$0	\$95,769,215	\$1,762,336,226
01/01/2026	12/31/2026	\$10,602,693	\$43,263,790	\$0	-\$224,976,501	\$0	-\$9,838,990	-\$234,815,491	\$21,460,555	\$483,082,285	\$0	\$104,540,964	\$1,920,743,673
01/01/2027	12/31/2027	\$10,191,563	\$42,608,371	\$0	-\$227,133,611	\$0	-\$10,134,160	-\$237,267,771	\$13,366,997	\$259,181,510	\$0	\$113,779,203	\$2,087,322,809
01/01/2028	12/31/2028	\$9,803,985	\$42,128,442	\$0	-\$228,753,742	\$0	-\$10,438,185	-\$239,191,927	\$4,886,644	\$24,876,228	\$0	\$123,500,823	\$2,262,756,059
01/01/2029	12/31/2029	\$9,436,854	\$42,128,442	\$0	-\$229,575,450	\$0	-\$10,751,330	-\$24,876,228	\$0	\$0	-\$215,450,553	\$126,926,735	\$2,225,797,537
01/01/2030	12/31/2030	\$9,088,984	\$41,712,722	\$0	-\$229,701,972	\$0	-\$11,073,870	\$0	\$0	\$0	-\$240,775,842	\$123,941,692	\$2,159,765,092
01/01/2031	12/31/2031	\$8,761,454	\$41,187,157	\$0	-\$228,789,529	\$0	-\$11,848,830	\$0	\$0	\$0	-\$240,638,359	\$120,060,277	\$2,089,135,620
01/01/2032	12/31/2032	\$8,696,602	\$40,127,907	\$0	-\$227,080,541	\$0	-\$12,204,295	\$0	\$0	\$0	-\$239,284,836	\$115,941,203	\$2,014,616,496
01/01/2033	12/31/2033	\$8,639,277	\$39,678,965	\$0	-\$224,274,047	\$0	-\$12,570,424	\$0	\$0	\$0	-\$236,844,471	\$111,645,589	\$1,937,735,855
01/01/2034	12/31/2034	\$8,589,479	\$35,787,119	\$0	-\$221,003,093	\$0	-\$12,947,537	\$0	\$0	\$0	-\$233,950,630	\$107,134,084	\$1,855,295,907
01/01/2035	12/31/2035	\$8,542,577	\$30,246,866	\$0	-\$217,122,433	\$0	-\$13,027,346	\$0	\$0	\$0	-\$230,149,779	\$102,281,981	\$1,766,217,552
01/01/2036	12/31/2036	\$8,500,307	\$28,715,520	\$0	-\$212,464,941	\$0	-\$12,747,896	\$0	\$0	\$0	-\$225,212,837	\$97,185,144	\$1,675,405,686
01/01/2037	12/31/2037	\$8,463,249	\$16,820,372	\$0	-\$207,240,264	\$0	-\$12,434,416	\$0	\$0	\$0	-\$219,674,680	\$91,728,208	\$1,572,742,835
01/01/2038	12/31/2038	\$8,430,243	\$11,187,418	\$0	-\$201,269,709	\$0	-\$12,076,183	\$0	\$0	\$0	-\$213,345,892	\$85,771,056	\$1,464,785,660
01/01/2039	12/31/2039	\$8,401,870	\$8,400,300	\$0	-\$195,133,616	\$0	-\$11,708,017	\$0	\$0	\$0	-\$206,841,633	\$79,586,175	\$1,354,332,373
01/01/2040	12/31/2040	\$8,376,393	\$190,983	\$0	-\$188,727,112	\$0	-\$11,323,627	\$0	\$0	\$0	-\$200,050,739	\$73,119,049	\$1,235,968,059
01/01/2041	12/31/2041	\$8,354,389	\$5,393	\$0	-\$181,975,513	\$0	-\$10,918,531	\$0	\$0	\$0	-\$192,894,044	\$66,415,948	\$1,117,849,745
01/01/2042	12/31/2042	\$8,336,439		\$0	-\$174,914,517	\$0	-\$10,494,871	\$0	\$0	\$0	-\$185,409,388	\$59,742,571	\$1,000,519,367
01/01/2043	12/31/2043	\$8,318,489		\$0	-\$167,555,077	\$0	-\$10,053,305	\$0	\$0	\$0	-\$177,608,382	\$53,125,457	\$884,354,931
01/01/2044	12/31/2044	\$8,304,013		\$0	-\$160,190,697	\$0	-\$9,611,442	\$0	\$0	\$0	-\$169,802,139	\$46,576,810	\$769,433,615
01/01/2045	12/31/2045	\$8,291,853		\$0	-\$152,911,686	\$0	-\$9,174,701	\$0	\$0	\$0	-\$162,086,387	\$40,098,079	\$655,737,160
01/01/2046	12/31/2046	\$8,281,430		\$0	-\$145,554,810	\$0	-\$8,733,289	\$0	\$0	\$0	-\$154,288,099	\$33,693,666	\$543,424,157
01/01/2047	12/31/2047	\$8,273,324		\$0	-\$138,264,257	\$0	-\$8,295,855	\$0	\$0	\$0	-\$146,560,112	\$27,368,018	\$432,505,387
01/01/2048	12/31/2048	\$8,265,796		\$0	-\$131,173,879	\$0	-\$7,870,433	\$0	\$0	\$0	-\$139,044,312	\$21,117,225	\$322,844,096
01/01/2049	12/31/2049	\$8,260,585		\$0	-\$124,169,628	\$0	-\$7,450,178	\$0	\$0	\$0	-\$131,619,806	\$14,937,164	\$214,422,040
01/01/2050	12/31/2050	\$8,257,110		\$0	-\$117,627,697	\$0	-\$7,057,662	\$0	\$0	\$0	-\$124,685,359	\$8,814,116	\$106,807,907
01/01/2051	12/31/2051	\$8,253,057		\$0	-\$111,129,994	\$0	-\$6,667,800	\$0	\$0	\$0	-\$117,797,794	\$2,736,830	\$0



## TEMPLATE 6A

v20220802p

### Reconciliation - for non-MPRA plans using the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"

File name: *Template 6A Plan Name*, where "Plan Name" is an abbreviated version of the plan name.

#### Instructions for Section C, Item (6) of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:

*This Template 6A is not required if all assumptions and methods used to determine the requested SFA amount are identical to those used in the most recent actuarial certification of plan status completed before 1/1/2021 ("pre-2021 certification of plan status"), except the non-SFA and SFA interest rates, and except any assumptions changed in accordance with Section III, Acceptable Assumption Changes, in PBGC's SFA assumptions guidance (other than the acceptable assumption change for "missing" terminated vested participants described in Section III.E of PBGC's SFA assumptions guidance).*

*This Template 6A is also not required if the requested SFA amount from Template 4A is the same as the SFA amount shown in Template 5A (Baseline).*

If the assumptions/methods used to determine the requested SFA amount differ from those in the "Baseline" projection in Template 5A, then provide a reconciliation of the change in the total amount of SFA due to each change in assumption/method from the Baseline to the requested SFA as shown in Template 4A.

For each assumption/method change from the Baseline through the requested SFA amount, provide a deterministic projection using the same calculation methodology used to determine the requested SFA amount, in the same format as Template 4A (either Sheet 4A-4 or Sheet 4A-5).

#### Additional instructions for each individual worksheet:

Sheet

#### **6A-1 Reconciliation - Summary for the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

For Item number 1, show the SFA amount determined in Template 5A using the "Baseline" assumptions and methods. If there is only one change in assumptions/methods between the Baseline (Template 5A) and the requested SFA amount (Template 4A), then show on Item number 2 the requested SFA amount, and briefly identify the change in assumptions from the Baseline.

If there is more than one change in assumptions/methods from the Baseline, show each individual change as a separate Item number. Each Item number should reflect all changes already measured in the prior Item number. For example, the difference between the SFA amount shown for Item number 4 and Item number 5 should be the incremental change due to changing the identified single assumption/method. The Item numbers should show assumption/method changes in the order that they were incrementally measured.

**6A-2 Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method**

For non-MPRA plans, see Template 4A instructions for Sheet 4A-4, except provide the projection used to determine the intermediate Item number 2 SFA amount from Sheet 6A-1 under the "basic method" described in § 4262.4(a)(1). Unlike Sheet 4A-4, it is not necessary to explicitly identify the projected SFA exhaustion year in Sheet 6A-2.

For MPRA plans for which the requested amount of SFA is determined under the "increasing assets method", see Template 4A instructions for Sheet 4A-5, except provide the projection used to determine each intermediate SFA amount from Sheet 6A-1 under the "increasing assets method" described in § 4262.4(a)(2)(i). Unlike Sheet 4A-5, it is not necessary to explicitly identify the projected SFA exhaustion year in Sheet 6A-2.

A Reconciliation Details sheet is not needed for the last Item number shown in the Sheet 6A-1 Reconciliation, since the information should be the same as shown in Template 4A. For example, if there is only one assumption change from the Baseline, then Item number 2 should identify what assumption changed between the Baseline and Item number 2, where Item number 2 is the requested SFA amount. Since details on the determination of the requested SFA amount are shown in Template 4A, a separate Sheet 6A-2 Reconciliation Details is not required here.

**6A-3 Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method**

See instructions for 6A-2 Reconciliation Details, except for the intermediate Item number 3 SFA amount from Sheet 6A-1.

**6A-4 Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method**

See instructions for 6A-2 Reconciliation Details, except for the intermediate Item number 4 SFA amount from Sheet 6A-1.

**6A-5 Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method**

See instructions for 6A-2 Reconciliation Details, except for the intermediate Item number 5 SFA amount from Sheet 6A-1.

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

Version	Date updated	
v20220802p	08/02/2022	Cosmetic changes to increase the size of some rows
v20220701p	07/01/2022	

**TEMPLATE 6A - Sheet 6A-1**

**Reconciliation - Summary for the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

See Template 6A Instructions for Additional Instructions for Sheet 6A-1.

**PLAN INFORMATION**

Abbreviated Plan Name:	PIUMPF
EIN:	11-6166763
PN:	001
MPRA Plan?	No
If a MPRA Plan, which method yields the greatest amount of SFA?	N/A

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	\$1,275,127,974
2	Change in Withdrawal Liability from 100% to 94.3% Assumed Collectible	\$26,987,148	\$1,302,115,122
3			
4			
5			

NOTE: A sheet with Recon Details is not required for the last Item number provided, since that information should be the same as provided in Template 4A.

From Template 5A.

Show details supporting the SFA amount on Sheet 6A-2.

Show details supporting the SFA amount on Sheet 6A-3.

Show details supporting the SFA amount on Sheet 6A-4.

Show details supporting the SFA amount on Sheet 6A-5.

Create additional rows as needed, and create additional detailed sheets by copying Sheet 6A-5 and re-labeling the header and the sheet name to be 6A-6, 6A-7, etc.











**Version Updates**

v20220701p

Version

Date updated

v20220701p

07/01/2022

## TEMPLATE 7

v20220701p

### 7a - Assumption/Method Changes for SFA Eligibility

File name: *Template 7 Plan Name*, where "Plan Name" is an abbreviated version of the plan name.

Instructions for Section C, Item (7)a. of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:

*Sheet 7a of Template 7 is not required if the plan is eligible for SFA under § 4262.3(a)(2) (MPRA suspensions) or § 4262.3(a)(4) (certain insolvent plans) of PBGC's special financial assistance regulation.*

*Sheet 7a of Template 7 is not required if the plan is eligible based on a certification of plan status completed before January 1, 2021.*

*Sheet 7a of Template 7 is not required if the plan is eligible based on a certification of plan status completed after December 31, 2020 but reflects the same assumptions as those in the pre-2021 certification of plan status.*

Provide a table identifying which assumptions/methods used in determining the plan's eligibility for SFA differ from those used in the pre-2021 certification of plan status and brief explanations as to why using those assumptions/methods is no longer reasonable and why the changed assumptions/methods are reasonable.

This table should identify all changed assumptions/methods (including those that are reflected in the Baseline provided in Template 5A or Template 5B) and should be an abbreviated version of information provided in Section D, Item (6)a. of the SFA filing instructions.

For example, if the mortality assumption used in the pre-2021 certification of plan status is the RP-2000 mortality table, and the plan proposes to change to the Pri-2012(BC) table, complete one line of the table as follows:

	(A)	(B)	(C)
Assumption/Method That Has Changed From Assumption/Method Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021	Brief description of assumption/method used in the most recent certification of plan status completed prior to 1/1/2021	Brief description of assumption/method used in showing the plan's eligibility for SFA (if different)	Brief explanation on why the assumption/method in (A) is no longer reasonable and why the assumption/method in (B) is reasonable
Base Mortality Assumption	RP-2000 mortality table	Pri-2012(BC) mortality table	Prior assumption is outdated. New assumption reflects more recently published experience for blue collar workers.

Add one line for each assumption/method that has changed from that used in the most recent certification of plan status completed prior to 1/1/2021.

Since this Template 7a is intended as an abbreviated version of more detailed information provided in Section D, Item (6)a. of the SFA filing instructions, it is not necessary to include full tables of rates at every age (e.g., for retirement, turnover, etc.). Instead, a high level description that focuses on what aspect of the assumption/method has changed is preferred.

Template 7 - Sheet 7a

Assumption/Method Changes - SFA Eligibility

PLAN INFORMATION

Abbreviated Plan Name:	PIUMPF	
EIN:	11-6166763	
PN:	001	

Brief description of basis for qualifying for SFA (e.g., critical and declining status in 2020, insolvent plan, critical status and meet other criteria)	Critical and declining status in 2020
--	---------------------------------------

	(A)	(B)	(C)
Assumption/Method That Has Changed From Assumption/Method Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021	Brief description of assumption/method used in the most recent certification of plan status completed prior to 1/1/2021	Brief description of assumption/method used in showing the plan's eligibility for SFA (if different)	Brief explanation on why the assumption/method in (A) is no longer reasonable and why the assumption/method in (B) is reasonable
Administrative Expenses	\$8,000,000 for 2019 increasing 3% per year until insolvency	\$8,000,000 for 2019 increasing 3% per year through 2051, with explicit calculation of PBGC premiums carved out based on projected participant count and including increase to \$52 in 2031. Total is limited to 6% of total projected benefits each year.	Original assumption is no longer reasonable because it did not consider years after projected insolvency in 2031. New assumption is reasonable because it uses acceptable extension methodology from PBGC guidance, and reflects the PBGC premium increase in 2031.
Mortality	RP-2006 Blue Collar and Disabled Retiree Mortality Tables with generational projection from 2006 with Scale MP-2019.	PRI-2012 Blue Collar and Disabled Retiree Mortality Tables with generational projection from 2012 with Scale MP-2021	Original assumption is no longer reasonable because it is outdated. New assumption is reasonable because it reflects current experience for blue collar workers and uses the acceptable methodology from PBGC guidance.
New Entrant Profile	None	Similar characteristics to new entrants and rehires in the 5 years ended December 31, 2020, with service for rehires excluding those returning from inactive vested status, as to not double-count previously vested accrued pension credits	The prior assumption did not reflect any new entrants, which is not appropriate for a projection through 2051. The updated assumption uses the acceptable methodology from PBGC guidance.
Contribution Rates	Based on the various negotiated contribution rates by each employer through 2032. Average contribution rates were assumed to remain consistent across the projection period based on assumed consistent demographics and plan coverage by benefit level.	The average contribution rate varies each year based on an open group forecast of future active participants, their negotiated benefit levels and corresponding contribution rates.	The prior assumption did not address years after the original projected insolvency in 2032. Assuming a consistent average contribution rate is also not reasonable because various employers have different benefit levels and plan coverage, which vary over time. The updated assumption uses the acceptable methodology from PBGC guidance.

<p>Contribution Base Units (CBUs)</p>	<p>3,794 active participants in 2019 declining by 3% per year until insolvency times 2,200 average hours per active participant.</p>	<p>Declines in the active population of 3% per year through 2031 and level thereafter times 2,200 average hours per active participant.</p>	<p>Original assumption is no longer reasonable because it did not consider years after projected insolvency. New assumption is reasonable because it extends to 2051 and is based on acceptable guidance from the PBGC.</p>
<p>Withdrawal Liability Payments for Currently Withdrawn Employers</p>	<p>Withdrawn employers deemed to have collectible withdrawal liability as of January 1, 2020 would make all remaining withdrawal liability payments required for the duration of their payment schedules until insolvency.</p>	<p>Withdrawn employers with collectible withdrawal liability as of the SFA measurement date will make 94.3% of all remaining withdrawal liability payments required for the duration of their payment schedules.</p>	<p>The prior assumption did not address years after the original projected insolvency in 2032. The prior assumption was also based on withdrawals as of that date and did not reflect any settlements, defaults, or new withdrawals since that time. The prior assumption also does not reflect any uncollectible withdrawal liability plan experience. The updated assumption is based on an analysis of historical collectibility.</p>

# TEMPLATE 7

## 7b - Assumption/Method Changes for SFA Amount

File name: *Template 7 Plan Name*, where "Plan Name" is an abbreviated version of the plan name.

### Instructions for Section C, Item (7)b. of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:

Provide a table identifying which assumptions/methods used in determining the amount of SFA differ from those used in the pre-2021 certification of plan status (except the non-SFA and SFA interest rates) and brief explanations as to why using those original assumptions/methods is no longer reasonable and why the changed assumptions/methods are reasonable.

Please state if the changed assumption is an extension of the CBU assumption or the administrative expenses assumption as described in Paragraph A "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's guidance on Special Financial Assistance Assumptions.

This table should identify all changed assumptions/methods except for the interest rates (including those that are reflected in the Baseline provided in Template 5A or Template 5B) and should be an abbreviated version of information provided in Section D, Item (6)b. of the SFA filing instructions.

For example, if the mortality assumption used in the pre-2021 certification of plan status is the RP-2000 mortality table, and the plan proposes to change to the Pri-2012(BC) table, complete one line of the table as follows:

	(A)	(B)	(C)
Assumption/Method That Has Changed From Assumption Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021	Brief description of assumption/method used in the most recent certification of plan status completed prior to 1/1/2021	Brief description of assumption/method used to determine the requested SFA amount (if different)	Brief explanation on why the assumption/method in (A) is no longer reasonable and why the assumption/method in (B) is reasonable
Base Mortality Assumption	RP-2000 mortality table	Pri-2012(BC) mortality table	Original assumption is outdated. New assumption reflects more recently published experience for blue collar workers.

For example, assume the plan is projected to be insolvent in 2029 in the pre-2021 certification of plan status. The plan changes its CBU assumption by extending the assumption to the later projection years as described in Paragraph A, "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's guidance on Special Financial Assistance Assumptions. Complete one line of the table as follows:

	(A)	(B)	(C)
Assumption/Method That Has Changed From Assumption Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021	Brief description of assumption/method used in the most recent certification of plan status completed prior to 1/1/2021	Brief description of assumption/method used to determine the requested SFA amount (if different)	Brief explanation on why the assumption/method in (A) is no longer reasonable and why the assumption/method in (B) is reasonable
CBU Assumption	Decrease from most recent plan year's actual number of CBUs by 2% per year to 2028	Same number of CBUs for each projection year to 2028 as shown in (A), then constant CBUs for all years after 2028.	Original assumption does not address years after original projected insolvency in 2029. Proposed assumption uses acceptable extension methodology.

Add one line for each assumption/method that has changed from that used in the most recent certification of plan status completed prior to 1/1/2021.

Since this Template 7b is intended as an abbreviated version of more detailed information provided in Section D, Item (6)b. of the SFA filing instructions, it is not necessary to include full tables of rates at every age (e.g., for retirement, turnover, etc.). Instead, a high level description that focuses on what aspect of the assumption/method has changed is preferred.



**Version Updates**

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08/02/2022 Cosmetic changes to increase the size of some rows

v20220701p

07/01/2022



**TEMPLATE 8**

File name: *Template 8 Plan Name* , where "Plan Name" is an abbreviated version of the plan name.

v20220802p

**Contribution and Withdrawal Liability Details**

Provide details of the projected contributions and withdrawal liability payments used to calculate the requested SFA amount. This should include total contributions, contribution base units (including identification of the base unit used (i.e., hourly, weekly)), average contribution rate(s), reciprocity contributions (if applicable), additional contributions from the rehabilitation plan (if applicable), and any other identifiable contribution streams. For withdrawal liability, separately show amounts for currently withdrawn employers and for future assumed withdrawals. Also provide the projected number of active participants at the beginning of each plan year.

The first row in the projection period is for the period beginning on the SFA measurement date and ending on the last day of the plan year containing the SFA measurement date. For all other periods, provide the full plan year of information up to the plan year ending in 2051.

**PLAN INFORMATION**

Abbreviated Plan Name:	PIUMPF
EIN:	11-6166763
PN:	001

Unit (e.g. hourly, weekly)	Hourly
----------------------------	--------

All Other Sources of Non-Investment Income

SFA Measurement Date / Plan Year Start Date	Plan Year End Date	Total Contributions*	Total Contribution Base Units	Average Contribution Rate	Reciprocity Contributions (if applicable)	Additional Rehab Plan Contributions (if applicable)	Other - Explain if Applicable	Withdrawal Liability Payments for Currently Withdrawn Employers	Withdrawal Liability Payments for Projected Future Withdrawals	Projected Number of Active Participants (Including New Entrants) at the Beginning of the Plan Year
12/31/2022	12/31/2023	\$11,994,384	7,389,800	\$1.6231				\$42,996,516	\$0	3,359
01/01/2024	12/31/2024	\$11,503,998	7,167,600	\$1.6050				\$41,173,183	\$0	3,258
01/01/2025	12/31/2025	\$11,037,690	6,952,000	\$1.5877				\$40,925,025	\$0	3,160
01/01/2026	12/31/2026	\$10,602,693	6,743,000	\$1.5724				\$40,797,754	\$0	3,065
01/01/2027	12/31/2027	\$10,191,563	6,540,600	\$1.5582				\$40,179,693	\$0	2,973
01/01/2028	12/31/2028	\$9,803,985	6,344,800	\$1.5452				\$39,727,121	\$0	2,884
01/01/2029	12/31/2029	\$9,436,854	6,153,400	\$1.5336				\$39,727,121	\$0	2,797
01/01/2030	12/31/2030	\$9,088,984	5,968,600	\$1.5228				\$39,335,096	\$0	2,713
01/01/2031	12/31/2031	\$8,761,454	5,790,400	\$1.5131				\$38,839,489	\$0	2,632
01/01/2032	12/31/2032	\$8,696,602	5,790,400	\$1.5019				\$37,840,617	\$0	2,632
01/01/2033	12/31/2033	\$8,639,277	5,790,400	\$1.4920				\$37,417,264	\$0	2,632
01/01/2034	12/31/2034	\$8,589,479	5,790,400	\$1.4834				\$33,747,253	\$0	2,632
01/01/2035	12/31/2035	\$8,542,577	5,790,400	\$1.4753				\$28,522,795	\$0	2,632
01/01/2036	12/31/2036	\$8,500,307	5,790,400	\$1.4680				\$27,078,735	\$0	2,632
01/01/2037	12/31/2037	\$8,463,249	5,790,400	\$1.4616				\$15,861,611	\$0	2,632
01/01/2038	12/31/2038	\$8,430,243	5,790,400	\$1.4559				\$10,549,735	\$0	2,632
01/01/2039	12/31/2039	\$8,401,870	5,790,400	\$1.4510				\$7,921,483	\$0	2,632
01/01/2040	12/31/2040	\$8,376,393	5,790,400	\$1.4466				\$180,097	\$0	2,632
01/01/2041	12/31/2041	\$8,354,389	5,790,400	\$1.4428				\$5,086	\$0	2,632
01/01/2042	12/31/2042	\$8,336,439	5,790,400	\$1.4397				\$0	\$0	2,632
01/01/2043	12/31/2043	\$8,318,489	5,790,400	\$1.4366				\$0	\$0	2,632
01/01/2044	12/31/2044	\$8,304,013	5,790,400	\$1.4341				\$0	\$0	2,632
01/01/2045	12/31/2045	\$8,291,853	5,790,400	\$1.4320				\$0	\$0	2,632
01/01/2046	12/31/2046	\$8,281,430	5,790,400	\$1.4302				\$0	\$0	2,632
01/01/2047	12/31/2047	\$8,273,324	5,790,400	\$1.4288				\$0	\$0	2,632
01/01/2048	12/31/2048	\$8,265,796	5,790,400	\$1.4275				\$0	\$0	2,632
01/01/2049	12/31/2049	\$8,260,585	5,790,400	\$1.4266				\$0	\$0	2,632
01/01/2050	12/31/2050	\$8,257,110	5,790,400	\$1.4260				\$0	\$0	2,632
01/01/2051	12/31/2051	\$8,253,057	5,790,400	\$1.4253				\$0	\$0	2,632

\* 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."

Withdrawal Liability Policies and  
Procedures  
for  
PACE Industry Union-Management Pension  
Fund

Note: PIUMPF's policies and procedures for withdrawal liability are reflected in the Trust Agreement. The applicable excerpt from the Trust Agreement is included.

**ARTICLE 9**  
**WITHDRAWAL LIABILITY**

This Article sets forth rules and regulations of the Plan governing withdrawal liability under the ERISA, as amended by the Multiemployer Pension Plan Amendments Act of 1980. To the extent this Article does not address any matter affecting an Employer's withdrawal liability, the relevant provisions of ERISA shall apply as if fully set forth in this Article. The Trustees reserve the right to amend the provisions of this Article from time to time both with respect to withdrawals occurring after, and to the extent permitted by law, to withdrawals occurring on or before the date such amendment is adopted. The Trustees shall have full authority to adopt rules and regulations governing the determination and payment of withdrawal liability, consistent with the statute and any governmental regulations promulgated under it, and such rules and regulations adopted by the Trustees shall be binding on all Employers.

9.1. Amount of Withdrawal Liability.

(a) An Employer's liability for a complete withdrawal, as defined in ERISA Section 4203, is the sum of following amount, determined as of the end of the year preceding the year of withdrawal:

(1) the Plan's unfunded vested benefits that are attributable to service with the Employer, and

(2) the Employer's proportional share of any unfunded vested benefits that are not attributable to service with the Employer or other Employers that had an obligation to contribute in the year preceding the year of withdrawal.

(b) The amount of the Plan's unfunded vested benefits that are attributable to service with the Employer is equal to the value of nonforfeitable benefits under the Plan that are attributable to service with the Employer reduced (but not below zero) by the share of the Plan's assets that is allocated to the Employer.

(c) The amount of the Plan's assets for the purpose of subsection (b) is equal to the Plan's total assets as of the end of the year preceding the year of withdrawal multiplied by a fraction -

(1) the numerator of which is the value of nonforfeitable benefits that are attributable to service with Employers that had an obligation to contribute in the year preceding the year of withdrawal, and

(2) the denominator of which is the value of all nonforfeitable benefits under the Plan as of the end of the year.

(d) The share of the Plan's assets that is allocated to the Employer is equal to the amount of the Plan's assets determined under subsection (c), multiplied by a fraction-

(1) the numerator of which is the sum of the Contributions, including

(1) Service with an Employer shall include all service (including past service credit) credited to the Employees (including retirees and former Employees) for whom it was the last contributing Employer prior to the relevant date.

(2) Service with a predecessor shall be taken into account as service with a withdrawing Employer, and Contributions, including surcharges imposed under Code Section 432(e)(7) or ERISA Section 305(e)(7), by and withdrawal liability assessed against such predecessor shall be treated as Contributions of the withdrawing Employer for purposes of this Article; provided that the Trustees may, on a reasonable basis uniformly applied, expand or limit the application of this credit so as to prevent duplication or omission in the assessment of withdrawal liability with respect to particular Employers and Employee groups. The determination of whether an entity (or entities or series of entities) is a predecessor of an Employer, directly or indirectly, shall be made by the Trustees on a reasonable basis uniformly applied (which determination may be made on a location-by-location basis where appropriate). The predecessors taken into account for this purpose may include any Employer that was treated as not withdrawing by reason of a transaction described in Section 4204 or 4218 of ERISA.

(i) For the sole purpose of calculating the withdrawal liability of an Employer which merges a single employer plan into the Fund, where the share of the Plan's assets allocated to the Employer cannot be determined under subsections (a) and (f) above, the following shall apply:

(1) Subsection (d) shall not apply and the share of the Plan's assets that is allocated to the Employer is equal to the sum of

(i) the market value of the Employer's assets at the merger date (accumulated with interest after the merger date) and

(ii) the sum of the Contributions, including surcharges imposed under Code Section 432(e)(7) or ERISA Section 305(e)(7), (accumulated with interest) made by the Employer for all years after the merger date through the year preceding the year of withdrawal, less the sum of the benefit payments (accumulated with interest) made to Participants and their Beneficiaries for such years that are attributable to service with the Employer.

For the purpose of the subsection, interest shall be applied at the actual rate of return calculated on a market value basis earned by the Plan in each calendar year since the merger date.

(2) Subsection (f) shall not apply and the Employer's proportionate share described in subsection (a)(2) is the amount determined in subsection (e) multiplied by a fraction, the numerator of which is the amount of the Plan's vested benefits that are attributable to service with the Employer and

the denominator of which is the amount of vested benefits that are attributable to service with Employers that had an obligation to contribute in the year preceding the year of withdrawal.

9.2. Amount of Partial Withdrawal Liability. The amount of an Employer's liability for a partial withdrawal, as defined in ERISA Section 4205, shall be a pro rata share of the liability that would have been assessed had the employer completely withdrawn, determined in accordance with ERISA section 4205.

9.3. Special Rules and Definitions.

(a) The term "Contributions for a year" means -

(1) with respect to any year before 1981, the Contributions as reported in the audited financial statement of the Plan for the year, and

(2) with respect to any year after 1980, the Contributions accrued through the end of the year if received by the Plan by April 30 of the following year and not included in the Contributions for an earlier year.

Payments of withdrawal liability shall not be considered Contributions for this purpose.

(b) All corporations, trades, or businesses that are under common control, as defined in regulations of PBGC, shall be considered a single Employer for purposes of this Article.

(c) Amounts transferred to the Plan from any other plan shall be treated as Contributions by the Employer that maintained such other plan to the extent that the amounts so transferred reduced the amount of Contributions which such Employer was otherwise obligated to make under this Plan or provided additional benefits under this Plan for Participants employed by such Employer.

(d) In calculating withdrawal liability, the Plan will disregard (as required by law) any reduction in benefits under the rehabilitation plan through the use of the simplified method set forth in PBGC Technical Update 10.3 Reg. §4211.16(d).

9.4. Notices Related to Withdrawal Liability.

(a) An Employer shall provide notice to the Trustees of any event that will constitute a complete or partial withdrawal, or any asset sale affecting the Employer's participation in the Plan, as soon as the Employer knows that event will occur. An Employer shall, within 30 days after a written request from the Trustees, furnish such information as the Trustees reasonably determine to be necessary to enable them to comply with the provisions of this article.

(b) As soon as practicable after an Employer's complete or partial withdrawal, the Trustees shall notify the Employer of the amount of the liability and the schedule for liability payments. Where the final data necessary for the calculation of the liability is not available, the Trustees may issue notice based upon estimated numbers, with the final liability calculations to be amended when such data is available. In such cases, the Employer's obligation to commence installment payments is the same as if the assessment were issued based upon final data.

(c) No later than 90 days after the Employer receives the notice described in subsection (b), it may -

- (1) ask the Trustees to review any specific matter relating to the determination of its liability and the schedule of payments,
- (2) identify any inaccuracy in the determination of the liability, and
- (3) furnish any additional relevant information to the Trustees.

After a reasonable review of any matter raised, the Trustees shall notify the Employer of their decision, the basis for the decision, and the reason for any change in the determination of the liability or schedule of payments.

#### 9.5. Payment of Withdrawal Liability.

(a) An Employer shall pay the amount determined to be its withdrawal liability over the period of years necessary to amortize the amount in level annual payments, calculated as if the first payment were made on the first day of the year following the year of withdrawal and as if each subsequent payment were made on the first day of each subsequent year.

(b) The amount of each annual payment in the case of a complete withdrawal shall be the product of (1) the average annual number of hours for which the employer was obligated to contribute for the 3 consecutive years during the last 10 years preceding the year of withdrawal, in which the number of hours for which the Employer had an obligation to contribute was the highest, multiplied by (2) the highest Contribution rate at which the Employer had an obligation to contribute during the 10 years ending with the year of withdrawal. The amount of each annual payment in the case of a partial withdrawal shall be adjusted as provided in ERISA Section 4206.

(c) Withdrawal liability shall be payable in accordance with the schedule set forth by the Trustees beginning no later than 60 days after the demand for payment is made, notwithstanding any request for a review or appeal of the determination of the amount of such liability or of the schedule.

(d) Withdrawal liability shall be payable in 12 equal installments due monthly. Such monthly payments shall be calculated to be actuarially equivalent to quarterly payments equal to  $\frac{1}{4}$  of the annual payment. If a monthly payment is not made when due,

interest on the payment shall accrue from the due date until the date on which the payment is made.

(e) The determination of the amortization period described in subsection (a) shall be based on the interest assumption used for the most recent actuarial valuation of the Plan.

(f) In any case in which the amortization period exceeds 20 years, other than in the event of a mass withdrawal, the Employer's liability shall be limited to the first 20 annual payments.

(g) The Employer shall be entitled to prepay the outstanding amount of the unpaid annual withdrawal liability payments, plus accrued interest, if any, in whole or in part, without penalty. If the payment is made pursuant to a withdrawal which is later determined to be part of a mass withdrawal, the withdrawal liability of the Employer shall not be limited to the amount of the prepayment.

(h) In the event of a default, the Trustees may require immediate payment of the outstanding amount of an Employer's withdrawal liability, plus accrued interest on the total outstanding liability from the due date of the first payment which was not timely made. The term "default" means

(1) the failure of an Employer to make, when due, any payment under this Section, if the failure is not cured within 60 days after the Employer receives notification from the Trustees of such failure, and

(2) the occurrence of any of the following events (each of which the Trustees have determined indicates a substantial likelihood that an Employer will be unable to pay its withdrawal liability):

(i) the Employer's insolvency, or any assignment by the Employer for the benefit of creditors, or the Employer's calling of a meeting of creditors for the purpose of offering a composition or extension to such creditors, or the employer's appointment of a committee of creditors or liquidating agent, or the employer's offer of a composition or extension to creditors;

(ii) the Employer's dissolution, the making (or sending notice of) an intended bulk sale by the Employer;

(iii) an assignment, pledge, mortgage or hypothecation by the Employer of property to an extent which the Trustees determine to be material in relation to the financial condition of the Employer;

(iv) the filing or commencement by the Employer, or the filing or commencement against the Employer or any of its property, of any

proceeding, suit, or action, at law or in equity, under or relating to any bankruptcy, reorganization, arrangement-of-debt, insolvency, adjustment-of-debt, receivership, liquidation, or dissolution law;

(v) the entry of any judgment or the issuance of any warrant, attachment, or injunction or government tax lien or levy against the Employer or against any of its property which the Trustees determine to be material in relation to the financial condition of the Employer;

(vi) the failure of the Employer to maintain current assets in an amount at least equal to current liabilities plus such additional amount as the Trustees may determine is appropriate in the particular circumstances, current assets and current liabilities to be determined in accordance with generally accepted accounting principles and practices consistently followed;

(vii) default by the Employer on any contractual obligation which the Trustees determine to be material in relation to the financial condition of the Employer;

(viii) the Employer's ceasing or substantially curtailing business operations;

(ix) the Employer's taking steps to liquidate a material portion of its assets;

(x) the Employer's failure to provide information requested by the Fund pursuant to Section 4219(a) of ERISA regarding its ability to pay withdrawal liability (or as to whether it has taken an action for the principal purpose of avoiding paying withdrawal liability);

(xi) the Employer's making three consecutive withdrawal liability payments more than thirty (30) days after their due date;

(xii) the Employer's taking an action for the principal purpose of avoiding paying withdrawal liability; or

(xiii) such other event as the Trustees may determine indicates a substantial likelihood that the Employer will be unable to pay its withdrawal liability.

The Trustees, from time to time, may adopt written rules of general application defining additional events which they determine indicate, alone or in combination, a substantial likelihood that an Employer will be unable to pay its withdrawal liability.

(i) Except as provided in subsection (e), interest under this



Section shall be charged at such rate as the Trustees may fix from time to time or in particular cases.

9.6. Mass Withdrawal. In the event of a mass withdrawal as defined in regulations of PBGC, withdrawal liability will be determined in accordance with ERISA Section 4219.

9.7. Damages with Respect to Delinquent Payment of Withdrawal Liability.

(a) If a Court awards a judgment in favor of the Plan against an Employer that is found delinquent in the payment of Contributions of withdrawal liability, the Employer shall pay to the Plan, in addition to amounts the Court is otherwise directed to award pursuant to ERISA Section 502(g)(2), liquidated damages in the amount of 20 percent of the delinquency but not less than interest on such delinquency.

(b) In determining the amount of the Court judgment and the liquidated damages, the applicable interest rate is such rate as the Trustees may fix from time to time or in particular cases.

9.8. Arbitration. After filing a request for a review with the Trustees in accordance with Section 4(c), the Employer may initiate a binding arbitration regarding the assessment by making a formal filing with the American Arbitration Association (“AAA”) in accordance with the procedures established by the AAA within 60 days after the earlier of (i) the date that the Employer is notified of the Trustees’ decision on review; or (ii) 120 days after the date on which the Employer requested the review. If an Employer fails to do so, the Trustees’ determination will be deemed final and not subject to challenge in arbitration or court.

All arbitration hearings shall take place in Washington, D.C., unless the Trustees and the Employer agree on a different location, in accordance with the applicable rules of the AAA to the extent consistent with ERISA.

# **PACE INDUSTRY UNION-MANAGEMENT PENSION PLAN**

**Amended and Restated Effective January 1, 2015  
(except as otherwise provided)**

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## **PREAMBLE**

The terms and conditions of the PACE Industry Union-Management Pension Plan, as amended and restated effective January 1, 2015 (the "Plan") establish the rights and obligations with respect to Participants who are active Participants in the Plan on or after January 1, 2015 and who retire, terminate covered employment or otherwise cease to be active Participants on or after January 1, 2015. The terms of this Plan are effective January 1, 2015, except to the extent that a different date is specified herein. Except as otherwise specified herein, Participants who retired, terminated Covered Employment, or otherwise ceased to be Participants in Covered Employment before January 1, 2015 shall be governed by the Plan in effect on their last date of Covered Employment.

The terms of the Plan reflect the December 31, 2001 merger of the OCAW/ PACE Union- Industry Pension Fund ("OCAW Plan") into the PACE Industry Union-Management Pension Fund. The former participants of the OCAW Fund shall continue to participate in the same program of benefits that they participated in prior to December 31, 2001. This program of benefits is referred to herein as "Program G." The terms and conditions of Program G's program of benefits are contained in Appendix A. However, Article I (Definitions), Article II (Participation), Article V (Applications, Benefit Payments and Retirement), and Article VI (Miscellaneous) of the Plan as set forth herein shall apply to Program G, unless otherwise specified.

## **ARTICLE I DEFINITIONS**

Unless the context or subject matter otherwise requires, the following definitions apply for the Plan.

### **Article I, Section 1.**

#### **ACTUARIAL PRESENT VALUE**

Effective for distributions with Pension Starting Dates on or after January 1, 2008, for purposes of determining whether the present value of (i) a Participant's vested accrued benefit; (ii) a Pre-Retirement Surviving Spouse Benefit, within the meaning of Section 417(c) of the Code; or (iii) a Participant and Spouse Pension or qualified joint and survivor annuity, within the meaning of Section 417(b) of the Code, exceeds \$5,000, the present value of such benefits or annuities shall be no less than the present value calculated by using (i) the applicable mortality table prescribed by the Secretary of the Treasury under Section 417(e)(3)(B) of the Code, and (ii) the spot segment interest rates, as specified by the Internal Revenue Service, for the second full calendar month (November) preceding the first day of the Plan Year that includes the Pension Starting Date.

### **Article I, Section 2.**

#### **BENEFIT LEVEL**

The term "Benefit Level" shall mean one of the several benefit levels (as described in Article IV) provided by the Fund used to determine the amount of a Participant's Regular Pension (as hereinafter defined).

### **Article I, Section 3.**

#### **BENEFICIARY**

The term "Beneficiary" shall mean a natural person designated by the Participant or by the terms of the Plan who is or may become entitled to a benefit thereunder.

### **Article I, Section 4.**

#### **CODE**

The term "Code" shall mean the Internal Revenue Code of 1986, as amended.



**Article I, Section 5.**

**COLLECTIVE BARGAINING AGREEMENT**

The term "Collective Bargaining Agreement" shall mean an agreement or agreements between an Employer and the Union, a local Union, or a union other than the Union, requiring contributions to the Fund.

**Article I, Section 6.**

**CONTRIBUTING EMPLOYER**

The term "Contributing Employer" shall mean any person, company, or business organization that is or shall become a party to the Trust Agreement and that has agreed or shall agree in a Collective Bargaining Agreement with the Union to make contributions to the Pension Fund, provided that such employer is accepted by the Trustees for participation in the Pension Fund in accordance with the provisions of Article II. In the case of an employer having more than one place of business, the term "Contributing Employer" shall apply only to the place of business covered by the Collective Bargaining Agreement requiring contributions to the Pension Fund, except as otherwise expressly provided herein. The term "Contributing Employer" shall also mean any person, company, or business organization that is or shall become a party to the Trust Agreement and that has agreed or shall agree in a Collective Bargaining Agreement with a union other than the Union, to make contributions to the Pension Fund, provided that such employer is accepted for participation in the Pension Fund in accordance with the provisions of Article II.

**Article I, Section 7.**

**CONTRIBUTING UNION**

- (a) The term "Contributing Union" shall mean (i) the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, a.k.a. United Steelworkers, (ii) a local Union, or (iii) a multiemployer employee benefit plan sponsored by the International Union or a local Union ("multiemployer plan") that has entered into an agreement with the Trustees whereby the International Union, local Union or multiemployer plan agrees to make contributions to the Pension Fund on behalf of the salaried employees of the International Union, local Union or multiemployer plan.
- (b) The term "Contributing Union" shall also mean the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, a.k.a. United Steelworkers or a local Union that has entered into an agreement with the Trustees whereby such International Union or the local Union agrees to make contributions to the Pension Fund on behalf of persons on leave from an Employer for the purpose of performing Contributing Union business.

Upon being accepted as a Contributing Union, the term "Contributing Employer" as defined in Section 6 of this Article shall be deemed to apply to such International Union, local Union or multiemployer plan provided that the participation by such salaried employees does not adversely affect the tax exempt status of the Pension Fund and Trust; and the phrase, "Collective Bargaining Agreement" as used in this Article shall be deemed to include the agreement between the International Union, local Union or multiemployer plan and the Trustees requiring the local Union to contribute to the Pension Fund.

#### **Article I, Section 8.**

#### **CONTRIBUTION DATE**

The term "Contribution Date" shall mean the first date for which a Contributing Employer is obligated to contribute to the Pension Fund on behalf of a Covered Employee.

#### **Article I, Section 9.**

#### **COVERED EMPLOYEE**

- (a) The term "Covered Employee" shall mean a person subject to a Collective Bargaining Agreement between a Contributing Employer and the Union that provides for periodic contributions to the Pension Fund. The term "Covered Employee" shall also mean a person subject to a Collective Bargaining Agreement between a Contributing Employer and a union other than the Union, provided that the Contributing Employer has been accepted for participation in the Pension Fund as described in Article II, Section 4. The Collective Bargaining Agreement shall specify whether the Covered Employees subject thereto shall be designated Program A, Program B, Program C, Program D, Program E, Program F or Program G Covered Employees; in the absence of such specification, the Covered Employees subject thereto shall be deemed to be Program A Covered Employees.

All Covered Employees subject to Collective Bargaining Agreements in effect on February 28, 1980 shall be deemed to be Program A Covered Employees with respect to such and all prior agreements.

If a Covered Employee was previously covered by Programs A, B, C or G, a Contributing Employer may only change to Programs D, E or F if accrued Employees once covered by Programs A, B, C or G remain covered by Programs A, B, C or G, and the Contributing Employer continues to have an obligation to contribute under Programs A, B, C or G for service accrued by Covered Employees under these Programs.

- (b) The term "Covered Employee" shall also mean any member of such other class of employees of Contributing Employers as are accepted for participation by the Trustees, provided that participation by any member of such class of employees does not adversely affect the tax exempt status of the Pension Fund and Trust.

- (c) The term "Covered Employee" shall not include any self-employed person or a person who is an Employer, or a partner or owner of a company or business organization that is a Contributing Employer or Employer; provided, that the foregoing shall exclude employees who are also stockholders of a Contributing Employer (whether of a majority or minority interest) only if and to the extent required by applicable law.

**Article I, Section 10.**

**COVERED EMPLOYMENT**

The term "Covered Employment" shall mean employment for which a Contributing Employer is obligated by its Collective Bargaining Agreement with the Union to contribute to the Pension Fund. The term "Covered Employment" shall also mean employment for which a Contributing Employer is obligated by its Collective Bargaining Agreement with a union other than the Union to contribute to the Pension Fund, provided such Contributing Employer has been accepted for participation in the Pension Fund as described in Article II, Section 4.

**Article I, Section 11.**

**EMPLOYER**

The term "Employer" shall mean any person, company or business organization that has in effect a Collective Bargaining Agreement with the Union. In the case of an employer having more than one place of business, the term "Employer" shall include only places of business covered by said Collective Bargaining Agreement, except as otherwise expressly provided herein. The term "Employer" shall also mean any person, company or business organization that has in effect a Collective Bargaining Agreement with a union other than the Union.

**Article I, Section 12.**

**GENDER AND NUMBER**

Except as the context may specifically require otherwise, use of the masculine gender shall include the feminine or neuter gender, and the singular shall include the plural.

**Article I, Section 13.**

**HOURS OF SERVICE**

An "Hour of Service" is each of the following hours, determined without duplication:

- (a) **Paid Working Time.** Each hour for which an employee is directly or indirectly paid, or entitled to payment, by an Employer(s) for the performance of duties. Such hours shall be credited to the computation period in which the duties were performed.
- (b) **Paid Non-Working Time.** Each regularly scheduled working hour for which an employee is directly or indirectly paid, or entitled to payment, by an Employer(s) for a period during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including payments for disability), layoff, jury duty, military duty or leave of absence. Such hours shall be credited to the computation period in which such non-working time occurs.
- (c) **Back Pay Awards.** Each hour for which back pay, irrespective of mitigation of damages, is either awarded to or agreed to by an Employer(s). Such hours shall be credited to the computation period to which the back pay award or agreement pertains (rather than to the period in which the payment is made).

Hours of Service shall not include any time compensated under a plan maintained solely to comply with a workers compensation or unemployment compensation or disability insurance law or that solely reimburses an employee for medical or medically-related expenses, and shall not include more than 501 hours paid on account of any one continuous period during which no duties are performed. The foregoing 501 hour limitation shall not prohibit or limit the award of Pension Credit for certain periods of absence pursuant to Article III, Section 5, provided that there shall be no duplication of hours credited for the same period.

The Trustees shall determine whether the regularly scheduled working hours to be credited under subparagraphs (b) and (c) to an employee without a regular work schedule shall be calculated on the basis of a 40-hour work week, or an 8-hour work day, or on any other reasonable basis that reflects the average hours worked by the employee or by other employees in the same job classification over a representative period of time.

#### **Article I, Section 14.**

#### **NORMAL RETIREMENT AGE**

The term "Normal Retirement Age" shall mean the age of 65, or if later, the Participant's age on the fifth anniversary of the date his participation began.

**Article I, Section 15.**

**PARTICIPANT**

The term "Participant" shall include: (1) any Pensioner receiving benefits at the beginning of the calendar year; (2) any person who has completed the requirements for a Vested Benefit as of the beginning of the calendar year; and (3) any employee who has become a Participant under Article II and whose participation has not terminated under Article II, Section 2 (or, for Program G Covered Employees, any employee who has become a Participant under Article II of Appendix A and whose termination has not been terminated under Article II, Section 2.2 of Appendix A). This definition shall not preclude the crediting of service prior to participation in the Plan to the extent provided by the Plan.

**Article I, Section 16.**

**PENSION FUND**

The term "Pension Fund" shall mean the PACE Industry Union-Management Pension Fund, previously known as the Paper Industry Union-Management Pension Fund, successor plan to the Pulp, Sulphite and Paper Mill Workers Union and Industry National Pension Fund established by the Trust Agreement on January 12, 1963, and shall mean generally the monies and other things of value that comprise the corpus and additions thereto, received or held for or on behalf of the Trustees.

**Article I, Section 17.**

**PENSION PLAN OR PLAN**

The term "Pension Plan" or "Plan" shall mean the PACE Industry Union-Management Pension Plan, as amended from time to time, as from time to time in effect.

**Article I, Section 18.**

**PENSION STARTING DATE**

"Pension Starting Date" shall mean the first day of the first day of the first period for which an amount is paid as an annuity or any other form.

**Article I, Section 19.**

**PENSIONER**

The term "Pensioner" shall mean a person whose application for benefits has been approved by the Trustees under the provisions of this Pension Plan.



**Article I, Section 20.**

**PLAN YEAR**

The term "Plan Year" shall mean the calendar year.

**Article I, Section 21.**

**PROGRAM**

The term "Program" shall mean the Program of benefits in which a Contributing Employer participates on behalf of Covered Employees, and shall include Programs A, B, C, D, E, F or G.

**Article I, Section 22.**

**RETIREMENT AND RETIRED DEFINED**

A Participant shall be deemed to be Retired (and shall be deemed to be Retired on the first day on which he has ceased to be employed or engaged in such employment) if, as of the date of determination, he is not employed and has not been employed or engaged in any of the following employment for at least the 30 consecutive days immediately preceding the date of determination:

- (a) Employment with any Contributing Employer or Employer; and
- (b) If the Participant has not yet attained Normal Retirement Age, employment or self-employment in the geographic area covered by the Plan with any other employer, provided that either:
  - (i) the employer is in the same business as any Employer for which the employee was employed in Covered Employment, or
  - (ii) the employment or self-employment is in a trade or craft in which the employee was employed at any time in Covered Employment.

**Article I, Section 23.**

**SPOUSE**

The term "Spouse" means a person to whom a Participant is legally married on his Pension Starting Date under applicable law, and to the extent provided in a Qualified Domestic Relations Order as defined in Section 414(p) of the Code.

**Article I, Section 24.**

**TRUST AGREEMENT**

The term "Trust Agreement" shall mean the Amended and Restated Agreement and Declaration of Trust entered into between the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, a.k.a. United Steelworkers and various employers, and dated April 2, 2000, together with any amendments thereto

**Article I, Section 25.**

**TRUSTEES**

The term "Trustees" shall mean the persons who are acting as "Employer Trustees" and "Union Trustees" pursuant to the provisions of the Trust Agreement.

**Article I, Section 26.**

**UNION**

The term "Union" shall mean the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, a.k.a. United Steelworkers. The term "local Union" shall mean a local union that is affiliated with the International Union.

## **ARTICLE II PARTICIPATION**

### **Article II, Section 1.**

#### **EMPLOYEE PARTICIPATION**

An employee who is a Participant on December 31, 2014 shall continue as a Participant as of January 1, 2015. Each other employee shall become a Participant in the Plan on the earliest January 1 or July 1 on which he meets all three of the following requirements:

- (a) He is employed in Covered Employment; and
- (b) He has completed a 12-consecutive month period, starting on his first day of work for an Employer (or on any January 1, thereafter), during which he has earned at least 1,000 Hours of Service in Covered Employment; and
- (c) He is age 21 or older.

In determining an employee's first day of work and whether he has completed the required 1,000 Hours of Service, an employee will receive credit for his Hours of Service in non-Covered Employment with an Employer, provided that such other employment is continuous with his Covered Employment with that Employer.

The rules regarding employee participation for Program G are set forth in Appendix A.

### **Article II, Section 2.**

#### **TERMINATION OF EMPLOYEE PARTICIPATION**

A Participant who incurs a One-Year Break in Service, as defined in Article III, Section 4(c), shall cease to be a Participant as of the last day of the calendar year that constituted the One-Year Break in Service, unless such Participant is a Pensioner or is eligible to receive a pension (other than for disability), whether immediate or deferred.

The rules regarding the termination of Employee participation for Program G are set forth in Appendix A.



**Article II, Section 3.**

**REINSTATEMENT OF EMPLOYEE PARTICIPATION**

An employee who incurs a One-Year Break in Service and thereby loses his status as a Participant in accordance with Article II, Section 2, shall again become a Participant upon meeting the requirements of Article II, Section 1.

The rules regarding reinstatement of employee participation for Program G are set forth in Appendix A.

**Article II, Section 4.**

**ACCEPTANCE OF CONTRIBUTING EMPLOYERS**

An Employer that enters into a Collective Bargaining Agreement with the Union, a local Union or a union other than the Union, requiring contributions to the Pension Fund shall be accepted for participation in the Fund by the Trustees if the Employer and the Union, local Union, or union other than the Union enter into the Standard Form of Agreement for Participation adopted by the Trustees for participation in the Pension Fund. Acceptance is further conditioned on compliance with all of the applicable requirements of the Trust Agreement and this Plan.

**Article II, Section 5.**

**SPECIAL CONDITIONS**

When a Contributing Employer is accepted for participation in accordance with Article II, Section 4, the Trustees may, in writing, impose on such acceptance any terms and conditions they consider necessary to preserve the actuarial soundness of the Fund, including the transfer and acceptance of assets into this Fund from another plan or trust fund in which the employees of the Contributing Employer had been covered prior to participation hereunder.

**Article II, Section 6.**

**CONTRIBUTION RATES**

The Fund's actuary shall determine the applicable Contribution Rates required for participation in the Plan based upon guidelines and procedures established by the Trustees and applicable law. Upon approval by the Board of Trustees of such determination of Contribution Rates, a schedule of Contribution Rates applicable to the various Benefit Levels and Pension Accrual Rates provided by the Fund shall be available to the Employers, the Union (or local Union or union other than the Union, as applicable) and Participants. The schedule of such Contribution Rates shall reflect the coverage of Employees under Program A, Program B, Program C, Program D, Program E, Program F or Program G. The schedule of Contribution Rates shall be based on the actuarial assumptions and

funding methods as approved by the Trustees and shall not apply for purposes of any individual Employer calculation. An Employer's Contribution Rate and corresponding Benefit Level or Accrual Rate will be those for which the Trustees have accepted the Employer for participation in the Plan.

**Article II, Section 7.**

**DURATION OF CONTRIBUTION RATE AND BENEFIT LEVEL**

- (a) It is expected that the Contribution Rate applicable to a particular Program of benefits, Program A, B, C, D, E, F, or G, initially approved by the Trustees for any Contributing Employer shall be applicable until the Contributing Employer desires a change in Benefit Level. The rates applicable to a different Benefit Level shall be determined at the time such change is sought, as set forth in a subsequent Collective Bargaining Agreement that requires contributions to the Pension Fund.
- (b) Effective as of the expiration of the Contributing Employer's first Collective Bargaining Agreement that expires on or after January 1, 2006, the Benefit Level associated with each Contribution Rate, as described in paragraph (a), above, will be reduced by 25%. However, if a Contributing Employer agrees to any increased Benefit Level above the reduced level described above, that increased Benefit Level will be deemed to be retroactive to the date of the expiration of the Contributing Employer's Collective Bargaining Agreement, provided that Employer pays the applicable Contribution Rate, including retroactive payments as necessary, within ninety (90) days following the expiration of the Employer's Collective Bargaining Agreement, as described above.

**Article II, Section 8.**

**ERRONEOUS DATA**

In the event that the Contribution Rate as initially established is incorrect because erroneous or incomplete data were submitted to the Trustees for purposes of establishing the initial Contribution Rate, the Trustees shall redetermine the Contribution Rate and such redetermined Contribution Rate shall become applicable on the effective date of the applicable Collective Bargaining Agreement.

**ARTICLE III**  
**ACCUMULATION OF PENSION CREDIT AND VESTING CREDITS**

*See Article IV of Appendix A for the rules regarding the accumulation of pension credit and vesting credit for Program G.*

**Article III, Section 1.**

**PENSION CREDIT FOR PERIODS BEFORE COVERED EMPLOYMENT STARTS**

- (a) **Applicability of Past Service Credit Provisions.** Past Service Credit is available to Program A, Program B or Program C Covered Employees for purposes of calculating (1) Vesting Credit and (2) Pension Credit, and (3) to determine eligibility for an Early Retirement Pension, a Deferred Pension, a Disability Pension and a Regular Pension.

Past Service Credit is available to Program D, Program E and Program F Covered Employees, who work an hour of Service on or after January 1, 1999, for purposes of calculating Vesting Credit solely to determine eligibility for an Early Retirement Pension, a Deferred Pension, a Service Pension, a Disability Pension, and a Regular Pension.

- (b)(1) **Eligibility For Past Service Credit.** To the extent applicable in paragraph (a) above, a Program A, B, C, D, E, or F Covered Employee qualifies for Past Service Credit if:
- (i) he entered Covered Employment on or before August 17, 1982, he has 5 or more years of Future Service Credit, unless Section (b)(2) below applies; or
  - (ii) he entered Covered Employment after August 17, 1982, he is employed as a Covered Employee on his Contributing Employer's Contribution Date and has 5 or more years of Future Service Credit, unless Section (b)(2) below applies.
- (b)(2) **Elimination of Future Service Credit Requirement.** Effective February 28, 1980, a Program A, B, or C Covered Employee and, effective January 1, 1999, subject to the limitations in paragraph (a), a Program D, E, or F Covered Employee, who has less than 5 years of Future Service Credit qualifies for Past Service Credit if he meets both of the following two requirements:
- (i) he is employed as a Covered Employee on his Contributing Employer's Contribution Date; and
  - (ii) he worked at least 1,200 hours in the twelve-month period ending on such Contribution Date.

(b)(3) **Hours Used to Determine Eligibility for Past Service Credit.** For purposes of paragraph (b)(2) above, hours will count towards the 1,200 hour requirement only if such hours:

- (i) were worked for that Employer in any job classification covered for pension purposes by the Collective Bargaining Agreement as of the Contribution Date; or
- (ii) were worked in a job classification and at a plant location both of which were covered under a collective bargaining agreement between that Employer and the Union; or
- (iii) would have been worked for that Employer but for the employee's absence from work due to layoff or disability, both of which must be proven to the satisfaction of the Trustees. For this purpose, the following shall be accepted as documented proof: (1) records of governmental, unemployment or disability plans; (2) employer's certified records; or (3) medical proof.

(b)(4) If an employee cannot meet the foregoing tests, he may qualify for Past Service Credit under the Plan rules in effect on February 27, 1980 if he was employed in Covered Employment on February 28, 1980, or if on February 28, 1980 he was employed by an Employer in non-Covered Employment and had then met the requirements of Article III, Section 6.

(c)(1) **Amount of Past Service Credit.** Once a Covered Employee meets the test for Past Service Credit in accordance with paragraphs (a) and (b) of this Section 1, he shall have the number of his years of Past Service Credit computed as described in the following paragraphs (c)(2), (c)(3), (c)(4), (c)(5), and (c)(6) of this Section 1.

(c)(2) **Hours Worked Per Year Requirement.** A Covered Employee who qualifies for Past Service Credit in accordance with paragraphs (a) and (b) of this Section 1 will receive Past Service Credit for periods before his Covered Employment starts, as follows: one year of Past Service Credit for each calendar year in which he completed 1,200 hours in Creditable Employment as defined in Section 1(c)(3) below.

An exception to the 1,200-hour requirement will be made, and accordingly a partial year of Past Service Credit may be granted for (i) the calendar year in which his Creditable Employment starts, and/or (ii) the calendar year in which his Covered Employment starts. For those years, a Covered Employee who qualifies for Past Service Credit in accordance with (a) of this Section shall be granted one quarter of Past Service Credit for each 300 hours of such employment, provided, however, that no more than one year of Pension Credit shall be granted for Past Service and Future Service for employment in any year.

(c)(3) **Creditable Employment Defined.** For purposes of Section 1(c)(2), "Creditable Employment" is defined as follows:

- (i) For employees working in Covered Employment prior to January 1, 2006, Creditable Employment is defined as period of work in the industry covered by the Plan prior to the start of a Covered Employee's Covered Employment in job classifications and at plant locations that, by virtue of (a) having been covered by a collective bargaining agreement with the Union, (b) having been covered for pension purposes as of the Contribution Date or (c) in like job classifications and plant locations, are otherwise deemed and defined by the Trustees in their sole discretion as having been within the industry represented by the Union.
  - (ii) For employees first working in Covered Employment on or after January 1, 2006, Creditable Employment is defined as periods of work prior to the start of a Covered Employee's Covered Employment, provided, however, that Creditable Employment is limited to time actually worked at the plant location covered under a collective bargaining agreement between the Employer and the Union as of the Contribution Date, and only to the extent that such employment is specifically reported to the Fund at the time the Employer is accepted for participation in the Fund.
- (c)(4) **Supplemental Plan Participation and Additional Past Service Credit Related To Existing Company Pension Plans.** In a case where a Contributing Employer as of its Contribution Date terminated its Covered Employees from an existing company pension plan or continued or froze the provisions of the existing company pension plan for its Covered Employees in order to participate in this Pension Fund on a supplementary basis, such Covered Employees who qualify for Past Service in accordance with this Section 1, shall be given Past Service Credit for all periods of employment prior to the Contribution Date with said Employer regardless of job classification.
- (c)(5) **Past Service Credit: Break in Service Rule.** No Pension Credit shall be granted for Past Service that preceded a period of three or more consecutive calendar years in which an employee failed to be employed for at least 1,200 hours in Creditable Employment as defined in (c)(3) of this Section 1 in at least one of such calendar years.
- (c)(6) **Actual Crediting Of Past Service.** A Covered Employee's Past Service Credit shall be determined for benefit purposes as of the date he starts Covered Employment. The actual crediting of such Past Service, however, shall not take place until the employee has qualified for Past Service Credit under Section 1(a) and (b) of this Article and has met the Future Service Credit requirement of Section 6 of this Article.



**Article III, Section 2.**

**FUTURE SERVICE CREDIT**

Future Service shall be credited in quarterly units. A Covered Employee shall receive credit for Future Service in each calendar year based on the number of Hours of Service for which contributions were required to be made to the Pension Fund on his behalf. A Program D, E or F Covered Employee who earns Pension Credit under Programs A, B or C shall be credited under Programs D, E or F with Future Service only. The basis of granting such credit shall be as follows:

(a) **For Hours of Service earned prior to January 1, 2011:**

<b><u>HOURS OF SERVICE FOR WHICH CONTRIBUTIONS ARE DUE IN CALENDAR YEAR</u></b>	<b><u>QUARTERS OF CREDIT</u></b>
1,760 or more	4
1,320 – 1,759	3
880 – 1,319	2
440 – 879	1
Less than 440	0

(b) **For Hours of Service earned after December 31, 2010:**

<b><u>HOURS OF SERVICE FOR WHICH CONTRIBUTIONS ARE DUE IN CALENDAR YEAR</u></b>	<b><u>QUARTERS OF CREDIT</u></b>
2,040 or more	4
1,530 – 2,039	3
1,020 – 1,529	2
510 – 1,019	1
Less than 510	0

Notwithstanding subsection (b) above, the basis for granting Future Service Credit for Hours of Service earned in Covered Employment with Robert Wood Johnson Hospital after December 31, 2010 shall be as set forth in subsection (a) above.

The units and basis of Pension Credit for Future Service of Program G Covered Employees for Plan Years prior to January 1, 2011 is set forth in Appendix A.

**Article III, Section 3.**

**YEARS OF VESTING SERVICE**

- (a) **General Rule.** A Participant shall be credited with:
- (i) one year of Vesting Service for each calendar year ending after the Contribution Date, as defined in section (c) below, including periods before he became a Participant, in which he completes at least 1,000 Hours of Service in Covered Employment, plus
  - (ii) one year of Vesting Service for each year of Past Service Credit earned in calendar years ending before the Contribution Date.
- (b) **Additions.** If a Participant works for a Contributing Employer in a job not in Covered Employment and such employment is continuous with his Covered Employment with that Contributing Employer, his Hours of Service in such employment shall be counted toward a year of Vesting Service, in accordance with the following:
- (i) For the calendar year including the Contribution Date and subsequent calendar years, such hours of Service shall be counted whether or not at a place of business covered by the Collective Bargaining Agreement applicable to such Covered Employment; and
  - (ii) For calendar years prior to the Contribution Date, such Hours of Service shall be counted only to the extent that such hours are at the same place of business covered by the Collective Bargaining Agreement applicable to such Covered Employment.
- (c) **Contribution Date.** Solely for purposes of this Section 3, the Contribution Date applicable to a Participant shall be the first Contribution Date for the Participant's Employer at any place of business maintained by such Employer, whether or not the Participant was employed at such place of business.
- (d) **Exceptions.** A Participant shall not be entitled to credit towards a year of Vesting Service for years preceding a Permanent Break in Service as defined in Section 4 of Article III.
- (e) **Nonduplication.** A Participant's years of Vesting Service under this Plan shall be determined without duplication of credit for the same period of employment.

**Article III, Section 4.**

**CONTINUITY OF FUTURE SERVICE FOR PENSION CREDITS AND VESTING CREDITS**

- (a) **Permanent Break In Service Before January 1, 1976.** A person shall have incurred a Permanent Break in Service if, before January 1, 1976, he leaves Covered Employment before he has 10 years of Vesting Service or Pension Credit and subsequently fails to earn an aggregate of four quarters of Future Service Credit within any period of four consecutive calendar years.
- (b) **Permanent Break In Service After 1975.** A person shall have incurred a Permanent Break in Service if, after January 1, 1976 but before January 1, 1989, he leaves Covered Employment before he has been credited with 10 years of Vesting Service or Pension Credit, and subsequently has consecutive One-Year Breaks in Service, including at least one after 1975, that equal or exceed the number of full Years of Vesting Service (or years of Pension Credit, if greater) with which he had previously been credited.

A person who leaves Covered Employment on or after January 1, 1987, shall not incur a Permanent Break in Service under paragraph (b) above unless the number of consecutive One-Year Breaks in Service are at least five or more in number; provided, that the foregoing shall not operate to annul a Permanent Break in Service that had already occurred on or before December 31, 1986.

Notwithstanding the above, effective January 1, 1989, a person who has an Hour of Service on or after January 1, 1989, shall incur a Permanent Break in Service only if he leaves Covered Employment before he has been credited with 5 years of Vesting Service or Pension Credit and subsequently has five consecutive One-Year Breaks in Service.

- (c) **One-Year Break In Service.** A Participant has a One-Year Break in Service in any calendar year after 1975 in which he fails to complete 440 Hours of Service in Covered Employment, or in any other employment with the same Employer that is continuous with that Covered Employment (whether or not at a place of business covered by the Collective Bargaining Agreement applicable to such Covered Employment).
- (d) **Effect of Permanent Break in Service.** If a person incurs a Permanent Break in Service under this Article III, Section 4:
  - (i) His previous Pension Credits and years of Vesting Service are cancelled, and
  - (ii) He is no longer a Participant and must again satisfy the participation requirements of Article II.



(e) **Maternity/Paternity Leave.** Solely for purposes of determining whether a Participant has incurred a One-Year Break in Service (as defined in paragraph (c) above) a Participant who is absent from work with an Employer for maternity or paternity reasons shall receive credit for the Hours of Service that would otherwise have been credited to such a Participant but for such absence (or in any case in which such hours cannot be determined, 8 Hours of Service per day of such absence), but in no event shall more than 441 Hours be credited under this paragraph, nor shall such hours duplicate any other Hours of Service otherwise credited to the Participant. For purposes of this paragraph, an absence from work for maternity or paternity reasons means an absence commencing after 1984:

- (i) by reason of the pregnancy of the Participant,
- (ii) by reason of a birth of a child of the Participant,
- (iii) by reason of the placement of a child with the Participant in connection with the adoption of such child by such Participant, or
- (iv) for purposes of caring for such child for a period beginning immediately following such birth or placement.

The Hours of Service credited under this paragraph shall be credited only (1) in the computation period in which the absence begins if the crediting is necessary to prevent a One-Year Break in Service in that period or (2) in all other cases, in the following computation period. No credit shall be given under this paragraph unless the Participant timely furnishes the Plan Administrator with such information as the Pension Fund may require to establish that the absence from work was for maternity or paternity reasons as set forth above, and the number of days for which there was such an absence.

(f) **Family and Medical Leave Act.** To the extent required by federal law, for the sole purpose of determining whether a One-Year Break in Service has occurred, a Participant shall receive credit for up to 441 Hours of Service, if he or she is absent from work because of a period of leave as provided under the Family and Medical Leave Act of 1993, as amended. Additionally, to the extent permitted by the Family and Medical Leave Act of 1993, as amended ("FMLA"), a Participant shall receive credit if he or she is absent from work because of any "qualifying exigency" or if he or she is absent from work because of "Servicemember Family Leave," as defined by the FMLA and regulations promulgated thereunder. Periods of such leave shall not be taken into account for any other purpose under this Plan except to the extent required by federal law.

(g) **Exception to Break In Service Rules.** A Covered Employee shall be allowed a grace period of up to one calendar year for which he failed to earn Future Service Credit because of a disability as determined by the Trustees. The Participant shall bear the burden of furnishing written notice to the Trustees of this claim for a grace period not later than 12 months after the period for which the exception is claimed.

**Article III, Section 5.**

**CREDIT FOR NON-WORKING PERIODS**

- (a) Periods of absence from Covered Employment will be credited as if they were periods of work in Covered Employment (except for the purpose of Section 1(a) of this Article) for the period in which they occurred due to the following reasons:
- (i) Military service in the armed forces of the United States or Canada in the time of war, emergency or pursuant to a national conscription law, provided the employee makes himself available for Covered Employment following such military service within the time prescribed by law, pursuant to the re-employment rights as prescribed in the appropriate law, but excluding periods of voluntary re-enlistment not effected during national emergency or time of war unless such periods are required to be taken into account by applicable law. A Participant must call his claim for credit for military service to the attention of the Trustees and supply the evidence necessary to determine his rights. As of the effective date of Section 414(u) of the Code, and, notwithstanding any provisions of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service as defined in Section 414(u)(5) of the Code will be provided in accordance with the general provisions of Code Section 414(u). Effective January 1, 2007, a Participant who would otherwise qualify for reemployment rights under applicable federal law but who is not timely reemployed (or does not make himself available for reemployment) within the time limits established by applicable federal law due to the Participant's death on or after January 1, 2007 while performing qualified military service shall be treated as having been reemployed on the day preceding the date of death and then having terminated Covered Employment on the date of death for the purpose of vesting and benefit accruals for such period, to the maximum extent permitted by law. Effective January 1, 2007, in the case of a Participant who dies while performing qualified military service as defined in Code Section 414(u)(5), the Participant's survivors shall be entitled to any additional benefits provided by the Plan had the Participant resumed Covered Employment on the day before death and then terminated employment on account of death.
  - (ii) A disability established on the basis of medical evidence satisfactory to the Trustees, not to exceed one year of Pension Credit for each period of disability. A Participant must bring a written claim for Pension Credit to the Trustees not later than 12 months after the period of disability for which the Pension Credit is claimed. Such claim may be approved, at the sole discretion of the Trustees, upon a demonstration that the Participant (1) was unable to work because of an accident or sickness and (2) was under the regular care of a doctor. For this purpose, the Participant must submit the following documented proof:

(A) a doctor's statement verifying the disability and containing the diagnosis, treatment and dates of disability;

(B) receipt of state disability benefits;

(C) receipt of weekly accident and sickness benefits provided by any employer-sponsored welfare plan recognized for this purpose by the Trustees; or

(D) for periods of a disability occurring before January 1, 2003, if proof in (A), (B) and (C) is unavailable, written verification by a Contributing Employer that the Participant was unable to work because of an accident or sickness and that he was under the regular care of a doctor.

Credit for non-working periods as described in Section 5(a)(i) and (a)(ii) above shall only apply if the employee's last employment for which contributions were received prior to military service or total disability was in Covered Employment.

The provisions of paragraph (a)(ii) above shall only apply to periods of disability occurring prior to January 1, 2011, except to the extent required by law and Article I, Section 13(b).

- (b) The provisions of paragraph (a) above shall also apply to periods of Past Service for a Covered Employee who qualified for Past Service Credit as provided in Section 1 of this Article, provided that his last employment prior to military service or disability was in employment for which the Past Service Credit would otherwise be granted.
- (c) Whenever a quarter of service is credited under this Section 5, any Hours of Service for which contributions are made to the Pension Fund during that quarter shall not be counted toward the total hours credited in that calendar year. The rules relating to service credit for Program G Covered Employees is set forth in Appendix A.
- (d) Service credited under this Section 5 shall not count in determining (i) whether a Participant has met the Future Service requirement of Article III, Section 6, or (ii) in determining what Benefit Level applies to him pursuant to Article IV, Section 1 or 2, or Article IV, Section 10(a), unless otherwise required by law.

**Article III, Section 6.**

**FUTURE SERVICE REQUIREMENT**

Notwithstanding any other provision of this Plan, as a prerequisite for entitlement to any benefits provided by this Pension Fund, a Participant must complete at least two quarters of Future Service Credit. If a Participant's effective date of retirement is within two years of the Contribution Date applicable to his collective bargaining unit, an exception shall be made to this requirement provided the Participant was in Covered Employment for at least 880 hours for which contributions were made to this Fund on his behalf over a period of two consecutive calendar years. The rules relating to service credit for Program G Covered Employees is set forth in Appendix A.

**ARTICLE IV  
PENSION ELIGIBILITY AND AMOUNTS**

*See Article III of Appendix A for the rules regarding pension eligibility and amounts for Program G.*

**Article IV, Section I.**

**BENEFIT LEVEL FOR PROGRAM A, B AND C COVERED EMPLOYEES**

- (a) (i) For all purposes of this Plan, the Benefit Level applicable to a Program A, B or C Covered Employees shall be subject to the provisions of subparagraph (v) below, the Benefit Level in effect on the last day for which the Employer was obligated to make contributions to the Fund on behalf of such Participant shown on Exhibit A for each Contributing Employer participating in Program A, B or C, provided, however that a Participant will be eligible for a change in Benefit Level only if he satisfies subparagraphs (ii) or (iii) of this Section 1.
- (ii) In the event of a change in the Benefit Level, a Participant shall be eligible for a higher Benefit Level only if the Participant was credited with (A) an Hour of Service (as defined in Article I, Section 13) during the ninety (90) day period immediately preceding the effective date of the change in Benefit Level, and (B) 440 Hours of Service (as defined in Article I, Section 13) during the ninety (90) day period immediately preceding the ninety (90) day period described in (A). A Participant who satisfies (A), but who fails to satisfy (B), shall nonetheless be deemed to satisfy (B) if (i) the ninety-day period described in (B) includes any month in the calendar year immediately preceding the calendar year in which the Benefit Level change is effective, and (ii) the Participant receives a full year of Future Service Pension Credit in the calendar year immediately preceding the calendar year in which the Benefit Level change is effective.
- (iii) If a Participant does not satisfy the requirements for a change in Benefit Level under subparagraph (ii), the Participant shall be eligible for the higher Benefit Level if the Participant was credited with at least two quarters of Future Service Credit under such Benefit Level, or if the Participant was credited with at least 880 hours for which contributions were required to be made to the Pension Fund under that Benefit Level over a period of two consecutive calendar years.
- (iv) If a Participant fails to satisfy the requirements for a change in Benefit Level under subparagraphs (ii) or (iii), as applicable, the Participant's Pension shall be based on the next lower Benefit Level under which the Participant satisfied the requirements described in paragraph (ii) or (iii), as applicable, of this Section 1.



- (v) For a Participant whose Benefit Level is affected by a reduction described in Article II, Section 7(b), the Participant will earn Pension Credit for the year in which the Collective Bargaining Agreement expires (as described in Article II, Section 7), based on the Benefit Level in effect on the date prior to the date of the expiration of the Collective Bargaining Agreement for that portion of the year, and then for the remainder of the year, Pension Credit will be earned at the new Benefit Level. The Pension Credit earned under this subparagraph will be the sum of any Pension Credit earned under the higher Benefit Level and any Pension Credit earned under the lower Benefit Level, not to exceed one Pension Credit for the year.
- (b) For each Plan Year beginning after December 31, 2010, notwithstanding subsection (a) above, for all purposes of the Plan, the Benefit Level applicable to a Program A, B, C, or G Covered Employee for a Plan Year shall be the Covered Employee's Average Benefit Level for that Plan Year, determined as follows:

A Participant's Average Benefit Level for a Plan Year is equal to the Benefit Level in effect during such Plan Year (as shown on Exhibit A for each Contributing Employer participating in Program A, B, C, or G). If more than one Benefit Level is in effect during a Plan Year, the Average Benefit Level for the Plan Year is the sum of each Benefit Level in effect during the Plan Year multiplied by the number of months during such Plan Year during which the Benefit Level was in effect, divided by twelve (12) months. However, notwithstanding the above, if a Participant is credited with at least 2,040 Hours of Service, or 1,760 Hours of Service in Covered Employment with Robert Wood Johnson Hospital, at the highest Benefit Level in effect in a Plan Year, then such highest Benefit Level shall be his Average Benefit Level for that Plan Year.

#### **Article IV, Section 2.**

#### **BENEFIT LEVEL FOR PROGRAM D, PROGRAM E AND PROGRAM F COVERED EMPLOYEES**

- (a) Except as provided in Article IV, Section 1(a) above or Section 2(b) below, for all purposes of the Plan, the Benefit Level applicable to a Program D, E or F Covered Employee shall be the employee's Annual Pension Accrual determined as follows:
  - (i) A Participant shall earn an Annual Pension Accrual each calendar year based on his Pension Accrual Rate.
  - (ii) The amount of a Participant's Annual Pension Accrual for any calendar year shall be determined by multiplying the monthly Pension Accrual Rate in effect for that calendar year (shown on Exhibit A for each Contributing Employer participating in Program D, E or F) by the Participant's Pension Credit, or portion thereof, earned during the same calendar year. If more than one Pension Accrual Rate is in effect during a calendar year, the applicable Pension Accrual Rate for the calendar year is the

sum of each Pension Accrual Rate in effect during the calendar year multiplied by the number of months during such calendar year during which that Pension Accrual Rate was in effect, divided by twelve (12) months. However, notwithstanding the above, if a Participant is credited with at least 2,040 Hours of Service in a calendar year beginning on or after January 1, 2011 or 1,760 Hours of Service in a calendar year beginning prior to January 1, 2011, at the highest Pension Accrual Rate in effect in during that calendar year, then such highest Pension Accrual Rate shall be his applicable Pension Accrual Rate for that calendar year.

- (b) The provisions of Article IV, Section 2(a) shall not apply to a Program D, E or F Covered Employee who was employed by a Blue Ridge Company or any successor company that was participating in Program D, E or F prior to October 1, 2000, or to a Program D, E or F Covered Employee who was employed by National Performance Packaging. The Benefit Level applicable to Covered Employees described in the preceding sentence shall be determined, for purposes of Article IV, Section 4, pursuant to and in accordance with the provisions of Article IV, Section 1.

#### **Article IV, Section 3.**

#### **REGULAR PENSION – ELIGIBILITY**

A Covered Employee is eligible for a Regular Pension upon Retirement at or after Normal Retirement Age. A Covered Employee who continues to work for a Contributing Employer after his Normal Retirement Age shall continue as a Participant and may earn benefits (subject to the rules of this Plan) until he Retires.

#### **Article IV, Section 4.**

#### **REGULAR PENSION – AMOUNT**

- (a) The monthly amount of a Regular Pension for a Participant with Pension Credit under Programs A, B or C shall be the sum of
- (i) the Benefit Level applicable to the Participant, as described in Article IV, Section 1(a), determined as of December 31, 2010, multiplied by the Participant's full and fractional years of Pension Credit as of December 31, 2010; plus
  - (ii) the sum of the Participant's Annual Pension Accruals for each Plan Year commencing after December 31, 2010.

For the purpose of this Section, a Participant's Annual Pension Accrual for a Plan Year is equal to the Average Benefit Level for the Plan Year, as determined under Article IV, Section 1(b), multiplied by the full or fractional amount of Pension Credit earned by the Participant during that Plan Year.

- (b) The monthly amount of a Regular Pension of a Participant with Pension Credit under Programs D, E or F shall be the sum of the Annual Pension Accruals for each calendar year, determined in accordance with Article IV, Section 2.
- (c) If a Participant leaves Covered Employment with Pension Credit under (1) Programs A, B or C and (2) Programs D, E, F or G, the monthly amount of his Regular Pension shall be the sum of the separate amounts payable under Programs A, B or C and Programs D, E, F or G calculated under subparagraphs (a) and (b) above and Appendix A.

**Article IV, Section 5.**

**ELIGIBILITY FOR EARLY RETIREMENT PENSION**

A Participant is eligible for an Early Retirement Pension upon Retirement between the ages of 55 and 65 with at least 10 years of Pension Credit or Vesting Service. An Early Retirement Pension shall start as of the first of any month after Retirement that the Participant elects.

**Article IV, Section 6.**

**AMOUNT OF EARLY RETIREMENT PENSION**

The Early Retirement Pension shall be in an amount determined as follows:

- (a) There shall first be determined the amount of the Regular Pension to which the Participant would be entitled if he had attained his Normal Retirement Age on his Pension Starting Date, based on his full and fractional years of Pension Credit on the date he retires.
- (b) The amount so determined shall then be reduced by  $\frac{1}{2}$  of 1% for each month by which the Participant is younger than age 65 on the day his Early Retirement Pension starts.

**Article IV, Section 7.**

**DEFERRED PENSION – ELIGIBILITY**

A Participant is eligible for a Deferred Pension upon attaining Normal Retirement Age if he is Retired and has at least 5 years of Pension Credit or Vesting Service.

A Deferred Pension shall start –

- (a) on or after the Participant's Normal Retirement Age, or
- (b) on the first day of any month between ages 55 and 65 as the Participant may elect, if he has at least 10 years of Pension Credit or Vesting Service.



**Article IV, Section 8.**

**DEFERRED PENSION – AMOUNT**

- (a) **At or After Normal Retirement Age.** If a Deferred Pension starts on or after the Participant has attained his Normal Retirement Age, the monthly amount of his Deferred Pension shall be the amount of the Regular Pension to which the Participant would be entitled if he had attained his Normal Retirement Age on his Pension Starting Date, based on his full and fractional years of Pension Credit at the date of retirement.
- (b) **Before Normal Retirement Age.** If a Deferred Pension starts before a Participant's Normal Retirement Age, the monthly amount of his Deferred Pension shall be the amount of the Regular Pension otherwise payable at Normal Retirement Age, reduced in the same way as an Early Retirement Pension that starts before age 65, as provided in Section 6(b) of this Article IV.

**Article IV, Section 9.**

**ELIGIBILITY FOR DISABILITY PENSION**

- (a) **Eligibility.** A Participant shall be entitled to retire on a Disability Pension if he meets all of the following conditions:
  - (i) He becomes totally and permanently disabled as defined in Section (b) below while working in Covered Employment, and
  - (ii) For Program A, B, and C Covered Employees, he has accumulated at least 10 years of Pension Credit with at least 2 quarters of Future Service Credit at the time the total and permanent disability commences.
  - (iii) For Program D, E, and F Covered Employees, he has accumulated at least 5 years of Vesting Credit with at least 2 quarters of Future Service Credit at the time the total and permanent disability commences.
  - (iv) Effective for quarters beginning on and after April 1, 2005 and solely for the purpose of calculating a Participant's eligibility for a Disability Pension, a Participant shall earn a quarter year of Future Service Credit for each quarter in which the Participant has worked in Covered Employment for more than half of the quarter, and shall be credited with up to one year of Vesting Credit for the period ending on the date he ceases working in Covered Employment.
- (b) **Definition of Total and Permanent Disability.** A Participant shall be deemed totally and permanently disabled only if he received a disability award issued by the Social Security

Administration. Such award must be submitted to the Trustees in order for a Participant to be eligible to receive the Normal Amount, as described in Article IV, Section 10(a), below. The Trustees shall be the sole and final judges of total and permanent disability and the entitlement to a Disability Pension hereunder. The Trustees shall have the right to require every applicant for a Disability Pension to submit to medical examination. If a Disability Pension is granted, the Trustees shall have the right to require medical examination as often as may reasonably be required under the circumstances. Failure to submit to a required medical examination shall be sufficient reason for the denial, suspension or discontinuance of the Disability Pension. In the event of the Pensioner's recovery from Total and Permanent Disability prior to Normal Retirement Age, the Disability Pension shall be discontinued, effective as of the date of recovery.

**Article IV, Section 10.**

**AMOUNT AND COMMENCEMENT OF DISABILITY BENEFIT**

- (a) **Normal Amount.** The monthly amount of the Disability Pension shall be the amount of Regular Pension to which the Participant would be entitled if he had attained his Normal Retirement Age at the time his Disability Pension starts, based on –
- (i) the number of full and fractional years of Pension Credit accrued by him on the last day for which the Employer was obligated to make contributions to the Fund on behalf of such Participant, and
  - (ii) the Benefit Level as determined under Section 1 of this Article.

In order to be eligible to receive this amount, a Participant must submit, as evidence of total and permanent disability, a disability award issued by the Social Security Administration.

- (b) **Starting Date.** No person shall be entitled to a Disability Pension until he has filed an application for a Disability Pension and such application is approved by the Trustees. A Disability Pension shall be effective the later of (i) five months after the month in which the disability began (as determined by the Participant's Social Security Disability award), or (ii) the first day of the month after the Participant's application for a Disability Pension is filed (the "Disability Pension effective date"), and only if it is determined that the Participant is Retired as of the Disability Pension effective date. If the Participant is not Retired, a subsequent effective date shall apply following a determination that the Participant is Retired. Notwithstanding the foregoing, if the Trustees approve an application for a Disability Pension on the basis of a Social Security Disability award after the Disability Pension effective date, the Participant will be eligible for benefits for up to twelve months prior to the date the application for a Disability Pension was filed with the Trustees, but in no event for periods prior to the first day of the fifth month after the month in which the disability began (as determined by the Social Security Disability award), and provided that (i) it is determined that the Participant has retired as of the retroactive starting date; and (ii) the Participant is disabled

both for any prior month for which a Disability Pension payment is made and on the date the Fund actually commences payment of the Disability Pension. If the Participant is not Retired, a subsequent retroactive starting date shall apply following a determination that the Participant is Retired.

- (c) **Early Retirement Pension.** A Participant who has filed an application for a Disability Pension may retire on an Early Retirement Pension if he meets the requirements of Section 5 of this Article while a determination regarding his application is pending. If the Trustees approve the Participant's Disability Pension application and award the Normal Amount, the Participant will begin receiving the Disability Pension in lieu of the Early Retirement Pension on the Disability Starting Date as defined in paragraph (b) of this Section. If the Participant's Disability Pension application is denied, the Participant will continue receiving payments in the form of an Early Retirement Pension.

#### Article IV, Section 11.

#### **PRE-RETIREMENT SURVIVING SPOUSE BENEFITS FOR PROGRAMS A, B, C, D, E OR F**

- (a) A married Participant who is eligible for one of the pensions payable under the Plan, and who dies after attaining age 55 but before his pension starts, will be eligible for the Pre-Retirement Surviving Spouse Benefit. The Pre-Retirement Surviving Spouse Benefit will provide his surviving Spouse 50% of the monthly amount the Participant would have received had the Participant retired on the day before his date of death with a Participant and Spouse Pension, except that if the Participant described in the first sentence dies after terminating Covered Employment, it shall be assumed that the Participant (i) retired on the date of termination of Covered Employment, (ii) commenced a pension payable in the Participant and Spouse Pension form of payment on the date immediately preceding his date of death (after giving effect to the reduction under Article IV, Section 6(b)), and (iii) died on the next day. The benefit to the surviving Spouse shall commence and be determined as of the surviving Spouse's Starting Date, as defined in Section 14(c) of this Article, and continue for the lifetime of the Spouse.
- (b) If a married Participant dies in Covered Employment before age 55 with at least 5 years of Vesting Service or Pension Credit, his surviving Spouse shall be eligible for the Pre-Retirement Surviving Spouse Benefit described in paragraph (a) above, except that it shall be assumed that the Participant (i) separated from service on the date of death, (ii) survived to the earliest retirement age at which his Deferred Pension could start, (iii) on that date commenced a pension payable in the Participant and Spouse Pension form of payment (after giving effect to the reduction under Article IV, Section 6(b)), and (iv) died on the next day. The benefit to the surviving Spouse shall commence and be determined as of the surviving Spouse's Starting Date, as defined in Section 14(c) of this Article, except that in the case of a Participant's death prior to the earliest retirement age at which the Participant's Deferred Pension could have

commenced, the benefit to the surviving Spouse shall be adjusted to reflect no reduction for the Participant's age on the date of death prior to such earliest retirement age.

- (c) If a married Participant dies with at least 5 years of Vesting Service or Pension Credit, after terminating Covered Employment before age 55, his surviving Spouse shall be eligible for the Pre-Retirement Surviving Spouse Benefit described in paragraph (a) above, except that such benefit shall be calculated by reference to the date of termination of Covered Employment and it shall be assumed that the Participant (i) thereafter survived to the earliest retirement age at which his Deferred Pension could start and (ii) on that date commence a pension payable in the Participant and Spouse Pension form of payment (after giving effect to the reduction under Article IV, Section 6(b) and the Plan's other assumptions), and (iii) died on the next day. The benefit to the surviving Spouse shall commence and be determined as of the surviving Spouse's Starting Date, as defined in Section 14(c) of this Article, and any benefit commencing prior to the earliest retirement age at which the Participant's Deferred Pension could have commenced shall be reduced based on a reasonable actuarial reduction to reflect commencement prior to such earliest retirement age.

#### **Article IV, Section 12.**

#### **OPTIONAL FORMS OF PENSION BENEFIT FOR PROGRAMS A, B, C, D, E, OR F**

- (a) **Participant and Spouse Pension For All Types Of Pensions Provided By The Plan.** Unless a married Participant has filed a timely rejection in writing with the Trustees, his pension will be paid in the form of a 50% Participant and Spouse Pension in which the monthly amount of the pension is reduced from the full amount otherwise payable in accordance with a formula or formulas adopted by the Trustees, based on the principles of overall actuarial equivalence and equitable adjustment for such pension. Upon the death of a Pensioner whose pension is payable as a Participant and Spouse Pension, 50% of the Pensioner's actuarially reduced benefit amount will be continued for the lifetime of the Spouse, starting on the first of the month following the death of the Participant.
  - (i) **A Participant may elect to receive a 75% or 100% Participant and Spouse Pension in lieu of a 50% Participant and Spouse Pension.** Upon the death of a Pensioner whose pension is payable as a 75% Participant and Spouse Pension, 75% of the Pensioner's actuarially reduced benefit amount will be continued for the lifetime of the Spouse, starting on the first of the month following the death of the Participant. Upon the Death of a Pensioner whose pension is payable as a 100% Participant and Spouse Pension, 100% of the Pensioner's benefit amount will be continued for the lifetime of the Spouse, starting on the first of the month following the death of the Participant.
  - (ii) **Pension Conversion.** In converting the normal form of benefit payment for all types of Pensions (except a Disability Pension) into a Participant and Spouse Pension form,



the Participant's pension amount shall be reduced using the following actuarial factors:

- (A) **50% Participant and Spouse Pension** – 88% plus 0.4% for each year that Spouse's age is greater than Participant's age or minus 0.4% for each year that Spouse's age is less than the Participant's age with a maximum factor of 99%.
  - (B) **75% Participant and Spouse Pension** – 83% plus 0.5% for each year that Spouse's age is greater than Participant's age or minus 0.5% for each year that Spouse's age is less than the Participant's age with a maximum factor of 99%.
  - (C) **100% Participant and Spouse Pension** – 79% plus 0.6% for each year that Spouse's age is greater than Participant's age or minus 0.6% for each year that Spouse's age is less than the Participant's age with a maximum factor of 99%.
- (iii) **Disability Retirement Conversion.** In converting the normal form of benefit payment for a Disability Pension into a Participant and Spouse Pension form, the Participant's pension amount shall be the greater of the benefit reduced by using the actuarial factors for a form of payment for a Disability Pension as set forth in Section 12(a)(v)(B) below or the benefit reduced for the same form of payment by using the following actuarial factors:
- (A) **50% Participant and Spouse Pension** – 77.5% plus 0.4% for each year that Spouse's age is greater than Participant's age or minus 0.4% for each year that Spouse's age is less than the Participant's age with a maximum factor of 99%.
  - (B) **75% Participant and Spouse Pension** – 70% plus 0.5% for each year that Spouse's age is greater than Participant's age or minus 0.5% for each year that Spouse's age is less than the Participant's age with a maximum factor of 99%.
  - (C) **100% Participant and Spouse Pension** – 63% plus 0.6% for each year that Spouse's age is greater than Participant's age or minus 0.6% for each year that Spouse's age is less than the Participant's age with a maximum factor of 99%.
- (iv) **Rejecting the Participant and Spouse Pension.** A Participant shall have the right to reject the Participant and Spouse Pension at any time during the 90 day period immediately preceding his Pension Starting Date; provided, that no such rejection shall be effective unless:
- (A) the Participant's Spouse consents thereto on a form supplied by the Plan, and such consent is witnessed by a notary public or authorized Plan representative, or

- (B) it is established to the satisfaction of a Plan representative that such consent cannot be obtained because there is no Spouse, because the Spouse cannot be located, or because of such other circumstances prescribed in applicable regulations.
  - (C) Any such consent (or establishment that consent may not be obtained) shall be effective only with respect to such Spouse.
  - (D) If a Participant rejects the Participant and Spouse Pension, he can reinstate the Participant and Spouse Pension by filing a written cancellation of such rejection with the Trustees, at any time within the period described in the initial sentence of this subparagraph (iv).
- (v) **Payment of the Participant and Spouse Pension.** Payment of the Participant and Spouse Pension shall be subject to the following conditions:
- (A) The Participant and Spouse must be married to each other on the Participant's Pension Starting Date.
  - (B) **Participant and Spouse "Pop-Up" Pension.** A Participant with a Spouse may elect to receive his benefit as an optional 50%, 75%, or 100% Participant and Spouse "Pop-Up" Pension, in lieu of a 50%, 75%, or 100% Participant and Spouse Pension. Under a Participant and Spouse "Pop-Up" Pension, the Participant will receive an actuarially reduced pension benefit for his lifetime and upon his death, the Participant's Spouse will receive 50%, 75%, or 100%, as applicable, of the Participant's monthly benefit for the Spouse's lifetime. If the Spouse of a Pensioner who is receiving a 50%, 75%, or 100% Participant and Spouse "Pop-Up" Pension predeceases the Pensioner, the Pensioner's benefit will be reinstated to the original unreduced amount, payable in the form of a single-life annuity payable monthly during the Participant's lifetime, with no continuation of payments after his death, commencing with the month following the Spouse's death.

In converting the normal form of benefit payment for all types of Pensions (except a Disability Pension) into a Participant and Spouse "Pop-Up" Pension form, the Participant's pension amount shall be reduced using the following actuarial factors:

- a. **50% Participant and Spouse "Pop-Up" Pension** – 87% plus 0.4% for each year that Spouse's age is greater than Participant's age or minus 0.4% for each year that Spouse's age is less than the Participant's age with a maximum factor of 99%.

- b. **75% Participant and Spouse "Pop-Up" Pension** – 82% plus 0.5% for each year that Spouse's age is greater than Participant's age or minus 0.5% for each year that Spouse's age is less than the Participant's age with a maximum factor of 99%.
- c. **100% Participant and Spouse "Pop-Up" Pension** – 77% plus 0.6% for each year that Spouse's age is greater than Participant's age or minus 0.6% for each year that Spouse's age is less than the Participant's age with a maximum factor of 99%.

In converting the normal form of benefit payment for a Disability Pension into a Participant and Spouse "Pop-Up" Pension form, the Participant's pension amount shall be reduced using the following actuarial factors:

- a. **50% Participant and Spouse "Pop-Up" Pension** – 76.5% plus 0.3% for each year that Spouse's age is greater than Participant's age or minus 0.3% for each year that Spouse's age is less than the Participant's age with a maximum factor of 99%.
- b. **75% Participant and Spouse "Pop-Up" Pension** – 68.5% plus 0.4% for each year that Spouse's age is greater than Participant's age or minus 0.4% for each year that Spouse's age is less than the Participant's age with a maximum factor of 99%.
- c. **100% Participant and Spouse "Pop-Up" Pension** – 62% plus 0.4% for each year that Spouse's age is greater than Participant's age or minus 0.4% for each year that Spouse's age is less than the Participant's age with a maximum factor of 99%.

In order to elect the optional Participant and Spouse "Pop-up" Pension, a Participant must reject the Participant and Spouse Pension in accordance with Article IV, Section 12(a)(iv). Once the Participant and Spouse "Pop-Up" Pension has become payable, the monthly amount shall not be increased if the Spouse is subsequently divorced from the Pensioner, unless and until the Spouse subsequently predeceases the Pensioner.

- (D) The Participant and Spouse Pension is payable for the lifetime of the Pensioner and the surviving Spouse and cannot be terminated on remarriage.
- (E) The Trustees shall be entitled to rely on a written representation (marriage license) last filed by the Participant before his Pension Starting Date as to whether or not he or she is married. This reliance shall include the right to deny benefits to a person claiming to be the Spouse of a Participant in contradiction to the aforementioned representation of the Participant.

- (F) If a Participant and his Spouse shall divorce after payment of the Participant and Spouse Pension has started, such former Spouse, if living at the Participant's death, shall nonetheless be treated as the Participant's surviving Spouse.
- (vi) **Disability Pension Payable as Participant and Spouse Pension.** If a married disabled Participant dies after his application for a Disability Pension is approved by the Trustees, but before his Disability Pension starts, the Participant's surviving Spouse shall receive payments under the 50% Participant and Spouse Pension, starting on the first of the month following the death of the Participant. The monthly amount of such Spouse's benefit shall be determined as if the Participant had begun to receive his pension as of the day before his death under the Participant and Spouse Pension form described in this Section 12(a).
- (vii) **Death of Disability Pensioner Before the One Year Anniversary of Disability Pension Starting Date.** If a married Participant receiving a Disability Pension as a Straight Life Annuity dies before the one year anniversary of his Disability Pension effective date as defined in Article IV, Section 10(b), the benefit shall be treated as if the Participant had elected a 50% Participant and Spouse Pension. Benefit payments will commence to the surviving Spouse, if any, starting on the first of the month following the death of the Participant.
- (b) **Joint and Survivor Option.** In lieu of a single life annuity, or a Participant and Spouse Pension if a Participant is married, a Participant may elect to receive payment of the Regular, Early, or Deferred Pension under a Joint and Survivor Option, in accordance with which he will receive a lower pension benefit amount with the understanding that 100%, 75% or 50% of that lower monthly amount (as the Participant may elect) will continue to be paid after his death for the lifetime of his designated Beneficiary. The adjustment in benefit amount shall be determined so that it is an actuarial equivalent of the amount otherwise payable to the Participant in the normal form.
  - (i) **Electing the Joint and Survivor Option.** Election of the Joint and Survivor Option shall be subject to the following conditions as well:
    - (A) The Joint and Survivor Option shall be deemed to be elected when the Participant completes an election form prescribed by the Trustees and files such form with the Trustees.



- (B) The adjustment of the Joint and Survivor Option shall apply immediately, but the Beneficiary shall not be entitled to any payments upon the Participant's death under this form of benefit unless and until the Participant receives payments pursuant to this form of benefit for a period of at least 12 months.
  - (C) A Joint and Survivor Option may be elected only prior to the Participant's Pension Starting Date.
  - (D) Once elected, the Joint and Survivor Option may be revoked only in writing, on a form prescribed by the Trustees and filed with the Trustees before the Participant's Pension Starting Date.
  - (E) Benefits continue to the Participant in the same amount and are not payable to any other person if the Participant's designated Beneficiary predeceases the Participant after the Participant's Pension Starting Date.
- (ii) **Pension Conversion.** In converting the normal form of benefit payment for all types of Pensions (except a Disability Pension) into a Joint and Survivor Option, the Participant's pension amount shall be reduced using the following actuarial factors:
- (A) **50% Joint and Survivor Option** – 88% plus 0.4% for each year that Beneficiary's age is greater than Participant's age or minus 0.4% for each year that Beneficiary's age is less than the Participant's age with a maximum factor of 99%.
  - (B) **75% Joint and Survivor Option** – 83% plus 0.5% for each year that Beneficiary's age is greater than Participant's age or minus 0.5% for each year that Beneficiary's age is less than the Participant's age with a maximum factor of 99%.
  - (C) **100% Joint and Survivor Option** – 79% plus 0.6% for each year that Beneficiary's age is greater than employee's age or minus 0.6% for each year that Beneficiary's age is less than the employee's age with a maximum factor of 99%.

**Article IV, Section 13.**

**SUSPENSION OF BENEFITS**

- (a) If a Pensioner returns to employment after payment of his pension has begun, such pension shall cease for any calendar month in which the Pensioner engages in Prohibited Employment. If a Participant continues in Covered Employment after Normal Retirement Age the Participant's pension shall not begin for any calendar month in which the Participant engages in Prohibited Employment. A month of Prohibited Employment means any month

in which there was the completion of 40 or more Hours of Service in employment with a Contributing Employer in Covered Employment; provided that such employment is in the same industry or business as any Contributing Employer at the time that the payment of benefits commenced or would have commenced, in in a trade or craft in which the Pensioner or Participant was employed at any time under the Plan, and is in the geographic area covered by the Plan at the time that the payment of benefits commenced or would have commenced.

- (b) The following exceptions shall apply to the application of paragraph (a) above:
- (i) Employment with a sub-contractor or other employer that is not an Employer and occurs at a Contributing Employer shall not be considered Prohibited Employment.
  - (ii) An exception shall be made if a Contributing Employer recalls a Pensioner back to work in emergency situations for a period of time not to exceed 60 days in any calendar year. The Trustees may, in their sole discretion, provide additional exceptions by rule or regulation.
  - (iii) An exception shall be made if the Pensioner shall become employed after attainment of age 67 as a plant watchman or guard, provided such classifications are not covered by a Collective Bargaining Agreement under the jurisdiction of the Union. A Pensioner shall notify and request approval of the Trustees in advance if such contemplated employment qualifies under the rules for this exception.
- (c) The following rules shall apply to the application of paragraph (a) above:
- (i) A Participant may request a ruling from the Trustees on whether a particular type of contemplated employment will result in the permanent withholding of benefits under this Section. The decision on such rulings shall be at the sole discretion of the Trustees and shall not be subject to further review.
  - (ii) The Trustees shall develop reasonable procedures to implement the provisions of this Section 13 that may include a requirement that a Retired Participant notify the Trustees of the start (or end) of any subsequent employment, and that the Trustees notify the Participant that his pension is to be permanently withheld for certain periods. In the event that the Participant received pension payments for months in which his benefits were subject to permanent withholding, such payments shall be offset against future benefit payments otherwise due.
  - (iii) In addition to all Pensioners who return to employment, the foregoing provisions of this Section 13 will apply to Participants who continue in employment after Normal Retirement Age and whose pension benefits have not previously started. No payment shall be made for any month in which a Participant completes more than 40 hours of Service in the circumstances described above, to the extent that the value of all such payments is less than the value of additional benefits earned by him after his Normal Retirement Age. Any missed payments required to be paid under this Section 13 will

be made by applying the value of the missed payments to provide increased pension benefits.

- (d) **Recalculation of Benefits.** If a Participant begins to receive a pension hereunder and he is later re-employed as a Covered Employee, upon his subsequent retirement his pension shall be recalculated, as follows:
- (i) His pension will include any Annual Pension Accruals he earns by reason of his period of re-employment and will be determined based on the applicable provisions of Article IV, Sections 3 through 12.
  - (ii) Any pension that has been recalculated under subsection (i) shall be reduced by the actuarial equivalent of the benefit payments (if any) previously made to such Participant prior to his Normal Retirement Age (other than payments under a Disability Pension properly payable under Article IV). For purposes of this subsection (d)(ii), "actuarial equivalent" shall be based on the 1971 Group Annuity Mortality Table, weighted 80% for males and 20% for females, and 7% interest compounded annually.

In no event shall the monthly amount of a Participant's pension be reduced by reason of redetermination under this Section 13.

#### **Article IV, Section 14.**

##### **SURVIVING SPOUSES AND FORMER SPOUSES**

- (a) For purposes of Sections 11 and 12 of this Article IV, a former Spouse shall be treated as a Participant's Spouse to the extent specified in a Qualified Domestic Relations Order as defined in Code Section 414(p).
- (b) For all purposes of this Plan (including Appendix A), if distribution in respect of a Participant's benefits is made to a person reasonably believed by the Trustees or their delegate (taking into account any document purporting to be a valid consent of the Participant's Spouse, or any representation by the Participant that he is not married) to properly qualify to receive benefits under the Plan payable in respect of the Participant, the Plan shall have no further liability with respect to such benefits.
- (c) Notwithstanding anything else in this Plan, benefits payable to the surviving Spouse of a Participant who dies before his pension starts shall begin as of the Starting Date. Benefits that begin prior to the date on which the Participant would have attained age 65 shall be subject to the actuarial reduction described in Sections 6 and 11 of this Article IV. For purposes of this Section 14, "Starting Date" means (a) the first day of the month following a Participant's 65th birthday (or, in the event of death subsequent to his 65th birthday, the first day of the month following such date of death), or (b) any earlier time that the Participant's

surviving Spouse shall elect beginning on the first day of the month following the date of the Participant's death. This shall apply to Programs A, B, C, D, E or F.

**Article IV, Section 15.**

**SPECIAL HUHTAMAKI COMPANY BENEFIT LEVEL AND FORM OF PAYMENT**

Pursuant to a merger of the Pension Plan for Hourly-Paid Employees of Huhtamaki Company Manufacturing ("Huhtamaki Plan") into this Plan, effective as of December 31, 2002, the former participants of the Huhtamaki Plan shall be entitled to receive benefits under this Fund. A former Huhtamaki Plan participant shall receive

- (a) the sum of his accrued benefit determined under the benefit levels in effect under the Huhtamaki Plan for service dates through December 31, 2002, and his accrued benefit based on the Benefit Levels applicable to the Covered Employee under the Plan for service after December 31, 2002; or,
- (b)
  - (i) if he retires on or after January 1, 2003, and is otherwise eligible for a pension benefit under the terms of the Plan, the greater of a benefit determined under (a) or a benefit based on \$27.00 times all years of service under the Huhtamaki Plan and this Plan;
  - (ii) if he retires on or after January 1, 2004 and is otherwise eligible for a pension benefit under the terms of the Plan, the greater of a benefit determined under (a) or a benefit based on \$28.00 times all years of service under the Huhtamaki Plan and this Plan;
  - (iii) if he retires on or after January 1, 2005, and is otherwise eligible for a pension benefit under the terms of the Plan, the greater of a benefit determined under (a) or a benefit based on \$29.00 times all years of service under the Huhtamaki Plan and this Plan.
- (c) a standard form of payment for unmarried participants and an optional form of payment for married participants payable as a 10-year certain and life annuity. This subsection (c) shall not apply to a former Huhtamaki Plan participant with a Pension Starting Date on or after January 1, 2011, regardless of when the former Huhtamaki Plan participant terminated Covered Employment or otherwise ceased to be an active Participant under this Plan or an active participant under the Huhtamaki Plan.

**Article IV, Section 16.**

**SPECIAL ROARING SPRING BLANK BOOK COMPANY BENEFITS**

Pursuant to a merger of the Retirement Plan for Bargaining Employees of the Roaring Spring Blank Book Company ("Roaring Spring Plan") into this Plan, effective as of November 1, 2000, the former participants of the Roaring Spring Plan who were employed on the date of the merger and became eligible for benefits under this Plan as a result of the merger, shall receive (i) past service credit equal



to the years of benefit service accrued under the Roaring Spring Plan, plus an additional one-quarter year of past service credit; and (ii) years of vesting service equal to the years of service completed under the Roaring Spring Plan, plus an additional year of vesting service, in accordance with the applicable Merger Agreement.

**Article IV, Section 17.**

**SPECIAL BANNER FIBREBOARD COMPANY BENEFIT LEVEL AND FORM OF PAYMENT**

Pursuant to a merger of the Banner Fibreboard Company Retirement Plan for Employees Covered by a Collective Bargaining Agreement ("Banner Fibreboard Plan") into this Plan, effective as of August 1, 2002, a former participant of the Banner Fibreboard Plan who was employed on the date of the merger and became eligible for benefits under this Plan as a result of the merger, shall receive a year of vesting service if he worked 1,000 or more hours of service between the merger effective date and December 31, 2002. Former participants of the Banner Fibreboard Plan shall be entitled to a standard form of payment for unmarried participants, and an optional form of payment for married participants, payable as a life annuity with 120 guaranteed monthly payments.

Notwithstanding the foregoing, a former participant of the Banner Fibreboard Plan with a Pension Starting Date on or after January 1, 2011 shall not be entitled to the life annuity with 120 guaranteed monthly payments described above, regardless of when the former Banner Fibreboard Plan participant terminated Covered Employment or otherwise ceased to be an active Participant under this Plan or an active participant under the Banner Fibreboard Plan.

**Article IV, Section 18.**

**SPECIAL HUHTAMAKI CONSUMER PACKAGING PLAN FOR FULTON UNION EMPLOYEES BENEFITS LEVEL AND FORM OF PAYMENT**

Pursuant to the merger of the Huhtamaki Consumer Packaging Pension Plan for Fulton Union Employees ("Huhtamaki Fulton Plan") into this Plan, effective May 6, 2004, the former participants of the Huhtamaki Fulton Plan who were employed on the date of the merger and became eligible for benefits under this Plan as a result of the merger, and their beneficiaries, shall be entitled to receive benefits under the terms of the Plan for all of pre-and post-merger service, except as provided in paragraphs (a), (b) and (c) below.

- (a) Accruals earned by former Huhtamaki Fulton Plan participants under the Huhtamaki Fulton Plan prior to May 6, 2004 shall be subject to the terms of the Huhtamaki Fulton Plan for purposes of calculating early retirement benefits. Accruals earned by former Huhtamaki Fulton Plan participants on or after May 6, 2004 shall be subject to the terms of the Plan for purposes of calculating early retirement benefits.

Notwithstanding the above, accruals earned by former Huhtamaki Fulton Plan participants under the Huhtamaki Fulton Plan prior to May 6, 2004 shall also be subject to the terms of Article IV, Section 19 for purposes of calculating early retirement benefits.

- (b) Credited service, as that term is defined under the terms of the Huhtamaki Fulton Plan, shall be credited as follows:
- (i) service earned for the period before July 1, 1959 shall be credited based on all years and months of continuous employment completed by former participants of the Huhtamaki Fulton Plan. A month of service shall be credited as 1/12<sup>th</sup> of a year, and continuity of employment and calculation of years and months of employment shall be determined, or disregarded, as appropriate, as provided under the terms of the Sealright Co., Inc., Fulton Union Employees Pension Plan;
  - (ii) service earned for the period after June 30, 1959 and before January 1, 1970, shall be credited based on a 12 month period of July 1 through June 30 ("fiscal year") during which a former participant of the Huhtamaki Fulton Plan completed at least 1,600 hours of service for Sealright, and each calendar month within a fiscal year consisting of fewer than 1,600 hours of service during which at least 16 full days of service were completed. A month of service shall be credited as 1/12<sup>th</sup> of a year, and fiscal years and months of service shall be determined, or disregarded, as appropriate, as provided under the terms of the Sealright Co., Inc., Fulton Union Employees Pension Plan;
  - (iii) service earned for the period after December 31, 1969 and before January 1, 1976 shall be credited based on each calendar year during which a former participant of the Huhtamaki Fulton Plan completed at least 1,600 hours of service for Sealright, and each calendar month within a calendar year consisting of fewer than 1,600 hours of service during which at least 16 full days of service were completed. A month of service shall be credited as 1/12<sup>th</sup> of a year and calendar years and months of service shall be determined, or disregarded, as appropriate, as provided under the terms of the Sealright Co., Inc., Fulton Union Employees Pension Plan;
  - (iv) credited service earned for the period after December 31, 1975 and before May 6, 2004 shall be credited each calendar year in which a former participant of the Huhtamaki Fulton Plan completed at least 1,600 hours of service except that: (1) credited service accrued in a year, other than the year in which the employee became a participant, retired or was terminated, during which at least 1,000 but less than 1,600 hours of service were completed shall be credited with a fractional credit; (2) credited service for the year during which an employee became a participant, retired or terminated employment shall be credited in an amount equal to the greater of: (a) the fractional credit; or (b) 1/12<sup>th</sup> of a year of credited service for each calendar month during which at least 16 days of service were completed for Sealright after the date on which the employee became a participant. Except as otherwise provided,

each year in which less than 1,000 hours of service were completed shall be disregarded.

- (c) Any former Huhtamaki Fulton Plan participant who is within five years of attaining age 65 as of the date of the merger will be treated as having attained age 65 for all purposes under the Plan.
- (d) Benefits for former Huhtamaki Fulton Plan participants who retired from employment with Huhtamaki Consumer Packaging Inc. on or after February 23, 2004, but before May 6, 2004 shall be calculated at the accrual rate of \$28 per month, provided that the eligibility requirements under the Plan have been otherwise satisfied. Benefits of all other former Huhtamaki Fulton Plan participants will be determined for all purposes under the terms of the Huhtamaki Fulton Plan or prior plan in effect on the date they retired or terminated employment.

**Article IV, Section 19.**

**EARLY RETIREMENT AND SERVICE PENSION BENEFITS FOR PARTICIPANTS RECEIVING BENEFITS UNDER MERGED PLANS**

For a Participant who retires prior to age 65 and who receives a benefit determined under the terms of a plan that merged into this Plan, the Participant will receive the lesser of (1) the benefit calculated under the terms of the merged plan or (2) the benefit calculated based on the benefit the Participant would receive at normal retirement age, reduced by  $\frac{1}{2}$  of 1% for each month by which the Participant is younger than age 65. Any provision in the applicable plan that merged into this Plan that provides that, prior to normal retirement age, the Participant will receive the same monthly amount he would receive at normal retirement age provided that specified service requirements are met, shall not apply.

**Article IV, Section 20.**

**SPECIAL PAPER BOX MAKERS UNION LOCAL 299 DEATH BENEFIT**

Effective October 16, 1984, the Beneficiary of a Pensioner who retired under the Retirement Fund for Local 299 prior to September 1, 1984, shall be entitled to receive a \$1,000 lump sum death benefit upon the death of such Pensioner on or after October 16, 1984.

**ARTICLE V**  
**APPLICATIONS, BENEFIT PAYMENTS AND RETIREMENT**

**Article V, Section 1.**

**BENEFIT PAYMENTS GENERALLY**

- (a) Benefits shall become payable commencing no earlier than the first day of the month following the month in which the application was filed with the Trustees, providing the Participant has fulfilled all the conditions for entitlement to benefits and it is determined that the Participant is Retired. Pension payments shall end with the payment for the month in which the death of the Pensioner occurs except as provided in the Plan for continued payments to the surviving Spouse or other Beneficiary.
- (b)(1) However, in no event shall benefits be payable to the Participant later than the 60th day after the later of:
- (i) the close of the calendar year in which the Participant attains Normal Retirement Age, or
  - (ii) the close of the calendar year in which the Participant is Retired,

unless the Participant elects to defer the commencement of his benefits to a date not later than the April 1 of the calendar year following the calendar year in which the Participant attains age 70 ½. This is a Participant's "required beginning date." If payments to the Employee are to be made in installments, the installment period may in no event be longer than the life of the Employee or the joint life expectancy of the Employee and his Beneficiary. If the Employee dies before distribution starts, distribution to the beneficiary other than the Employee's spouse must commence within one year of the Employee's death, and if payable to the beneficiary in installments, the installment period must not exceed the beneficiary's life expectancy. Notwithstanding the foregoing, if a Participant has elected not to receive payments as of the later of (i) or (ii), Regular Pension payments shall begin upon application for benefits in accordance with Section 3 hereof, but no later than April 1 of the calendar year following the calendar year in which the Participant attains age 70 ½, provided that if the payee of any payment cannot be located or the amount of the payment cannot be determined, payment retroactive to the required beginning date must be made within 60 days of the payee's being located or the amount being determined, whichever is applicable. The accrued benefit of a Participant (other than a 5-percent owner) who retires in a calendar year in which the Participant attains age 70 ½ is actuarially increased from April 1 after the calendar year in which the employee attains age 70 ½ to the date on which benefits commence after retirement in an amount sufficient to satisfy Section 401(a)(9) of the Code, in order to take into account the period during which the employee is not receiving benefits under the Plan.



- (2) Notwithstanding anything in this Plan to the contrary, the provisions of this Plan shall be subject at all times to and comply with the limits of, and all distributions under the Plan shall be made in accordance with, Section 401(a)(9) of the Code and the regulations thereunder, including the incidental death benefit requirements of Section 401(a)(9)(G), and Treasury Regulation sections 1.401(a)(9)-2 through 1.401(a)(9)-9.
- (3) Payment of benefits under this Plan to a Beneficiary or surviving Spouse will commence by the applicable required beginning date as follows:
- (i) in the case of benefits to a Beneficiary other than the surviving Spouse, which become payable as a result of the Participant's death, payments shall begin no later than one (1) year from the date of death, or if later, as soon as practicable after the Trustees learn of the death.
  - (ii) in the case of benefits to a surviving Spouse, payments shall begin on or before the later of the December 31st of the calendar year immediately following the calendar year in which the Participant died, the December 31st of the calendar year in which the Employee would have attained age 70 ½, or as soon as practicable after the Trustees learn of the death.
- (4) Death Distribution Provisions
- (i) Distributions beginning before death. If the Participant dies after distribution of his or her interest has begun, the remaining portion of such interest will continue to be distributed at least as rapidly as under the method of distribution being used prior to the Participant's death.
  - (ii) Distribution beginning after death. If the Participant dies before distribution of his or her interest begins, distribution of the Participant's entire interest shall be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death except to the extent that distributions are made in accordance with (A) or (B) below:
    - (A) if any portion of the Participant's interest is payable to a designated Beneficiary, distributions may be made over the life, or over the period certain not greater than the life expectancy of the designated Beneficiary commencing on or before December 31st of the calendar year immediately following the calendar year in which the Participant died;
    - (B) if the designated Beneficiary is the Participant's surviving Spouse, the date distributions are required to begin in accordance with (i) above shall not be earlier than the later of (1) December 31st of the calendar year immediately following the calendar year in which the Participant died or (2) December 31st of the calendar year in which the Participant would have attained age

seventy and one-half (70½).

- (C) For purposes of this Section, if the surviving Spouse dies after the Participant, but before payments to the Spouse begin, the provisions of this Section, with the exception of paragraph (B) herein, shall be applied as if the surviving Spouse were the Participant.
- (c) If the Actuarial Present Value of a Participant's benefit is less than or equal to \$5,000, the present value will be distributed to the Participant in a single cash payment. This mandatory cash-out rule shall apply on the same basis for the surviving Spouse of a Pre-Retirement Surviving Spouse Benefit. A surviving Spouse of a Participant and Spouse Pension may elect to receive a benefit in the form of a single cash payment if the Actuarial Present Value of the survivor benefit is less than or equal to \$5,000 at the time it becomes payable to the surviving Spouse.
- (d) If a Pensioner is receiving, or a Participant would receive, a monthly payment of \$40.00 or less, such Participant or Pensioner may elect to receive the benefit in a single cash payment. If such a benefit is a Participant and Spouse Pension, spousal consent shall be required to reject such form of payment, as provided in Article IV, Section 12(a). A surviving Spouse of a Pre-Retirement Surviving Spouse Benefit or a post-retirement Participant and Spouse Pension may also elect to receive a monthly payment of \$40.00 or less to the surviving Spouse in the form of a single cash payment. Effective January 1, 2004 through April 29, 2010, a Participant who is entitled to elect a retroactive annuity starting date under Section 1(e) below, may elect a single cash payment based on a monthly benefit amount that, as of the retroactive annuity starting date, does not exceed \$40, even if the amount of the Participant's monthly benefit determined in accordance with Section 1(e)(i)(A) or (B) below exceeds \$40. Notwithstanding the above, effective for Participants with a Pension Starting Date on or after April 30, 2010, the provisions of this Section 1(d) shall not apply until the first date that the Fund is no longer prohibited under applicable law from making lump sum payments in excess of the amount described in Section 1(c) above.
- (e) Delayed Retirement. If a Participant's benefits commence after the Participant's Normal Retirement Age, the Participant will receive benefits in accordance with either (e)(i) or (e)(ii) below:
- (i) Actuarial Adjustment for Delayed Retirement.
- (A) If a Participant's Pension Starting Date is after the Participant's Normal Retirement Age, the Participant's monthly benefit will be an amount equal to the Participant's accrued benefit at Normal Retirement Age, actuarially increased at a rate of 1% per month for the first 60 calendar months after Normal Retirement Age, 1.5% per month for each of the next 60 months, and 3% per month for each month thereafter, for each complete calendar month in which the Participant's benefit is not suspended under Article IV, Section 13,

between the Participant's Normal Retirement Age and the Pension Starting Date.

- (B) If a Participant first becomes entitled to additional benefits after Normal Retirement Age, the actuarial increase in those benefits will be calculated from the date they would first have been paid rather than the Normal Retirement Age. Notwithstanding the foregoing, any such additional benefit service earned after Normal Retirement Age shall be reduced, but not below zero, by the amount of any actuarial adjustment in accordance with Section 1.411(b)-2 of the Treasury Regulations.
- (C) In lieu of an actuarial adjustment described in (A) above, a Participant may elect, with spousal consent, if applicable, to receive his accrued pension benefit determined as of his Normal Retirement Age payable retroactive to the Participant's Pension Starting Date (or the month following the date the Participant terminates employment for which the Participant's benefit is suspended under Article IV, Section 13, if later), with interest at the annual rate applied to the Fund's money market account held at the Fund's custodial bank, determined as of January 1 each year. Distributions under this option will be made in accordance with Section 1.417(e)-1 of the Treasury Regulations.

(ii) Retroactive Annuity Starting Date Option.

In lieu of an actuarial adjustment described in Section 1(e)(i) above, a Participant may elect, with spousal consent, if applicable, to receive his accrued benefit determined as of his Normal Retirement Age payable retroactive to the Participant's Normal Retirement Date (or the month following the date the Participant terminates Employment for which the Participant's benefit is suspended under Article IV, Section 13, if later), with interest at an annual rate based on the Fund's money market account held at the Fund's custodial bank, determined as of January 1 each year. Distributions under this option will be made in accordance with Section 1.417(e)-1 of the Treasury Regulations.

- (i) Benefit Payments. If, before the Participant's Normal Retirement Age, benefits are payable after the Participant files a completed application for benefits and on or before the date the Fund provides the written explanation of benefits to the Participant, benefits payable pursuant to Article V, Section 1(a) shall comply with the provisions of Treasury Regulations Section 1.417(e)-1 to the extent applicable.
- (ii) Benefit payments shall not commence prior to 30 days, nor more than 90 days (except in the case of administrative delay), after the Plan advises the Participant of the available benefit payment options. Notwithstanding this provision, benefits may begin before the end of the 30-day waiting period, provided the Participant and the Spouse, if any, consent in writing to

the commencement of payments before the end of such 30-day period and payments actually commence more than seven days after the written explanation was provided to the . If these requirements are met, benefits are payable pursuant to either the Pension Starting Date provisions or the Retroactive Annuity Starting Date provisions as described in (e)(ii) above in this Section. This paragraph (g) shall not apply to any benefit that is subject to the mandatory cash-out rule.

**Article V, Section 2.**

**ROUNDING BENEFIT AMOUNTS**

If in calculating the monthly benefit payments due under the Regular, Early Retirement, Service, Deferred or Disability Pension provided herein, the monthly amount so determined is not in a whole-dollar amount, it shall be rounded to the next higher whole-dollar amount.

**Article V, Section 3.**

**ADVANCE WRITTEN APPLICATION REQUIRED**

Application for a pension shall be made in writing in a form and manner prescribed by the Trustees and shall be filed with the Trustees in advance of the first month for which pension benefits are payable. The Trustees may, for good cause, excuse the advance filing requirement. Application for a Disability Pension should be made promptly after the Covered Employee becomes disabled.

**Article V, Section 4.**

**INFORMATION REQUIRED**

Each and every Covered Employee, Participant and Pensioner shall furnish to the Trustees any information or proof requested by them and reasonably required to administer the Plan.

**Article V, Section 5.**

**ACTION BY TRUSTEES**

Notwithstanding any other provision of the Plan, the Trustees shall have exclusive authority and discretion to:

- (a) determine whether an individual is eligible for any benefits under the Plan;
- (b) determine the amount of benefits, if any, an individual is entitled to under the Plan;

- (c) interpret all of the provisions of the Plan and make factual determinations regarding its construction, interpretation and application; and
- (d) interpret all of the terms used in the Plan.

All determinations and interpretations by the Trustees, or their designee, pursuant to this Section shall be binding upon any individual claiming benefits under the Plan, be given deference in all courts of law to the greatest extent allowed by applicable law, and not be overturned or set aside by any court of law unless such court determines that the Trustees have abused their discretion in rendering such determination or interpretation.

**Article V, Section 6.**

**DOUBT AS TO RIGHT TO PAYMENT**

If at any time any doubt exists as to the right of any person to any payment hereunder or the amount of time of such payment, the Trustees shall be entitled, in their discretion, to hold such sum as a segregated amount in trust until such right or amount of time is determined or until order of a court of competent jurisdiction, or to pay such sum into court in accordance with appropriate rules of law in such case then provided, or to make payment only upon receipt of a bond or similar indemnification (in such amount and in such form as is satisfactory to the Trustees).

**Article V, Section 7.**

**NON-DUPLICATION OF PENSIONS AND SERVICE**

Nothing contained in this Plan shall be construed as permitting any person to be entitled simultaneously to more than one type of pension under this Plan by reason of his employment, or to be entitled to receive double credit for the same period of service.

**Article V, Section 8.**

**NON-FORFEITABILITY**

The benefits to which a Participant is entitled under the terms of this Plan upon his attainment of Normal Retirement Age are non-forfeitable.

**Article V, Section 9.**

**NON-ASSIGNMENT OF BENEFITS**

- (a) It is the intention of the Trustees to make it impossible for Participants or Pensioners covered by this Plan to unwisely imperil the provisions made for their retirement by their assigning, pledging or otherwise disposing of their retirement payments hereunder.



- (b) It is hereby expressly provided that, except as otherwise required by law and as provided in Section (c) and (d) below, no benefit or payment under this Pension Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, whether voluntary or involuntary, and no attempt so to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall be valid, nor shall any such benefit or payment be in any way liable for or subject to the debts, contracts, liabilities, engagements or torts of any person entitled to such benefit or payment, or subject to attachment garnishment, levy, execution or other legal or equitable process.
- (c) Participants may, in the manner permitted by law and pursuant to procedures adopted by the Trustees, make an arrangement for the payment of all, or any portion, of a benefit or payment under this Plan to a health and welfare plan, to pay that plan's applicable co-premium obligation.
- (d) Notwithstanding the foregoing, paragraph (a) shall not preclude:
- (1) Any benefits from being paid in accordance with the requirements of any "Qualified Domestic Relations Order" as defined by ERISA §206(d)(3); and
  - (2) Any offset of a Participant's benefits as provided under Code §401(a)(13) with respect to:
    - (i) a judgment of conviction for a crime involving the Plan;
    - (ii) a civil judgment, consent order or decree in an action for breach or alleged breach of fiduciary duty under ERISA involving the Plan; or
    - (iii) a settlement agreement between the Participant and either the Secretary of Labor or the Pension Benefit Guaranty Corporation in connection with a breach of fiduciary duty under ERISA by a fiduciary or any other person, which court order, judgment, decree or agreement is issued or entered into on or after August 5, 1997 and specifically requires the Plan to offset against a Participant's benefits.

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

- (i) if the written spousal consent is obtained;
- (ii) the Spouse is required by a judgment, order, decree or agreement to pay the Plan any amount, or

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

**Article V, Section 10.**

**INCOMPETENCE OF PENSIONER**

Payments due to a Participant or any other person entitled to any distribution under the Plan who is unable to care for his affairs because of illness or accident or any other reason, may only be made to an individual other than such a Participant or other person entitled to a payment pursuant to a claim filed by a duly appointed guardian, conservator, or other such legal representative. Such payments so made shall be a complete discharge of the liabilities of the Fund therefore.

**Article V, Section 11.**

**NO TITLE**

No person, other than the Trustees of the Pension Fund, shall have any right, title or interest in any of the income or property of any character received or held by or for the account of the Pension Fund, and no person shall have any vested right to benefits provided by the Pension Fund, nor shall any employer be entitled to any payment or other equity in the assets of the Pension Fund. All contributions made to the Pension Fund shall be held in trust for the exclusive benefit of Covered Employees who qualify for pensions under this Pension Plan. No employee, nor any group of employees, who cease to maintain their status as Covered Employees shall have any right to any assets of the Pension Fund nor may contributions to the Pension Fund on the employment of a Covered Employee be transferred to any other pension fund.

**Article V, Section 12.**

**LIMITATION ON ANNUAL BENEFITS**

- (a) **Construction.** The purpose of this Section 12 is to comply with Section 415 of the Code, and all provisions of this Section 12 shall be construed and administered consistently with said Section.
- (b) **Limitation on Annual Benefits.** Notwithstanding anything in this Plan to the contrary, with respect to all employees participating in the Plan who have one Hour of Service, the annual amount of pension payable to a Participant under this Plan as a qualified joint and survivor annuity or annuity for life only, or the actuarial equivalent of an annuity to the Participant for life only in the case of a benefit payable in any other form, shall not exceed the defined

benefit plan Dollar Limitation. For this purpose, a "qualified joint and survivor annuity" means a Participant and Spouse Pension or a Joint and Survivor Option with a Participant's Spouse as Beneficiary.

- (c) **Dollar Limitation.** "Dollar Limitation" means \$160,000, as adjusted, effective January 1 of each year, under section 415(d) of the Code in such manner as the Secretary shall prescribe, and payable in the form of a straight life annuity. A dollar limitation as adjusted under section 415(d) will apply to limitation years ending with or within the calendar year for which the adjustment applies.
- (d) **Additional Adjustments.** The "maximum permissible benefit" is the Dollar Limitation adjusted where required, as provided in (c) and, if applicable, in (i), (ii) or (iii) below.
- (i) If the Participant has fewer than 10 years of participation in the Plan, the Dollar Limitation shall be multiplied by a fraction, (i) the numerator of which is the number of years (or part thereof) of participation in the Plan and (ii) the denominator of which is 10.
- (ii) If the benefit of a Participant begins prior to age 62, the Dollar Limitation applicable to the Participant at such earlier age is an annual benefit payable in the form of a straight life annuity beginning at the earlier age that is the actuarial equivalent of the defined benefit dollar limitation applicable to the participant at age 62 (adjusted under (i) above, if required). The Dollar Limitation applicable at an age prior to age 62 is determined as the lesser of (A) the actuarial equivalent (at such age) of the Dollar Limitation computed using the Plan's interest rate and applicable mortality table specified in Section 417(e) of the Code, and (B) the actuarial equivalent (at such age) of the Dollar Limitation computed using a 5.5 percent interest rate and the applicable mortality table as defined in Section 417(e)(3) of the Code. Any decrease in the Dollar Limitation determined in accordance with this paragraph (d) shall not reflect a mortality decrement if benefits are not forfeited upon the death of the participant. If any benefits are forfeited upon death, the full mortality decrement is taken into account.
- (iii) If the benefit of a Participant begins after the Participant attains age 65, the Dollar Limitation applicable to the participant at the later age is the annual benefit payable in the form of a straight life annuity beginning at the later age that is actuarially equivalent to the defined benefit dollar limitation applicable to the participant at age 65 (adjusted under (a) above, if required). The actuarial equivalent of the Dollar Limitation applicable at an age after age 65 is determined as the lesser of (A) the actuarial equivalent (at such age) of the Dollar Limitation computed using the interest rate and mortality table (or other tabular factor) specified in the Plan and (B) the actuarial equivalent (at such age) of the Dollar Limitation computed using a 5 percent interest rate assumption and the applicable mortality table as defined in Section



417(e)(3) of the Code. For these purposes, mortality between age 65 and the age at which benefits commence shall be ignored.

- (e) **Benefits Payable Under More Than One Defined Benefit Plan.** The benefits payable under this Plan, as limited by this Section 12, shall be subject to further limitation in order that the amount of employer-provided benefits payable under all defined benefit plans (but exclusive of other multiemployer plans) shall not, in the aggregate, exceed the Dollar Limitation described in this Section 12. If a reduction in the benefits under such defined benefit plans in the aggregate is thus required, such reduction shall be applied by first reducing benefits under other plans.
- (f) **Limitation Year.** All determinations under this Article V, Section 12 shall be made by reference to the Calendar Year.
- (g) The limitations in this Section 12 shall be applied as if all Employers were a single Employer, without distinguishing them as to the source of a Participant's benefits, contributions, Earnings or Service.
- (h) **Limitations on Benefits for Limitation Years on or After January 1, 2008.** Notwithstanding any provisions in this Plan to the contrary, effective for limitation years beginning on or after January 1, 2008, benefits under the Plan shall be limited in accordance with Code Section 415 and the Treasury regulations thereunder, in accordance with this subsection.
  - (i) In no event shall the annual amount of benefits accrued or payable under the Plan in a limitation year beginning on or after January 1, 2008 exceed the annual limit determined in accordance with Code Section 415. If the benefit accrued or payable in a limitation year would exceed the maximum permissible benefit determined in accordance with Code Section 415, the benefit payable shall be limited (or the rate of accrual reduced) to a benefit that does not exceed the maximum permissible benefit.
  - (ii) The application of the provisions of this Section shall not cause the maximum permissible benefit determined in accordance with Code Section 415 that is accrued, distributed, or otherwise payable for any Participant to be less than the Participant's accrued benefit as of December 31, 2007 under the provisions of the Plan that were both adopted and in effect before April 5, 2007, to the extent permitted by law.
  - (iii) For the purpose of this Article, in aggregating the benefits under this Plan with any plan that is not a multiemployer plan maintained by any Employer, only the benefits under this Plan that are provided by such Employer shall be treated as benefits provided under a plan maintained by the Employer, to the maximum extent permitted by law. In the event that the benefits accrued in any Plan Year by a Participant exceed the limits under Code Section 415 as a result of the mandatory aggregation of this Plan with the benefits under another plan(s) maintained by an Employer, the benefits

of such other plan(s) shall be reduced to the extent necessary to comply with Code Section 415.

- (iv) Benefits accrued, distributed or otherwise payable that are limited by this Article shall be increased annually pursuant to Code Section 415(d) and the regulations thereunder to the maximum extent permitted by law, including with respect to any Participant after such Participant's severance from Covered Employment or after the Participant's Pension Starting Date.

### **Article V, Section 13.**

#### **ROLLOVER DISTRIBUTIONS**

A Pensioner, surviving Spouse, non-Spouse Beneficiary or Spouse or former Spouse who is an alternate payee under a Qualified Domestic Relations Order, may elect, in a form and manner prescribed by the Trustees, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan as a Direct Rollover.

- (a) For the purposes of this Section, the term "Eligible Rollover Distribution" shall mean any benefit distribution of at least \$200.00 under Article IV of the Plan or any portion of such distribution, except that an Eligible Rollover Distribution does not include any distribution that is:
  - (i) one of a series of substantially equal periodic payments (not less frequently than annually) made over the life (or life expectancy) of the Pensioner or alternate payee under a Qualified Domestic Relations Order or the joint lives (or joint life expectancies) of the Pensioner, alternate payee or designated Beneficiary or for a specified period of ten years or more, or
  - (ii) required under Section 401(a)(9) of the Code.
- (b) The term "Eligible Retirement Plan" shall mean:
  - (i) an individual retirement account described in Section 408(a) of the Code, or
  - (ii) an individual retirement annuity described in Section 408(b) of the Code.

In addition, for all individuals described above except a non-Spouse beneficiary, the term "Eligible Retirement Plan" shall mean:

- (i) an annuity plan described in Section 403(a) of the Code,
- (ii) a qualified trust described in Section 401(a) of the Code that accepts the Eligible Rollover Distribution,
- (iii) an annuity contract described in Section 403(b) of the Code,
- (iv) an eligible Plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political

- subdivision of state and which agrees to separately account for amounts transferred into such plan from this Plan, or
- (v) a "Roth IRA" as defined in Section 408A of the Code subject to the requirements in Section 408A of the Code.
- (c) "Direct Rollover" means a payment to the Eligible Retirement Plan specified by the Pensioner, surviving Spouse, non-Spouse Beneficiary or alternate payee.

#### **Article V, Section 14.**

#### **REVIEW OF CLAIMS**

The Trustees shall construe the terms and provisions of the Plan, and shall adhere to the following rules with respect to handling applications hereunder:

- (a) A claim for benefits under the Plan must be made to the Trustees in writing. The Trustees shall provide adequate notice in writing to a Participant, joint annuitant or Beneficiary whose claim for benefits under the Plan has been denied, written in a manner calculated to be understood by the Participant, joint annuitant or Beneficiary. A claim denial, for the purposes of this Section, includes a denial, reduction or termination of, or failure to provide or pay for, a benefit and a decision based on a participant's eligibility in connection with a claim.
- (b) The notice of benefit denial will set forth the specific reason for the denial; a specific reference to the applicable Plan provision or provisions on which the denial is based; a description of the additional information necessary for reconsideration of the determination and a clear explanation as to why such information is necessary; an explanation of the Fund's claim review procedure; and a statement of the claimant's right to bring a lawsuit under ERISA after the claimant request a review and that requests for review is denied.

If a claim for benefits other than disability benefits is denied, in whole or in part, the Trustees shall send the claimant a notice of denial within a reasonable period of time, but no later than ninety (90) days after receipt of the claim. If the Trustees determine that there are special circumstances, the Trustees may extend the time for a decision for an additional ninety (90) days, with notice to the claimant.

If a claim for disability benefits is denied, in whole or in part, the Trustees shall send the claimant a notice of denial within a reasonable period of time, but no later than forty-five (45) days after receipt of the claim. If the Trustees determine that there are special circumstances, the Trustees may extend the time for a decision for an additional forty-five (45) days, with notice to the claimant.

A claimant whose claim for benefits is denied, or his authorized representative, may request a review of the denial, but such a request must be in writing, and must be submitted to the Trustees within sixty (60) days (or, within 180 days in the case of a denial of claim for

disability benefits) after the claimant's receipt of the notice of denial. The claimant must notify the Plan in writing of the name, address, and telephone number of the authorized representative.

- (c) The review of a claim which has been denied shall be made by the Trustees at the regularly scheduled quarterly meeting following the receipt of the request for review. If the request for review is received within thirty (30) days before a regularly scheduled meeting, the Trustees may postpone consideration of request until their next regularly scheduled meeting. If special circumstances require a further delay for processing, the Trustees may postpone their decision until the third regularly scheduled meeting of the Trustees following receipt of the request for review, but the Trustees shall notify the Participant of the extension in writing. The Trustees shall notify the claimant of the decision reached by the Trustees within 5 days after the meeting date on which the appeal was heard.
- (d) The Board of Trustees, in the exercise of its discretion in making benefit determinations under this Section, will apply the terms of the Plan and any applicable guidelines, rules and schedules, as may be adopted by the Board of Trustees from time to time, and will periodically verify that benefit determinations are made in accordance with such documents, and, where appropriate, applied consistently with respect to similarly situated claimants.
- (e) The Board of Trustees will take into account all information submitted by the claimant in rendering its decision. The Trustees' decision on the review shall be in writing and written in a manner calculated to be understood by the claimant, and shall include the specific reason for the denial reference to the specific Plan provision or provisions on which decision is based; a statement that the claimant may receive, upon request and free of charge, reasonable access to and copies of all documents and records relevant to the claim; and a statement of the claimant's right to bring a lawsuit under ERISA.
- (f) The decision of the Board of Trustees is final and binding. No person whose application for benefits under the Plan has been denied, in whole or in part, may bring any action in any court or file any charge, complaint or action with any state, federal or local government agency prior to exhausting his available appeals within the time limits as provided in this Section. A claimant whose claim for benefits and appeal has been denied who wishes to bring suit must do so within two (2) years from the date on which the Board makes its final decision on the claimant's appeal. For all other actions, the claimant must commence that litigation within two (2) years of the date on which the violation of Plan terms is alleged to have occurred. A claimant includes, but is not limited to, a Participant and his or her Spouse, dependent, Beneficiary, or alternate payee.



**ARTICLE VI  
MISCELLANEOUS**

**Article VI, Section 1.**

**NON-REVERSION**

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

**Article VI, Section 2.**

**LIMITATIONS OF LIABILITY FOR PENSION BENEFITS**

- (a) If a Contributing Employer ceases to be a Contributing Employer for any reason, pension benefits payable to the employees of said Employer and the granting or cancellation of said employees' Pension Credits shall be governed by the following rules:
- (i) If the amount of the Employer's liability for partial or complete withdrawal from the Fund under Section 4201 of ERISA, as amended by the Multiemployer Pension Plan Amendments Act of 1980, is zero or is paid in full, the Past Service Credit of the former employees of said Employer will not be reduced or cancelled.
  - (ii) If the amount of the Employer's liability for partial or complete withdrawal from the Fund under Section 4201 of ERISA, as amended by the Multiemployer Pension Plan Amendments Act of 1980, is not zero and is not paid in full, and said Employer has made contributions to the Fund for at least 48 months, the Past Service Credit of the former employees of said Employer will not be reduced or cancelled.
  - (iii) If the amount of the Employer's liability for partial or complete withdrawal from the Fund under Section 4201 of ERISA, as amended by the Multiemployer Pension Plan Amendments Act of 1980, is not zero and is not paid in full, and said Employer has not made contributions to the Fund for at least 48 months, the Past Service Credit of the former employees of said Employer will be calculated as follows:
    - (A) Any employee or former employee of said Employer who retired prior to the date the Employer ceased to be a Contributing Employer shall receive pension benefits in accordance with Article V, Section 1.
    - (B) Any employee or former employee of said Employer who had not retired prior to the date the Employer ceased to be a Contributing Employer may have his or her Past Service Credit reduced or cancelled, based on the ratio determined in the following calculation:

- (1) the actuarial value of contributions to the Plan made by such Contributing Employer, divided by
  - (2) the sum of:
    - (a) The actuarial liability for benefits attributable to Future Service Credit for service with such Contributing Employer, plus
    - (b) the actuarial value of benefit payments to Pensioners (and any Spouse or Beneficiary thereof) who were employed by such Contributing Employer made as of the date of such cessation, plus
    - (c) the actuarial liability for benefits attributable to Past Service Credit.
- (C) The Past Service Credit of a former employee of a Contributing Employer that is reduced or cancelled under paragraph (a)(iii) of this Section 2, will be:
- (1) reduced or cancelled for benefit accrual purposes only and not for purposes of Vesting Credit; and
  - (2) reduced or cancelled in an amount proportionate to such former employee's Past Service Credit as compared to the entire amount of Past Service Credit of all former employees subject to cancellation.

(b) In applying the foregoing provisions of this Section 2:

- (i) The amount of an Employer's liability for partial or complete withdrawal from the Fund under Section 4201 of ERISA, as amended by the Multiemployer Pension Plan Amendments Act of 1980, shall be treated as contributions made by the Employer to the Plan for the purposes of sub-Section (a)(iii)(B)(1), except as provided in clauses (ii) and (iii) below.
- (ii) If the Trustees conclude that it is doubtful that such withdrawal liability will be paid in full, the amount of withdrawal liability taken into account shall be limited to that determined by the Trustees to be collectible.
- (iii) If an Employer shall default in the payment of such withdrawal liability, the limitation on benefits imposed by this Section 2 shall thereupon be recalculated by eliminating all amounts of withdrawal liability not actually paid. Any such

recalculation shall take into account all benefit payments made to such Employer's Pensioners (and any Spouse or Beneficiary thereof) based on the Pension Credit earned by the Pensioners while employed by such Employer, whether before or after the Employer's cessation of contributions.

- (iv) An Employer's liability for complete or partial withdrawal under Section 4201 of ERISA shall be determined before any reduction in benefits or cancellation of Service is made under this Section 2 on account of such withdrawal.

### **Article VI, Section 3.**

#### **SUCCESSOR EMPLOYERS**

A Successor Contributing Employer's Contribution Date shall be considered to be the Contribution Date of its predecessor, if the Successor Contributing Employer is obligated to commence contributions to the Pension Fund within three months after its predecessor ceases to be so obligated.

### **Article VI, Section 4.**

#### **AMENDMENT**

This Plan may be amended at any time by the Trustees, consistent with the provisions of the Trust Agreement. However, no amendment may decrease the accrued benefit of any Participant, except:

- (a) as necessary to establish or maintain the qualification of the Plan or the Fund under the Code and to maintain compliance of the Plan with the requirements of ERISA, or
- (b) if the amendment meets the requirements of Section 302(c)(8) of ERISA and Section 412(c)(8) of the Code, and the Secretary of Labor has been notified of such amendments and has either approved of it or, within 90 days after the date on which such notice was filed, he or she failed to disapprove, or
- (c) to the extent permitted under Code section 432.

### **Article VI, Section 5.**

#### **PLAN TERMINATION**

- (a) **Right To Terminate.** The Trustees shall have the right to terminate this Plan in whole or in part. The rights of the affected Participants to benefits then accrued under the Plan shall be nonforfeitable to the extent then funded and/or, in the case of a complete termination, guaranteed by the Pension Benefit Guaranty Corporation.

- (b) **Priorities Of Allocation.** In the event of complete termination of the Plan, no employees shall thereafter be admitted as Participants. The assets then remaining in the Trust Fund, after providing the reasonable and necessary expenses of the Plan and Trust Fund, shall be applied in the manner required by Title IV of ERISA.

#### **Article VI, Section 6.**

#### **MERGER**

The provisions of this Section 6 shall apply only if and to the extent required by regulations adopted by the Pension Benefit Guaranty Corporation with respect to mergers or transfers of assets or liabilities involving a multiemployer pension plan. The Plan may be amended to provide for the merger of the Plan, in whole or in part, or a transfer of all or part of its assets, to any other qualified plan within the meaning of Section 401(a) or 403(a) of the Internal Revenue Code of 1954 (or corresponding provisions of subsequent law), including such a merger or transfer in lieu of a distribution that might otherwise be required under the Plan; provided, that the Plan shall not be merged or consolidated with, nor may its assets or liabilities be transferred to, any other plan, in whole or in part, unless each Participant would be entitled to a benefit immediately after the merger, consolidation, or transfer (if such other plan then terminated) that is equal to or greater than the benefit he would have been entitled to receive immediately before the merger, consolidation or transfer (if the Plan had then been terminated).

#### **Article VI, Section 7.**

#### **RECOVERY OF OVERPAYMENTS**

If the Fund pays benefits to which a Participant, Pensioner, Spouse, alternate payee, or Beneficiary is not entitled or pays benefits in an amount greater than the benefits to which a Participant, Pensioner, Spouse, alternate payee, or Beneficiary is entitled (all such benefits hereinafter "Overpayment"), the Fund has the right to recover such Overpayments. In addition to its other remedies, the Fund may recover Overpayments by offsetting future benefits otherwise payable by the Fund to a Participant or to any person who is entitled to benefits with respect to that Participant, including but not limited to a Spouse, alternate payee, and Beneficiary. The Fund may offset any benefit payable under the Plan, including but not limited to death benefits and joint and survivor benefits.

The Fund shall have a constructive trust, lien and/or an equitable lien by agreement in favor of the Fund on any Overpayment, including amounts held by a third party, such as an attorney. Any such amount will be deemed to be held in trust by the Participant, Spouse, alternate payee, Beneficiary, or third party for the benefit of the Fund until paid to the Fund. By accepting benefits from the Fund, the Participant, Spouse, alternate payee, or Beneficiary agree that a constructive trust, lien, and/or equitable lien by agreement in favor of the Fund exists with regard to any Overpayment. The Participant, Spouse, alternate payee, or Beneficiary agree to cooperate with the Fund by reimbursing all amounts due and agree to be liable to the Fund for all of its costs and expenses,



including attorneys' fees and costs, related to the collection of any Overpayment and agree to pay interest at the rate determined by the Trustees from time to time from the date of the Overpayment through the date that the Fund is paid the full amount owed.

In addition to the right to recover Overpayments by offset, the Fund also has the right to recover Overpayments by pursuing legal action against the party to whom the benefits were paid, including their estate, or the party on whose behalf they were paid, including their estate. In that event, the party to whom benefits were paid or the party on whose behalf they were paid shall pay all costs and expenses, including attorneys' fees and costs, incurred by the Fund in connection with the collection of any Overpayment or the enforcement of any of the Fund's rights to repayment. By accepting benefits from the Fund, the Participant, Spouse, alternate payee, and Beneficiary agree to waive any applicable statute of limitations defense available to any of them regarding the enforcement of any of the Fund's rights to recoup Overpayments.

**EXHIBIT A**

**Effective January 1, 2015**

**MONTHLY BENEFIT LEVELS AND  
PENSION ACCRUAL RATES**

**Shown by Employer  
(subject to change by collective bargaining agreement ("CBA")  
and standard form of agreement ("SFA"))**

**For Participants in Programs A, B, C and G, Benefit Levels are listed in Columns A  
through D.  
For Participants in Programs D, E, and F, Pension Accrual Rates are listed in Columns A  
through D.**

**Benefit Levels and Accrual Rates listed below  
are based on the following Assumptions:**

**Programs A, B, C – Eligible for Benefit Level in Effect  
Programs D, E, F – One Year Pension Credit for Calendar Year Under Rate in Effect  
Program G—50 Tenths of Pension Credit Under Benefit Level in Effect**

			(A)	(B)	(C)	(D)
Employer Number	Company Name	Program	Last Pension Accrual Rate or Benefit Level in effect on the last day of the CBA in effect on 12/31/2005	Pension Accrual Rate or Benefit Level in effect on the day after the expiration of CBA, that expires on or after 1/1/2006, unless an amount shown in Column D	Pension Accrual Rate or Benefit Level in effect on the day after the expiration of CBA that expires on or after 1/1/2006, based on increased negotiated Contribution Rate	Pension Accrual Rate or Benefit Level as of 1/1/2015
0010	Advance Paper Box Co.	A	\$33.93	\$25.45	\$33.93	\$33.93
0011	Acco International	A	\$40.19	\$30.14	\$40.19	\$40.19
0023	Alpine Paper Box Company	A	\$14.01	\$10.51	\$14.01	\$14.01
0028	Rock-Tenn	A	\$31.39	\$23.54	\$32.39	\$35.39
0032	American Package Company Inc.	A	\$14.01	\$10.51	\$14.01	\$14.01

0034	W. G. Anderson, Inc.	A	\$13.05	\$9.79		\$9.79
0049	Americana Art China Co.	A	\$8.35	\$6.26		\$6.26
0050	Georgia Pacific	A	\$58.99	\$44.24	\$58.99	\$58.99
0052	Georgia Pacific	A	\$37.85	\$28.39	\$38.85	\$41.85
0055	Georgia Pacific	A	\$54.29	\$40.72	\$54.29	\$54.29
0081	Aramark Uniform & Career Apparel, LLC	D			\$25.00	\$25.00
0118	Brick & Ballerstein Inc.	A	\$14.01	\$10.51	\$14.01	\$14.01
0139	Cellucap Manufacturing Co.	A	\$30.00	\$22.50		\$22.50
0146	Caraustar	D	\$30.00	\$22.50	\$41.76	\$41.76
0180	RTS Packaging, LLC	A	\$32.28	\$24.21	\$32.28	\$34.28
0246	Rock Tenn Corp	A	\$36.00	\$27.00	\$36.00	\$38.00
0260	Connecticut Container Corp	A	\$25.00	\$18.75	\$27.00	\$28.00
0282	Greif	A	\$37.38	\$28.04	\$37.38	\$38.38
0283	Huhtamaki Films, Inc.	A	\$33.50	\$25.13	\$33.50	\$35.50
0304	Continental Carbon	C	\$11.92	\$8.94		\$8.94
0305	Continental Carbon	D	\$23.67	\$17.75		\$17.75
0326	Datatel Res-Cyclogrphs Div	A	\$22.97	\$17.23	\$22.97	\$24.85
0330	Delta Containers, Inc.	A	\$21.75	\$16.31	\$22.75	\$25.75
0335	U.S. Corrugated	A	\$28.00	\$21.00		\$21.00
0345	Hoffinger Ind. Doughboy Rec. Div.	A	\$17.75	\$13.31	\$18.04	\$19.04
0396	Fonda/Hoffmaster	B	\$36.00	\$27.00	\$36.00	\$38.00
0398	Green Acres Manor	B	\$10.00	\$7.50	\$10.00	\$18.16
0401	Flint Packaging	A	\$12.09	\$9.07	\$12.09	\$21.00
0439	General Fibre Products, Inc.	A	\$19.00	\$14.25	\$19.00	\$21.00
0450	New York Folding Box	A	\$17.23	\$12.92	\$17.23	\$17.23
0462	Georgia Pacific Corporation	A	\$43.33	\$32.50	\$43.33	\$43.33
0471	Graphic Packaging	A	\$34.97	\$26.23	\$34.97	\$34.97
0474	Malarkey Roofing Company	A	\$56.25	\$42.19	\$56.25	\$59.25
0513	Huhtamaki	A	\$32.00	\$24.00	\$33.00	\$34.00
0515	Healthcare Services Group	A	\$9.00	\$6.75		\$9.00
0516	Huhtamaki Consumer Packaging	A	\$30.00	\$22.50	\$30.00	\$32.00
0518	Idaho State AFL-CIO	D			\$100.00	\$100.00
0546	Ivex Corporation	A	\$29.87	\$22.40	\$29.87	\$37.78
0564	Robert Wood Johnson Hospital	A	\$38.17	\$28.63	\$38.17	\$41.29
0566	Georgia Pacific	A	\$24.00	\$18.00	\$25.00	\$28.00
0568	Georgia Pacific - Clerical	A	\$30.80	\$23.10	\$30.80	\$30.80
0575	Americraft Carton, Inc.	A	\$27.50	\$20.63	\$27.50	\$27.50
0582	Kirks Automotive	A	\$16.97	\$12.73	\$16.97	\$16.97
0590	Huhtamaki Foodservice, Inc.	A	\$36.00	\$27.00		\$32.31
0591	Keyes Fibre	A	\$51.00	\$38.25		\$46.08

0592	Huhtamaki Retail Business Unit	A	\$37.00	\$27.75	\$38.00	\$40.00
0612	Interface Solutions, Inc.	A	\$16.18	\$12.14	\$17.18	\$19.18
0625	Massachusetts Container	A	\$26.50	\$19.88		\$19.88
0646	Lincoln Paper & Tissue, LLC	A	\$43.90	\$32.93	\$43.90	\$46.56
0662	M & F Stringing, LLC	A	\$15.14	\$11.36		\$16.14
0708	Montebello Container Corporation	A	\$32.36	\$24.27		\$24.27
0722	AFT-NH	D	\$90.00	\$67.50	\$150.38	\$62.89
0723	Nicholas Galvanizing	A	\$11.42	\$8.57	\$11.42	\$13.44
0726	Greif	A	\$28.58	\$21.44	\$28.58	\$28.58
0730	Rock Tenn	A	\$28.71	\$21.53	\$29.71	\$30.92
0792	Rock Tenn	A	\$33.00	\$24.75		\$24.75
0796	Fiber Mark	A	\$16.18	\$12.14	\$16.18	\$16.18
0803	Clearwater Paper Corp.	A	\$100.00	\$75.00		\$75.00
0814	R Sabee Co	A	\$30.28	\$22.71		\$22.71
0828	R H E Container Co Inc	A	\$8.35	\$6.26		\$6.26
0833	Roaring Spring Blank Book Company	A	\$27.50	\$20.63	\$30.50	\$36.74
0837	Porvene Doors Inc	A	\$17.23	\$12.92		\$17.01
0843	USW Local 4-00107	A	\$43.41	\$32.56	\$45.41	\$49.41
0844	USW Local 1-00243	C	\$4.53	\$3.40		\$3.40
0845	United Envelope, LLC	A	\$8.35	\$6.26	\$8.35	\$8.35
0862	SLC Recycling Industry Inc	A	\$42.15	\$31.61	\$42.15	\$44.15
0880	Rock Tenn	A	\$29.00	\$21.75	\$29.50	\$30.00
0884	Ludlow Building Products, Inc.	A	\$32.61	\$24.46		\$24.46
0892	The Shelby Company	A	\$23.80	\$17.85	\$23.80	\$24.74
0905	Rock-Tenn	A	\$50.64	\$37.98	\$50.79	\$52.79
0907	Rock-Tenn	A	\$33.93	\$25.45	\$34.83	\$37.53
0909	Rock-Tenn	A	\$36.02	\$27.02	\$37.02	\$40.02
0911	Rock Tenn	A	\$27.20	\$20.40	\$27.20	\$30.20
0922	Rock-Tenn	A	\$30.00	\$22.50	\$30.00	\$31.15
0929	Rock-Tenn	A	\$33.76	\$25.32	\$34.76	\$37.76
0939	Tension Envelope	A	\$14.64	\$10.98	\$14.67	\$15.97
0965	Green Bay Pkg.	A	\$31.00	\$23.25	\$31.00	\$35.00
0971	USW Local 00318	A	\$147.20	\$110.40	\$147.20	\$147.20
0976	USW Local 00765	A	\$33.41	\$25.06	\$34.50	\$34.50
0987	Simpson Tacoma Kraft	D	\$100.00	\$75.00	\$100.00	\$100.00
0994	Swanson Industries	D	\$45.00	\$33.75	\$50.00	\$50.00
0997	Titan Converting	D			\$10.00	\$11.11
1005	USW Local 00676	D	\$18.00	\$13.50		\$13.50
1010	Unity Graphics & Engraving	A	\$40.00	\$30.00	\$40.00	\$42.00
1051	New Indy Containerboard	A	\$51.91	\$38.93	\$57.48	\$61.88

1071	Wunderlich Fibre Box Company	A	\$24.00	\$18.00	\$24.00	\$26.00
2006	Carbide Industries LLC	D	\$90.00	\$67.50	\$94.55	\$94.55
3008	Atlas Refinery Inc.	G	\$73.92	\$55.44		\$55.44
3046	Glastic Company	G	\$56.00	\$42.00		\$42.00
3070	USW Local 7-00507	G	\$24.08	\$18.06		\$18.06
3071	USW Local 4-00149	G	\$60.67	\$45.50	\$61.91	\$61.91
3087	Ohmstede, Ltd.	G	\$31.92	\$23.94	\$32.22	\$32.22
3144	USW Local 11-00578	G	\$70.00	\$52.50	\$74.16	\$74.16
3146	Kinder Morgan Terminals Inc.	G	\$131.60	\$98.70	\$131.60	\$149.53
3149	Reese Enterprises Inc.	G	\$33.60	\$25.20	\$33.60	\$33.60
3157	Fiske Brothers Refining	G	\$117.60	\$88.20	\$117.60	\$118.30
3170	Mayo Clinic Health System - Austin	G	\$34.16	\$25.62	\$34.16	\$34.16
3181	Reef Industries Inc.	G	\$33.60	\$25.20	\$33.60	\$33.60
3182	Induron Protective Coatings	G	\$65.52	\$49.14	\$65.56	\$71.72
3189	Seneca Petroleum Co. Inc.	G	\$113.95	\$85.46	\$125.16	\$132.16
3197	USW Local 13-00001	G	\$86.24	\$64.68	\$87.26	\$89.44
3198	Laketon Refining Corp.	G	\$40.32	\$30.24	\$42.41	\$45.94
3202	USW Local 13-00423	G	\$56.00	\$42.00	\$58.18	\$59.75
3215	Nu-Pro Industries	G	\$8.96	\$6.72	\$8.96	\$8.96
3230	P. M. Northwest Inc.	G	\$43.12	\$32.34		\$32.34
3236	Comforcare Care Center	G	\$22.40	\$16.80	\$22.40	\$22.40
3241	USW Local 12-00591	G	\$57.96	\$43.47		\$43.47
3259	USW Local 00675	G	\$140.00	\$105.00		\$105.00
3270	Greco Welding Supplies Inc	G	\$54.32	\$40.74	\$54.32	\$55.15
3271	Crowley Maritime - PAPS	G	\$84.00	\$63.00	\$87.14	\$115.06
3276	USW Local 7-00001, Inc.,	G	\$200.48	\$150.36	\$202.10	\$234.02
3279	Univar USA Inc. (F/K/A Chemcentral)	G	\$3.97	\$2.98		\$2.98
3292	NYCOSH	G	\$97.94	\$73.46	\$99.59	\$104.83
3294	The Labor Institute, Inc.	G	\$140.00	\$105.00	\$140.00	\$140.00
3296	Institute for Sustainable Work and the Environment	G				\$140.00
3374	Crowley Petroleum Distribution Alaska	G	\$84.00	\$63.00	\$87.14	\$115.06



**EXHIBIT B**

**Pre-Retirement Surviving Spouse Benefit Factors for Inactive Vested Participants Who  
Are Not Eligible for Retirement at age 55  
(Less than 10 Years of Pension Credit or Vesting Service)**

Participant's Age at Spouse's Starting Date	Factor	Participant's Age at Spouse's Starting Date	Factor
64	0.89545	41	0.11203
63	0.80391	40	0.10348
62	0.72348	39	0.09562
61	0.65258	38	0.08839
60	0.58989	37	0.08174
59	0.53428	36	0.07562
58	0.48482	35	0.06998
57	0.44070	34	0.06478
56	0.40124	33	0.05999
55	0.36586	32	0.05556
54	0.33407	31	0.05148
53	0.30544	30	0.04770
52	0.27960	29	0.04422
51	0.25624	28	0.04099
50	0.23506	27	0.03801
49	0.21584	26	0.03526
48	0.19837	25	0.03271
47	0.18246	24	0.03035
46	0.16795	23	0.02816
45	0.15470	22	0.02614
44	0.14259	21	0.02426
43	0.13150	20	0.02252
42	0.12134		

**ASSUMPTIONS:**

Mortality     RP 2000 Male Blue Collar Mortality Table

Interest        7.50%

Pre-Retirement Surviving Spouse Benefit payable for life = 50% of the Participant's benefit payable at Normal Retirement Age adjusted for the Participant and Spouse Pension form, multiplied by the factor shown above.

**EXHIBIT C**

**Pre-Retirement Surviving Spouse Benefit Factors for Inactive Vested Participants Who  
Are Eligible for Retirement at age 55  
(10 or more Years of Pension Credit or Vesting Service)**

Participant's Age at Spouse's Starting Date	Factor	Participant's Age at Spouse's Starting Date	Factor
54	0.91311	36	0.20670
53	0.83486	35	0.19128
52	0.76424	34	0.17707
51	0.70037	33	0.16396
50	0.64250	32	0.15187
49	0.58997	31	0.14070
48	0.54221	30	0.13038
47	0.49872	29	0.12085
46	0.45906	28	0.11205
45	0.42285	27	0.10390
44	0.38974	26	0.09637
43	0.35943	25	0.08940
42	0.33167	24	0.08295
41	0.30620	23	0.07698
40	0.28283	22	0.07144
39	0.26135	21	0.06632
38	0.24160	20	0.06157
37	0.22343		

**ASSUMPTIONS:**

Mortality     RP 2000 Male Blue Collar Mortality Table  
Interest       7.50%

Pre-Retirement Surviving Spouse Benefit payable for life = 50% of the participant's benefit payable at Normal Retirement Age adjusted for the Participant and Spouse Pension form, reduced to age 55 by the appropriate Early Retirement factors, multiplied by the factor shown above.

## APPENDIX A

### **SPECIAL RULES FOR PROGRAM G COVERED EMPLOYEES**

#### **PREAMBLE**

The terms and conditions of Program G's program of benefits that differ from the terms and conditions of benefits provided under Programs A, B, C, D, E and F are set forth in this Appendix A. Article I, Article II, Article V and Article VI of the preceding provisions of the general Plan ("general Plan") shall apply to Program G, unless otherwise specified therein.

#### **ARTICLE I - DEFINITIONS**

- 1.1 "Average Contribution Rate" means the average Contribution Rate under which the Participant worked in the last 50 tenths of Pension Credit (or last 60 months of Covered Employment prior to 1976). For groups which first participate after June 1, 1976 all periods of employment prior to the Contribution Date shall be considered as having been worked at the Participant's initial Contribution Rate.
- 1.2 "Contribution Rate" means the amount set forth in the Collective Bargaining Agreement as the amount which an Employer is obligated to pay to the Fund on behalf an Employee.
- 1.3 "Future Service Credit" means periods of Covered Employment after the Contribution Date for which Pension Credit is granted in accordance Article IV of Appendix A.
- 1.4 "O.C.A.W." means the Oil, Chemical & Atomic Workers International Union, and effective January 4, 1999, its successor by merger, PACE International Union and its successor by merger, the United Steelworkers and any future successors. The term "Union" in this Appendix A shall refer to the foregoing, and shall include a local affiliate of the foregoing.
- 1.5 "Past Service Credit" means periods of employment prior to the Contribution Date for which Pension Credit is granted in accordance with Article IV of this Program G.
- 1.6 For purposes of compliance with Department of Labor Regulations § 2530, a "Year of Participation" means a Calendar Year in which a Participant has completed 1,800 hours of work in Covered Employment after his Contribution Date.

#### **ARTICLE II - EMPLOYEE PARTICIPATION**

##### **2.1 Participation**

An Employee who is engaged in Covered Employment after his Contribution Date shall become a Participant in Program G on the earliest January 1 or July 1 following completion



of a 12-consecutive month period during which the Employee completed at least 150 Hours of Work in Covered Employment. The required hours may be combined with any hours of work in other employment with an Employer if that other employment is continuous with the Employee's Covered Employment with the Employer.

## **2.2 Termination of Participation**

A person who incurs a One-Year Break in Service (defined in Section 4.7(b) of this Appendix) shall cease to be a Participant as of the last day of the Calendar Year which constituted the One-Year Break in Service, unless such Participant is a Pensioner, or has acquired the right to a pension (other than for disability), whether immediate or deferred.

## **2.3 Reinstatement of Participation**

An Employee who has lost his status as a Participant in accordance with Section 2.2 shall again become a Participant by meeting the requirements of Section 2.1 on the basis of Work after the Calendar Year during which his participation terminated.

# **ARTICLE III - PENSION ELIGIBILITY AND AMOUNTS**

## **3.1 General**

This Article sets forth the eligibility conditions and benefit amounts of the pensions provided by Program G. The accumulation and retention of service credits for eligibility are subject to the provisions of Article IV of Appendix A. The benefit amounts are subject to reduction on account of the Participant and Spouse Pension (Article V of Appendix A). Entitlement of an eligible Participant to receive pension benefits is subject to his Retirement and application for benefits, as provided in Article VI of the general Plan.

Eligibility for benefits depends on Pension Credits, which are defined in Article IV of Appendix A (and are based on creditable service both before and after the Contribution Date) or on Years of Vesting Service, which are defined in Section 4.6 of this Appendix (and are based only on Covered Employment after the Contribution Date).

## **3.2 Eligibility for a Normal Pension**

A Participant shall be eligible for a Normal Pension upon Retirement if he:

- (a) has attained age 65, and
- (b) has 5 years of Pension Credit (including one year of Future Service Credit), or has reached the fifth anniversary of the date his participation in the Plan began.

### **3.3 Amount of Normal Pension**

- (a) A Participant's Normal Pension shall be the sum of:
  - (i) the monthly amount of the Participant's Normal Pension determined under subsection (b) below, as of December 31, 2010; plus
  - (ii) the sum of the Participant's Annual Pension Accruals, as defined in Article IV, Section 4(a)(ii), for each Plan Year beginning after December 31, 2010.
- (b) Except as otherwise provided in Exhibit 1, a Participant's Normal Pension for years prior to 2011 shall be determined by multiplying the monthly Pension Accrual Rate in effect for a Contributing Employer by the Participant's total Pension Credit. The monthly Pension Accrual Rate is determined by the 50 tenths average of the Benefit Level (shown on Exhibit A for each Contributing Employer participating in Program G, assuming 50 tenths of Pension Credit under that rate). For all pensions that do not satisfy the eligibility requirements described in Section 3.2 of this Appendix A, the amount of the Normal Pension is determined by the schedule and eligibility requirements in effect when the Participant last worked in Covered Employment.

### **3.4 Eligibility for an Early Retirement Pension**

All Participants who have attained age 55, have at least 5 years of Pension Credit and have accrued at least one year of Future Service credit, shall be eligible for an Early Retirement Pension upon Retirement.

### **3.5 Amount of Early Retirement Pension**

The amount of the Early Retirement Pension shall be the amount of the Normal Pension to which the Participant would have been entitled if he were then 65 years of age reduced by  $\frac{1}{2}$  of 1% for each month by which the Participant is younger than age 65 when his payment begins in accordance with Article V of the general Plan.

### **3.6 Eligibility for a Deferred Pension**

A Participant shall be eligible for a Deferred Pension if he has at least 5 years of Vesting Service and is Retired. The Deferred Pension is payable any time after the Participant attains age 55.

### **3.7 Amount of Deferred Pension**

If payment of the Deferred Pension begins after the Participant has attained age 65, the monthly amount shall be the same as the Normal Pension to which the Participant would

be entitled under Section 3.3 of this Appendix A. If payment of the Deferred Pension begins at age 55 or later, but before age 65, the monthly amount shall be the same as the Early Retirement Pension to which the Participant would be entitled under Section 3.5 of this Appendix A.

### **3.8 Eligibility for a Disability Pension**

Six months after the following requirements are met, a Participant shall be eligible for a Disability Pension if he became totally and permanently disabled (as defined in Article IV, Section 9(b) of the general Plan) at a time when the Participant:

- (a) had at least 10 years of Pension Credits; and
- (b) had accrued at least one year of Future Service Credit and has completed at least 375 hours of work within the 24-month period prior to becoming totally and permanently disabled.

### **3.9 Waiting Period**

The first monthly payment of the Disability Pension shall commence no sooner than the seventh month of total and permanent disability. Pension payments will continue as long as the Pensioner remains totally and permanently disabled as herein defined except that upon attainment of age 65 a Disability Pensioner shall have benefits continued regardless of whether or not he remains totally and permanently disabled; provided, however, that he remains Retired as defined in Article I, Section 22 of the general Plan.

A Participant who has met all of the conditions for entitlement to a Disability Pension but cannot receive such pension because his disability has not yet lasted six full months may receive an Early Retirement Pension if he has met all of the conditions for receipt of an Early Retirement Pension. Upon completion of the six-month Disability Pension waiting period, the Early Retirement Pension will be changed to a Disability Pension with the appropriate change in the pension amount.

### **3.10 Amount of Disability Pension**

The amount of the Disability Pension shall be 10% greater than the amount of the Early Retirement Pension to which the Participant would be entitled based on the years of Pension Credit which the Employee has earned up to the time of his disability. However, in no event shall the Disability Pension exceed the Normal Pension amount that would have been payable if the Participant had attained age 65 on the day he became disabled. For a Participant whose Disability Pension benefit is effective prior to age 55, the amount of the pension benefit shall be computed the same as though the Participant was age 55 on the Pension Starting Date.

### **3.11 Restriction on Employment by a Disability Pensioner**

A Disability Pensioner shall report in writing to the Fund Office any and all earnings from any employment within 15 days after the end of each month in which he has had earnings in any sort of employment or pursuit. If a Disability Pensioner fails to make timely report as required by this Section, he shall be disqualified from benefits for six months for each such violation. If a Disability Pensioner who would have been qualified for an Early Retirement pension commencement date of his Disability Pension shall subsequently cease to be disabled, he shall then be entitled to apply for an Early Retirement Pension, which shall become effective as of the month his Disability Pension terminates and shall be based on his attained age when he first commenced a Disability Pension.

### **3.12 Re-employment of a Disability Pensioner**

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

### **3.13 Pension Benefits for Participants Working for More Than One Employer**

- (a) Where the Pension Credits of a Participant were earned as a result of employment with more than one Employer, and he is eligible for a pension, his Normal Pension shall be the sum of the proportional amounts attributable to employment with each said Employer unless the conditions specified in subsection (b) below are met.

The proportional amount for employment under said Employer is determined by computing the amount of Normal Pension he would be entitled to considering only Pension Credits and Contribution Rates attributable to that Employer.

- (b) If a Participant works for more than one Employer and he is eligible for a pension, the final contribution level of the second Employer will be used to determine benefits if: (1) the Employee had 15 years of service with the second Employer or a total of 20 years of service with both Employers; (2) employment between the two Employers was contiguous; (3) the Contribution Rate at the time the employment was changed was substantially the same for the second Employer as for the first Employer; (4) at the time of the change in employment, the first Employer remained a contributor to the plan for at least one year; and (5) the Contribution Rate for the first Employer continued to increase at approximately the same rate and time as the second Employer as long as the first Employer remained in business.
- (c) Where a Participant is entitled to Past Service Credit as a result of employment by an Employer from whom no contributions were received on behalf of the

Participant, the portion of his monthly pension attributable to such employment shall be based on the Contribution Rate in effect on the said Employer's Contribution Date.

### **3.14 Application of Benefit Increases**

The pension to which a Participant is entitled shall be determined under the terms of the Plan as in effect at the time the Participant separates from Covered Employment.

A Participant shall be deemed to have separated from Covered Employment on the last day of work which is followed by a One-Year Break in Service except if he subsequently earns at least one year of Future Service Credit in Covered Employment.

### **3.15 Benefit Suspension**

The provisions of Article IV, Section 13 of the general Plan shall apply to determine the extent and terms of any Participant's suspension of benefits upon re-employment after retirement or continued employment after Normal Retirement Age.

## **ARTICLE IV - PENSION CREDIT AND YEARS OF VESTING SERVICE**

### **4.1 Outline**

The purpose of this Article IV is to define the basis on which Participants in Program G accumulate Pension Credit toward eligibility for a pension and years of Vesting Service toward eligibility for a Deferred Pension. This Article also defines the basis on which Pension Credit and years Vesting Service once accumulated, may be cancelled.

### **4.2 Pension Credit for Service Prior to Contribution Date (Past Service Credit)**

#### **(a) Three Year Test Rule**

In order to qualify for Past Service Credit for any years of employment prior to the Employer's Contribution Date, a Participant must have worked at least 150 days in each of the three calendar years immediately prior to the calendar year of the Employer's Contribution Date or in each of such years in which the Participant was employed by the Employer. In addition, such employment must have been in a job classification and at a place of business, both of which were covered by a Collective Bargaining Agreement between the Union and the Employer.

One exception to this requirement shall be granted to a Participant who proves, on the basis of medical evidence satisfactory to the Trustees, that his failure to work 150 days during one of the three calendar years was due to total disability;



provided, however, that such Participant had the required 150 days in each of the other two calendar years under the conditions set forth above.

Another exception to the requirement set forth in the first paragraph hereof shall be if an Employer and the Union did not have a Collective Bargaining Agreement in effect for any one or all of the said period in a job classification and at a place of business, both of which are covered by the first Collective Bargaining Agreement subsequently entered into by the Employer and the Union, may be counted toward the 150 day requirement in each of the specified three calendar years.

Another exception to the requirement set forth in the first paragraph hereof shall be granted to an Employee who left the employ of an Employer to enter military service and who was prevented from meeting the requirement of the rule solely as a result of his actually serving in the military service during the year specified.

The Trustees in their discretion may reduce the required workdays for any one or more of the three specified years in the case of all affected Employees or an Employee whose business was temporarily interrupted or curtailed for economic reasons during such year or years.

At such time as a Participant has at least 5 years of Future Service Credit this three-year test rule shall no longer apply. In addition, the three-year test rule shall not apply to a Participant who has at least 15 years of Past Service Credit and at least 4 years of Future Service Credit, but is unable to earn additional Future Service Credit because of Total and Permanent Disability as defined in Section 3.8 of this Appendix A.

(b) Basis of Credit for Past Service

An Employee who qualifies for Past Service Credit by having met the requirement of the "Three Year Test Rule" shall be given one year of Past Service Credit for each year of Covered Employment prior to the Contribution Date in which he worked at least 150 days for one or more Employers; provided, that (1) such employment was in a job classification and at a place of business covered by a Collective Bargaining Agreement then in effect between the Union and an employer who subsequently became an Employer or (2) if such employment was prior to the time the first Collective Bargaining Agreement was signed by the Employer and the Union, the Employee's job classification during such period is included in the covered unit in the said first Collective Bargaining Agreement.

(c) Credit for Calendar Year of Contribution Date

As many Collective Bargaining Agreements may provide that the first contribution to the Pension Fund shall commence on a date other than January 1<sup>st</sup>, there may be

instances when for the calendar year in which contributions start, the Employee would be entitled to partial Past Service Credit and partial Future Service Credit. For the first calendar year in which Employers' contributions commence on a date other than January 1<sup>st</sup>, if the Employee worked 150 days he shall be given one year of Past Service Credit for the full calendar years as though it were a year of Past Service. However, the period for which contributions have been made in that year shall also be counted towards the minimum Future Service requirement of the Fund and towards years of Vesting Service with the understanding that no Participant may receive credit for more than one calendar year for any period of employment in 12 consecutive months.

(d) Work for Employers Who Went Out of Business

If an Employee worked for an Employer who went out of business, and such business was taken over by an Employer, or in other comparable situations, credit for periods of employment with the Employer who went out of business may be granted for the purpose of subsections (a) and (b) hereof, if the Trustees, in their sole discretion, are satisfied on the basis of evidence submitted to them, that it is appropriate to treat the Employer as one who has succeeded to the business of the Employers who went out of business. The Trustees shall exercise their discretion in such situations consistently with respect to different employers based on similar facts and circumstances.

(e) Past Service Credit for Employees of new Employers

Effective January 1, 2006, any Past Service Credit will be limited to time actually worked at the plant location covered under a collective bargaining agreement between the Employer and the Union as of the Contribution Date, and only to the extent that such employment is specifically reported to the Fund at the time the Employer is accepted for participation in the Fund.

The Trustees may adopt such other rules for crediting Past Service as they consider appropriate and consistent with the other rules of this Article, to be applied to Employees of new Employers accepted for participation as an Employer in accordance with Article II of the general Plan.

(f) Past Service Credit for Military Service

Past Service Credit shall be granted to an Employee who left the employ of an Employer for periods of military service for the United States in time of war of emergency or pursuant to a National Conscription Law, provided the Employee received a discharge which is not dishonorable and he makes himself available for Covered Employment within 90 days after discharge or 90 days after recovery from a disability continuing after his discharge from military service, but excluding

periods of voluntary re-enlistment not effected during national emergency or time of war.

**4.3 Breaks in Service Prior to the Contribution Date (Past Service)**

It is intended to grant Past Service Credit only to an Employee who has been more or less regularly employed by Employers in past years. If, in the past, an Employee had five consecutive calendar years in which he failed to work a total of 150 days, he shall not be granted Past Service Credit for any years prior to such five year period, but he shall be granted Past Service Credit for the years subsequent to the five year period in which he meets the said work requirement.

For the purpose of this Section, periods during which an Employee is an Employee of the Union will be considered a grace period and such periods will not be counted in determining whether an Employee has been absent from Covered Employment for a period of five consecutive calendar years. An Employee shall not receive credit for such periods of employment unless the Union has been accepted for Participation by the Trustees.

**4.4 Pension Credit for Service After the Contribution Date (Future Service Date)**

(a) For Employment Before January 1, 1976

For periods after the Contribution Date and before January 1, 1976 a Participant shall be credited with Future Service Credit on the basis of his Hours of Work in Covered Employment on which contributions to the Pension Fund were made in accordance with the following schedule:



**Hours of Employment in Calendar Months of Credit for  
Year for Which Contributions are Future Service  
Made to Pension Fund                      For Calendar Year**

Less than 150 hours	0
150-299	1
300-449	2
450-599	3
600-749	4
750-899	5
900-1049	6
1050-1199	7
1200-1349	8
1350-1499	9
1500-1649	10
1650-1799	11
1800-over	12

(b) **For Employment after December 31, 1975, but before January 1, 2011**

For periods after the Contribution Date and after December 31, 1975, but before January 1, 2011, a Participant shall be credited with Future Service Credit on the basis of his Hours of Work in Covered Employment as follows:

A Participant who completes 1,800 Hours of Work in a Calendar year shall be credited with a full year of Pension Credit. Participants who complete less than 1,800 hours of work shall receive Pension Credit based on the following schedule:

<u>Number of Hours Work in Calendar Year</u>	<u>Tenths of Pension Credit for Calendar Year</u>
0-99	0
100-199	1
200-399	2
400-599	3
600-799	4
800-999	5
1000-1199	6
1200-1399	7
1400-1599	8
1600-1799	9
1800 or more	10

If in a Calendar Year, a Participant completes a year of Vesting Service but less than 100 Hours of Work in Covered Employment, he shall be credited with a prorated portion of a full Pension Credit in the ratio of his Hours of Work in Covered Employment to 1,800.

- (c) For Employment after December 31, 2010, a Participant shall be credited with Future Service Credit as provided under Article III, Section 2.

#### 4.5 Future Service Credit for Military Service

Future Service Credit shall be granted to an Employee who left the employ of an Employer for periods of military service for the United States in time of war or emergency or pursuant to a National Conscription Law, provided the Employee received a discharge which is not dishonorable and he makes himself available for Covered Employment within 90 days after discharge or 90 days after recovery from a disability continuing after his discharge from military service, but excluding periods of voluntary re-enlistment not effected during national emergency or time of war.

Effective December 12, 1994, 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 Section 414(u) of the Code, as described in greater detail in Article III, Section 5(a)(i) of the general Plan.

#### 4.6 Years of Vesting Service

- (a) General Rule for Employment Before January 1, 2011:

A Participant shall be credited with one year of Vesting Service for each Calendar Year beginning with his Contribution Date (including periods before he became a Participant) in which he worked for 750 hours or more. In addition, a Participant who works one hour in Covered Employment on or after January 1, 1994 and who completes less than 750 hours of work shall receive Vesting Service based on the following schedule:

<u>Number of Hours of Work in Calendar Year</u>	<u>Tenths of Vesting Service for Calendar Year</u>
0-149	0
150-224	2
225-299	3
300-374	4
375-449	5
450-524	6
525-599	7

600-674	8
675-749	9
750 or more	10

(b) **General Rule for Employment After December 31, 2010:**

For periods after December 31, 2010, a Participant shall be credited with one year of Vesting Service for each Plan Year in which he worked in Covered Employment for 1,000 hours or more. A Participant who works less than 1,000 hours in Covered Employment during a Plan Year shall receive no Vesting Service for that Plan Year.

(c) **Additions:**

If a Participant works for an Employer in a job not covered by this Plan and such employment is Continuous with his Employment in Covered Employment, his hours of work in such non-covered job during the Contribution Period or, if prior to the Contribution Period, while the Employer maintained the plan or a predecessor plan, shall be counted toward a year of Vesting Service.

(d) **Exceptions:**

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

- (i) Years preceding a Permanent Break in Service as defined in Section 4.7(d) of this Appendix for periods prior to January 1, 1976.
- (ii) Years preceding a Permanent Break in Service as defined in Section 4.7(c) of this Appendix for years after 1975.
- (iii) Years prior to 1976 if the Participant failed to complete in 1975 at least 376 Hours of Work, unless such Participant earns one year of Vesting Service in any year after 1975 and before he incurs a Permanent Break in Service as defined in Section 4.7(c) of this Article, or meets any of the following requirements:
  - (A) as of January 1, 1975 he had attained Vested Status, or
  - (B) as of January 1, 1975, he is eligible to retire on a Normal or Early Retirement, or

- (C) he will attain Vested Status or become eligible for a Normal or Early Retirement Pension before he incurs a Permanent Break in Service as defined in Section 4.7(c) of this Article, or
- (D) the Employee was age 65 or over when his Covered Employment terminated provided he had earned at least 10 years of Pension Credit, 36 months of which were Future Service Credit.

#### 4.7 Break in Service

##### (a) General

If a person has a Break in Service before he has earned Vested Status, the Break in Service has the effect of canceling his standing under the Plan, that is, his participation, his previously credited Years of Vested Service, and his previous Pension Credits. However, a Break may be temporary, subject to repair by a sufficient amount of subsequent service. A longer Break may be permanent.

##### (b) One-Year Break in Service:

- (i) Effective January 1, 1994, a Participant has a One-Year Break in Service in any Calendar Year in which he fails to complete 150 Hours of Work in Covered Employment. For periods prior to January 1, 1994, a Participant has a One-Year Break in Service in any Calendar Year in which he fails to complete 375 hours of work in Covered Employment.
- (ii) Time of employment with an Employer in non-covered employment after December 31, 1975, if creditable under Section 4.6(b) of this Appendix, shall be counted as if it were Covered Employment in determining whether a Break in Service has been incurred.
- (iii) A One-Year Break in Service is repairable, in the sense that its effects are eliminated if, before incurring a Permanent Break in Service, the Employee subsequently earns a Year of Vesting Service. Previously earned years of Vesting Service and Pension Credits shall be restored. However, nothing in this paragraph (iii) shall change the effect of a Permanent Break in Service.
- (iv) For absence that began after December 31, 1985 solely for the purpose of determining whether a One-Year Break in Service has occurred, the absence of an Employee from Service by reason of (A) her pregnancy, (B) birth of a child of the Employee, (C) placement of a child with the Employment in connection with his or her adoption of the child, or (D) care for such child for a period beginning immediately after such birth or placement shall be credited as Hours of Service to the extent that Hours of

Service would have been credited but for such absence (or, where that cannot be determined, eight Hours of Service per day of absence) to a maximum of 501 hours for each pregnancy, childbirth, or placement.

The hours so credited shall be applied to the Plan year in which such absence begins, if doing so will prevent the Employee from incurring a One-Year Break in Service in that Plan Year. The Trustees may require, as a condition for granting such credit, that the employee establish in timely fashion and to the satisfaction of the Trustees that the Employee is entitled to such credit.

An absence due to an approved leave under the Family and Medical Leave Act ("FMLA") shall be credited as hours of service for purposes of determining whether a One-Year break-in-service has occurred.

(c) **Permanent Break in Service after 1975.**

(i) A person who had not incurred a Break in Service and who had less than seven years of Vesting Service on May 1, 1976, will incur a Permanent Break in Service if he has at least six consecutive One-Year Breaks in Service, including at least one after 1975. However, a Permanent Break in Service will not be incurred if such a person earns at least 2/10 years of Vesting Service Credit in any period of six consecutive calendar years. In any event, however, a Participant shall not incur a Permanent Break in Service after December 31, 1975 until his consecutive One-Year Breaks in Service equal at least five.

(ii) A person who became an Employee on or after May 1, 1976, or who had 7 or more years of Vesting Service as of May 1, 1976, has a Permanent Break in Service if he has consecutive One-Year Breaks in Service, including at least one after 1975, that equal or exceed the number of years of Vesting Service with which he has been credited.

(d) **Permanent Break in Service Before January 1, 1976 but after Contribution Date**

It shall be considered a Permanent Break in Service and all of a Participant's previously accumulated Pension Credit and years of Vesting Service shall be cancelled, if after January 1, coincident with or next following his Contribution Date the Participant failed to work in Covered Employment and earn at least one year of Future Service Credit in any period of six consecutive calendar years.

An exception to this rule shall be for a Participant who has met the requirements of Section 3.6 of this Appendix and who would otherwise incur a Break in Service after reaching age 50.

For the purpose of this subsection (d), periods during which an Employee is an officer or Employee of the Union as well as periods of layoff for which seniority is restored in accordance with the provisions of the Collective Bargaining Agreement, will be considered grace periods and such periods will not be counted in determining whether an Employee has been absent from Covered Employment for a period of six consecutive calendar years. An Employee shall not receive credit for such periods of employment in the case of Union employment unless the Union is an Employer as defined under the Plan.

(c) **Effect of Permanent Break in Service**

If a person who has not attained Vested status:

- (i) His previous Pension Credits and years of Vesting Service are cancelled, and
- (ii) His participation is cancelled, new participation being subject to the provisions of Section 3.1 of Appendix A.

**4.8 Vested Status**

For Employees who have an Hour of Service on or after January 1, 1995, a Participant attains Vested status upon completion for five years of Vesting Service, none of which has been cancelled by a Permanent Break in Service. Also, a Participant attains Vested status after attainment of Normal Retirement Age while a Participant without a Break in Service.

**ARTICLE V – PARTICIPANT AND SPOUSE AND SURVIVING SPOUSE PENSIONS**

**5.1 General**

A pension payable to a married participant shall be paid as a 50% Pension.

- (a) This form of benefit will not be payable if:
  - (1) the Participant and Spouse elect otherwise in accordance with Section 5.2 of this Appendix A; or
  - (2) the Spouse is not a Qualified Spouse as defined below; or
  - (3) the provisions of Section 5.2(e)(2) of this Appendix A apply.



- (b) For purposes of this Plan, a Spouse is a person to whom a Participant is considered married under applicable law and, if and to the extent provided in a Qualified Domestic Relations Order, a Participant's former Spouse.
- (c) To be eligible to receive the survivor's pension in accordance with a 50% Pension or a Pre-retirement Surviving Spouse Pension, the Spouse must be a "Qualified Spouse." A spouse is a Qualified Spouse if the Participant and Spouse were married on the date of the Participant's death or if the Participant and Spouse were married on the date the Participant's Pension Starting Date.
- (d) Notwithstanding any provision to the contrary in paragraph (b) or (c) above, for purposes of this Article a person to whom a Participant was married on his Pension Starting Date, but who is divorced from Participant after that date, shall be considered his Qualified Spouse on the date of his death (if she is living at that time) unless a Qualified Relations Order provides otherwise.

## **5.2 Determination of Pension at Retirement**

- (a) The pension, including a Disability Pension, of a Participant who is married to a Qualified Spouse on the date his pension payments start shall be paid in the form of a 50% Pension, unless a valid waiver of that form of payment has been filed with the Plan.
- (b) A 50% Pension means that the Participant will receive an adjusted monthly amount for life and, if the Participant dies before his or her Qualified Spouse, the latter will receive a monthly benefit for his or her lifetime of 50% of the Participant's adjusted monthly amount. The Participant's monthly amount shall be a percentage of the full monthly amount otherwise payable as a single life pension (after adjustment, if any, for early retirement) as follows:
  - (1) The percentage shall be 88% plus 0.4% for each full year that the Spouse is older than the Participant and minus 0.4% for each full year that the Spouse is younger than the Participant;
  - (2) In no event is the percentage to be greater than 99%; and
  - (3) The adjusted monthly amount of the Participant's pension shall be rounded to the next highest dollar amount.
- (c) Once payments have begun, a 50% Pension may not be revoked nor the Pensioner's benefits increased by reason of subsequent divorce or death of the Spouse before that of the Participant.

- (d) Prior to making an election, a retiring Participant shall be advised by the Trustees of the effect of payment on the basis of the 50% Pension, including a comparison of the full single life pension amount and of the adjusted amount.
- (e) Except as provided in subsection (f) of this section, the 50% Pension may be waived in favor of another form of distribution if:
  - (1) The Participant files the waiver in writing in such form as the Trustees may prescribe, and the Participant's Spouse acknowledges the effect of the waiver and consents to it in writing, witnessed by a notary public or such representative of the Plan as the Trustees may designate for that purpose; or
  - (2) The Participant establishes to the satisfaction of the Trustees that:
    - (A) he or she is not married, is legally separated or has been abandoned (within the meaning of local law) and has a court order to such effect;
    - (B) the Spouse whose consent would be required cannot be located; or
    - (C) consent of the Spouse cannot be obtained because of extenuating circumstances, as provided in IRS regulations.
  - (3) To be timely, the request for a waiver and any required consent must be filed with the Trustees no more than 90 days prior to the Pension Starting Date, except that it may be filed later if within 90 days of the date the Participant was notified by the Trustees of the effect of the 50% Pension. The Participant may file a new waiver or revoke a previous waiver at any time during the 90-day period.
  - (4) A Spouse's consent to a waiver of the 50% Pension shall be effective only with respect to the Spouse, and shall be irrevocable unless the Participant revokes the waiver to which it relates.
- (f) The 50% Pension may be waived, without consent of the Spouse, in favor of any other form of pension for which the Participant qualifies under the Plan if it would provide the Participant's Qualified Spouse with a lifetime pension for the period, if any, that he or she survives the Participant, no additional conditions are imposed on his or her right to the benefit, and the amount of such survivor pension would be greater than the amount that would be payable as a 50% Pension.



### **5.3 Pre-Retirement Surviving Spouse Pension**

- (a) If a Participant who has a Qualified Spouse dies before his Pension Starting Date but at a time when he had earned a vested right to a pension, a Pre-Retirement Surviving Spouse Pension shall be paid to his Surviving Spouse.

The Pre-Retirement Surviving Spouse Pension is applicable to all Participants who are eligible for a Deferred Pension, regardless of when they left Covered Service and whether they elected such coverage.

- (b) If the Participant described in (a) above dies on or after age 55, the surviving Qualified Spouse shall be entitled to a lifetime Surviving Spouse pension determined in accordance with the provisions of subsection 5.2 of this Appendix A as if the Participant had retired on the day before he died.
- (c) If the Participant described in (a) above dies before age 55, the surviving Qualified Spouse shall be entitled to a Pre-Retirement Surviving Spouse pension determined as if the Participant had separated from service under the Plan on the earlier of the date he last worked in Covered Service or the date of his death, had survived to age 55, retired at that age with an immediate 50% Pension, and died the next day. In other words, the Pre-Retirement Surviving Spouse Pension begins when the Participant would have attained the earliest retirement age and the amount is 50% of what the Participant's pension amount would have been, after adjustment, if any, for the early retirement and for the 50% Pension form. The amount shall be determined under the terms of the Plan in effect when the Participant last worked in Covered Employment, unless otherwise expressly specified.
- (d) Notwithstanding any other provisions of this Article, a Pre-Retirement Surviving Spouse Pension shall not be paid in the form, manner or amount described above if one of the alternatives set forth in this subsection applies.
  - (1) If the Actuarial Present Value of the benefit is less than \$5,000, but more than \$1,000 and the Spouse does not elect to have such mandatory distribution paid directly to an Eligible Retirement Plan (as defined in Article V, Section 13(b) of the general Plan) in a Direct Rollover or to receive the distribution directly in accordance with the provisions of Section 5.1 of this Appendix or Article VI of the general Plan, as the case may be, then the Trustees shall make a single-sum payment in an amount equal to that actuarial present value, in full discharge of the Pre-Retirement Surviving Spouse Pension as provided in Section 5.3(d) of Appendix A in a Direct Rollover to an individual retirement plan on the Spouse's behalf with a financial institution selected by the Trustees.

- (2) The Spouse may elect in writing, filed with the Trustees, and on whatever form they may prescribe, to defer commencement of the Pre-retirement Surviving Spouse Pension until a specified date that is no later than the first of the month on or immediately before the date on which the Participant would have reached age 70-1/2. The amount payable at the time shall be determined as described in paragraphs (b) and (c) of this Section, except that the benefit shall be paid in accordance with the terms of the Plan in effect as if he had retired with a 50% Pension on the day before the Surviving Spouse's payments are scheduled to start, and died the next day.
- (3) Actuarial Present Value under subparagraph (1) shall be determined in accordance with the provisions of Article I, Section 1 of the general Plan.

## **ARTICLE VI - OPTIONAL FORMS OF PENSION**

### **6.1 Joint and Survivor Option**

Instead of the pension otherwise payable to him, a Participant entitled to a Normal Pension, Early Retirement Pension, or Deferred Pension may elect the Joint and Survivor Option, in accordance with which he will receive an actuarially reduced monthly amount for his lifetime, but with 100 or 75 percent, as he may elect, of that lower amount continuing after his death for the lifetime of his Qualified Spouse. The adjustment in benefit amount shall be determined by the Trustees on the basis of the advice of their actuary, taking account of the age of the Employee when payment in this optional form is to commence and the age of his Spouse. Election of the Joint and Survivor Option shall be subject to the following conditions:

- (a) The Option is deemed elected when the Participant completes an election form prescribed by the Trustees and files such form with the Trustees. The adjustment shall apply immediately to the Pensioner, but the Beneficiary shall not be entitled to any payments upon the Participant's death under the Option, unless and until the Participant receives payments pursuant to this form of benefit for at least 12 months.
- (b) The Option shall take effect only if the Pensioner and his Qualified Spouse are then both alive. Once elected, the Joint and Survivor Option may not be revoked unless the Employee or his Spouse dies or they are divorced from each other before a Pension becomes payable under the Option, in which event the Option is automatically revoked.

### **6.2 Small Pension Amounts**

The provisions regarding distribution of small pension amounts in Article V, Section 1 of the general Plan shall apply to this Program G.

### **6.3 Limitation on Annual Benefits**

The provisions of the general Plan regarding the limitation on annual benefits shall apply to this Program G, except to the extent that the calculation involves benefits accrued before limitation years beginning after January 1, 1994. The Code section 415(b)(2)(E) changes shall not apply with respect to benefits accrued before limitation years beginning after January 1, 1994. The "freeze date" for this purpose is defined as the day before the first day of the limitation year beginning after January 1, 1994, as it applies to adjustments to the dollar limit for benefits beginning before age 62 and benefits beginning after age 65 or the social security retirement age, under applicable pre-EGTRRA law requirements. The "freeze date" for this purpose is defined as the day before the first day of the limitation year beginning after January 1, 1994, as it applies to adjustments to benefits payable in any optional form of payment, including a benefit form subject to Code section 417(e)(3), under applicable pre-EGTRRA law requirements.

**Appendix A**  
**EXHIBIT 1**

1. **Program G Section 3.3.** Effective for pensions which become effective on or after January 1, 2000, provided the Participant had earned at least one-tenth (1/10) of a Pension Credit in 1999, unless the Participant became disabled in 1999 and was therefore unable to earn one-tenth (1/10) of a Pension Credit, the Normal Pension is \$14.40 per month (for each \$.01 per hour average contribution rate) for Participants employed by Local 8-591 and 6-210.

Effective for pensions for Participants employed by Chemcentral Corp. and which become effective on or after January 1, 2000, provided such Participants have earned at least one-tenth (1/10) of a Pension Credit in 1999, or became disabled in 1999 and were therefore unable to earn one-tenth of a Pension Credit, the Normal Pension amount is \$11.34 per month (for each \$.01 per hour average contribution rate.).

2. **Program G Section 4.2.** Past Service Credit granted under this Section is limited to fifteen (15) years for Participants employed by Local 7-1 OCAW. Past Service Credit granted under this Section is limited to ten (10) years for Participants employed by ILN East Inc.

IN WITNESS WHEREOF, the undersigned have set their hands as of the last date written below.

Date: 1/30/15

By:   
Chairman

Date: 1/30/15

By:   
Secretary

**PACE INDUSTRY UNION-MANAGEMENT PENSION PLAN**  
**(Amended and Restated as of January 1, 2015)**

**AMENDMENT NO. 1**

WHEREAS, Article VI, Section 4 of the PACE Industry Union-Management Pension Plan ("Plan") provides that the Plan may be amended at any time by the Board of Trustees (the "Board"); and

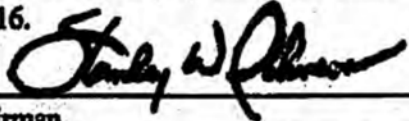
WHEREAS, the Board desires to amend the Plan in the manner specified herein;

NOW, THEREFORE, Article V, Section 1(g)\* is amended to read as follows, effective as of January 1, 2009:

"Notwithstanding any other provision of the Plan, no less than 30 days (except as provided in this paragraph (g)) and no more than 180 days (except in the case of administrative delay) before a Participant's Pension Starting Date (or the date of the first payment of benefits, in the case of Retroactive Annuity Starting Date), the Plan shall advise the Participant of the available benefit payment options, including, in the case of a married Participant, (i) a description of the 75% Participant and Spouse Pension and each other available optional form of benefit; (ii) a description of the eligibility conditions for the optional form of benefit; (iii) a description of the financial effect of electing the optional form of benefit; (iv) a description of the relative value of the optional form of benefit compared to the value of the 50% Participant and Spouse Pension, in the manner described in Treas. Reg. section 1.417(a)(3)-1(c)(2), and (v) a description of any other material features of the optional form of benefit. Benefits may begin before the end of the 30-day waiting period, provided the Participant and the Spouse, if any, consent in writing to the commencement of payments before the end of such 30-day period and payments actually commence more than seven days after the written explanation was provided to the Participant. This paragraph (g) shall not apply to any benefit that is subject to the mandatory cash-out rule."

IN WITNESS WHEREOF, the Board of Trustees has adopted this Amendment on this 13<sup>th</sup> day of September, 2016.

By:

  
Chairman

By:

  
Secretary

\*Article V, Sections 1(f) and 1(g) appear as (ii) and (iii) in the 2015 Restatement due to a formatting error.



**PACE INDUSTRY UNION-MANAGEMENT PENSION PLAN**  
**(Amended and Restated as of January 1, 2015)**

**AMENDMENT NO. 2**

**WHEREAS**, Article VI, Section 4 of the PACE Industry Union-Management Pension Plan provides that the Plan may be amended at any time by the Board of Trustees (the "Board"); and

**WHEREAS**, THE Board desires to amend the Plan in the manner specified herein;

**NOW, THEREFORE**, effective as of the date of amendment, Article V, Section 1 of the Plan is hereby amended to add the following new subsections:

- (h) If a Participant who is definitely located fails to file a completed application for benefits on a timely basis, the Fund will establish the Participant's Required Beginning Date as the Pension Starting Date and begin benefit payments as follows:**
  - (A) As a 50% Participant and Spouse Pension calculated on the assumptions that the Participant is married on the Pension Starting Date and that the Participant is five years older than the Spouse, unless the Fund has conclusive documentation to the contrary.**
  - (B) The benefit payment form specified here will be irrevocable once it begins, provided that:**
    - (i) if, after the Pension Starting Date, the Trustees determine that the Participant did not have a Spouse (including an alternate payee under a QDRO) on the Required Beginning Date, the form of benefit will be changed to a single life annuity and future payments will be adjusted to reflect the single life annuity form of benefit; and**
    - (ii) if, after the Pension Starting Date, the Trustees determine that the age difference between the Participant and Spouse is different from the foregoing assumption, future payments will be adjusted based on the actual age difference.**
  - (C) Federal, state and local income tax, and any other applicable taxes, will be withheld from the benefit payments as required by law or determined by the Trustees to be appropriate for the protection of the Fund and the Participant.**
- (i) In the event that a Participant who has reached his Required Beginning Date dies before receiving all of the benefits due beginning on his Required Beginning Date, the benefits due shall be paid to the first surviving person or persons in the following classes of successive preference: (i) the Participant's surviving spouse; (ii) the Participant's open estate; (iii) the Participant's children (excluding stepchildren); (iv) the Participant's parents; and (v) the Participant's siblings (excluding step siblings). If there is more than one survivor in the class in which the payment is being made, the payment will be distributed in equal shares to all survivors within that class. If any eligible survivor is uncooperative, unresponsive, or disclaims his rights for a period of thirty (30) days, he will not be eligible to receive any portion of the remaining benefits that would**

otherwise be paid under this Article I, Section 1(i). In cases where there are no survivors in any of the foregoing enumerated classes, and no open estate, no further benefit shall be paid on behalf of the deceased Participant.

IN WITNESS WHEREOF, the Board of Trustees has adopted this Amendment on this 13<sup>th</sup> day of September, 2016.

By:

  
Chairman

By:

  
Secretary



Amendment Three to the  
PACE Industry Union-Management Pension Fund Plan  
(As Amended and Restated Effective January 1, 2015)

**WHEREAS**, Article VI, Section 4 of the PACE Industry Union-Management Pension Plan ("Plan") provides that the Plan may be amended at any time by the Board of Trustees of the PACE Industry Union-Management Pension Fund may amend the Plan; and

**WHEREAS**, the Board desires to amend the Plan to make certain clarifications to the Plan as Amended and Restated Effective January 1, 2015, including clarifying the manner in which the qualified pre-retirement survivor annuity is paid,

**NOW, THEREFORE**, the Plan is amended as follows:

1. Article IV, Section 11 shall be amended to read as follows, effective as of the January 1, 2015 effective date of the Amended and Restated Plan:

**PRE-RETIREMENT SURVIVING SPOUSE BENEFITS FOR PROGRAMS A, B, C, D, E OR F**

- (a) If a married Participant with a vested benefit dies before his Pension Starting Date, his surviving Spouse will receive a Pre-Retirement Surviving Spouse Benefit commencing the first day of the month following the receipt of the Spouse's application for benefits, but no later than the date set forth in Article V, Section 1(b)(3).
- (b) The Pre-Retirement Surviving Spouse Benefit will be calculated as if the Participant had commenced a benefit in the form of a 50% Participant and Spouse Pension on the date set forth below and died the next day, using the spousal reductions described by Article IV, Section 12(a)(ii):
  1. For Participants who die while in Covered Employment. If the Participant dies in Covered Employment before age 55 and the Spouse's application is received before the Participant's 55th birthday, the benefit shall be calculated as if the Participant had commenced a benefit at age 55. If the application is received after the Participant's 55th birthday, the Spouse's benefit will be calculated as if the Participant had commenced a benefit on the first day of the month after the Spouse's application for benefits is received.
  2. For Participants who die after leaving Covered Employment. If the Participant dies after leaving covered employment, the Spouse's benefit will be calculated as if the Participant had commenced a benefit on the first day of the month after the Spouse's application for benefits is received. If that date is on or after the Participant's earliest retirement age but before the date that the Participant would have reached Normal Retirement Age, the benefit will be reduced in accordance with Article IV, Section 6.

If that date is after the date that the Participant would have reached Normal Retirement Age, the benefit will be increased in accordance with Article V, Section 1 (e)(i) If that date is prior to the Participant's earliest retirement age, the Spouse's benefit will be reduced based on the RP 2000 Male Blue Collar Mortality Table with an interest rate of 7.5% as per Exhibits B and C.

- (c) No benefit is payable under this Section 11 if the surviving Spouse dies before commencing a benefit."
- 2. Article IV, Section 14(c) shall be deleted.
- 3. The last two paragraphs of Article V, Section shall be re-labelled as "(f)" and "(g)", respectively.
- 4. Appendix A, Article V, Section 5.3 (Pre-Retirement Surviving Spouse Pension) shall be amended to read as follows:

"(a) If a Participant who has a Qualified Spouse dies before his Pension Starting Date but at a time when he had earned a vested right to a pension, a Pre-Retirement Surviving Spouse Pension shall be paid to his Surviving Spouse.

The Pre-Retirement Surviving Spouse Pension is applicable to all Participants who are eligible for a Deferred Pension and who (i) die on or after November 1, 1996 or (ii) died before November 1, 1996 and either had an Hour of Service (including paid leave) after August 22, 1984 or had filed a written request for Pre-retirement Surviving Spouse Pension coverage with the OCAW Plan's Board of Trustees before his death.

- (b) If the Participant described in (a) above dies on or after age 55, the surviving Qualified Spouse shall be entitled to a Pre-Retirement Surviving Spouse pension determined in accordance with the provisions of subsection 5.2 of this Appendix A as if the Participant had commenced a pension in the form of a 50% Pension on the first day of the month following the receipt of an application from the surviving Qualified Spouse, and died the next day.
- (c) If the Participant described in (a) above dies before age 55, the surviving Qualified Spouse shall be entitled to a Pre-Retirement Surviving Spouse pension determined as if the Participant had separated from service under the Plan on the earlier of the date he last worked in Covered Service or the date of his death, had survived to age 55, (or, if later, on the first day of the month following the receipt of an application from the surviving Qualified Spouse) with a 50% Pension, and died the next day. The benefit to the surviving Qualified spouse will commence as of the date the Participant would have reached age 55 (or, if later, on the first day of the month following the receipt of an application from the surviving Qualified Spouse). The amount shall be determined under the terms of the Plan in

effect when the Participant last worked in Covered Employment, unless otherwise expressly specified.

- (d) The Spouse may elect in writing, filed with the Trustees, and on whatever form they may prescribe, to defer commencement of the Pre-retirement Surviving Spouse Pension until a specified date that is no later than the required beginning date set forth in Article V, Section 1(b)(3).
- (e) No benefit is payable under this Section 5.3 if the surviving Qualified Spouse dies before commencing a benefit.”

5. Appendix A, Exhibit 1 shall be amended to re-insert the following provision that was inadvertently excluded from the January 1, 2015 Plan Restatement:

“6. The following Sections reflect the benefit provisions for those Program G covered Participants covered by Plan 62:

- **Plan Section 3.2.** The age requirement is 62 instead of 65.
- **Plan Section 3.3(a) and 3.3(b).** Effective for pensions which become effective on or after January 1, 2000, and for Participants who earned at least one-tenth (1/10) of a Pension Credit in 1999, including those who retired in 1999, the Normal Pension is \$13.33 per month (for each \$.01 per hour average contribution rate).
- **Program G Section 3.5.** The reduction from the Normal Pension amount which is payable at age 62 is 1/4% for each month by which the Participant is younger than age 62.
- **Program G Section 3.7.** The amount of the Deferred Pension is the same as the Normal or Early Retirement Pensions for Plan 62 except if Covered Employment ceased before the Participant reached age 55. In that event the benefit shall be calculated in accordance with Plan Section 3.5 for non-Plan 62 participants.

The above changes to Section 3.2 and 3.5 shall not apply to a Participant with a Pension Stating Date on or after January 1, 2011, regardless of when the Participant terminated Covered Employment or otherwise ceased to be an active Participant.


Participants employed by Americhol Corporation, Local 8-149 OCAW, Refiners Transport and Terminal Seneca and Total Petroleum are covered by Plan 62.

For all pensions under this Exhibit 1 which become effective on or after January 1, 2002, provided the Participant had earned at least one-tenth (1/10) of a Pension Credit in 2001, unless the Participant became disabled in 2001 and was therefore unable to earn one-tenth of a Pension Credit, the above-referenced pension amounts shall be increased by 5%.”

IN WITNESS WHEREOF, the undersigned have executed this Amendment on this 20th day of December, 2016.

  
Chairman

  
Secretary

Amendment Three to the   
PACE Industry Union-Management Pension Fund Plan  
(As Amended and Restated Effective January 1, 2015)

**WHEREAS**, Article VI, Section 4 of the PACE Industry Union-Management Pension Plan ("Plan") provides that the Plan may be amended at any time by the Board of Trustees of the PACE Industry Union-Management Pension Fund may amend the Plan; and

**WHEREAS**, the Board desires to amend the Plan to provide for the disposition of benefits to participants and beneficiaries who cannot be located;

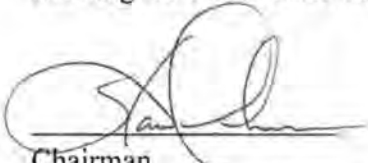
**NOW, THEREFORE**, Article V (APPLICATIONS, BENEFIT PAYMENTS AND RETIREMENT) is amended to add the following new Section 15 as follows, effective as of the date of adoption:

**Article V, Section 15**

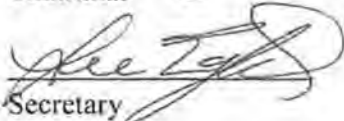
**FORFEITURE OF UNCLAIMED BENEFITS**

Notwithstanding any other provision of the Plan, if the Fund is unable to locate a Participant or Beneficiary to whom payment is due after following its lost participant procedures, the unclaimed benefit shall be forfeited. In the event that a former Participant or Beneficiary subsequently states a claim for a benefit forfeited pursuant to the preceding sentence, the rights, if any, to such benefit shall be restored; provided, however, that no interest shall be payable with respect to such benefit.

**IN WITNESS WHEREOF**, this amendment was adopted on May 16, 2017 and executed by the undersigned on the dates below.

  
Chairman

05/16/17  
Date

  
Secretary

5-16-17  
Date



Amendment Five to the  
PACE Industry Union-Management Pension Plan  
(As Amended and Restated Effective January 1, 2015)

**WHEREAS**, Article VI, Section 4 of the PACE Industry Union-Management Pension Plan ("Plan") provides that the Plan may be amended at any time by the Board of Trustees of the PACE Industry Union-Management Pension Fund (the "Board"); and

**WHEREAS**, the Board desires to amend the Plan to eliminate retroactive annuity starting dates and to provide rules for recipients of certain corrective distributions;

**NOW, THEREFORE**, Article V (APPLICATIONS, BENEFIT PAYMENTS AND RETIREMENT) is amended as follows:

1. Article V, Section 1(e) shall be amended to read as follows, effective for Pension Starting Dates on and after January 1, 2018:

“(e) Delayed Retirement. If a Participant's benefits commence after the Participant's Normal Retirement Age, the Participant will receive benefits in accordance with this Section 1(e).

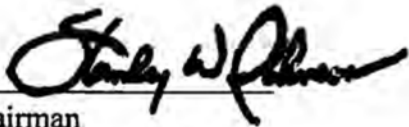
- (i) If a Participant's Pension Starting Date is after the Participant's Normal Retirement Age, the Participant's monthly benefit will be an amount equal to the Participant's accrued benefit at Normal Retirement Age, actuarially increased at a rate of 1% per month for the first 60 calendar months after Normal Retirement Age, 1.5% per month for each of the next 60 months, and 3% per month for each month thereafter, for each complete calendar month in which the Participant's benefit is not suspended under Article IV, Section 13, between the Participant's Normal Retirement Age and the Pension Starting Date.
- (ii) If a Participant first becomes entitled to additional benefits after Normal Retirement Age, the actuarial increase in those benefits will be calculated from the date they would first have been paid rather than the Normal Retirement Age. Notwithstanding the foregoing, any such additional benefit service earned after Normal Retirement Age shall be reduced, but not below zero, by the amount of any actuarial adjustment in accordance with Section 1.411(b)-2 of the Treasury Regulations.”

2. Article V, Section 1(i) is amended to read as follows, effective for payments made on or after the date of adoption:

“If a Participant or Beneficiary to whom a corrective distribution is due dies before the corrective distribution is paid, the amounts due shall be paid to the first surviving person or persons in the following classes of successive preference: (i) the Participant's or Beneficiary's surviving spouse; (ii) the Participant's or Beneficiary's open estate; (iii) the Participant's or Beneficiary's children (excluding stepchildren, except in the case of a

corrective distribution due a Beneficiary whose stepchildren who are the Participant's biological children); (iv) the Participant's or Beneficiary's parents; and (v) the Participant's or Beneficiary's siblings (excluding step siblings). If there is more than one survivor in the class in which the payment is being made, the payment will be distributed in equal shares to all survivors within that class. If any eligible survivor is uncooperative or unresponsive for a period of thirty (30) days, or disclaims his rights, he will not be eligible to receive any portion of the remaining benefits that would otherwise be paid under this Section 1(i), and his benefits will be distributed to the remaining eligible survivors. In cases where there are no survivors in any of the foregoing enumerated classes, and no open estate, no further benefit shall be paid on behalf of the deceased Participant or Beneficiary, as applicable."

**IN WITNESS WHEREOF**, this amendment was adopted on June 29, 2017 and executed by the undersigned on the dates below.

  
\_\_\_\_\_

Chairman

6/29/2017  
\_\_\_\_\_

Date

  
\_\_\_\_\_

Secretary

6/29/2017  
\_\_\_\_\_

Date

Faint, illegible text at the top of the page, possibly bleed-through from the reverse side.

1/06/2011

12/30/2011



Two handwritten signatures in black ink, one above the other, located on the right side of the page.



Amendment Six to the  
PACE Industry Union-Management Pension Plan  
(As Amended and Restated Effective January 1, 2015)

**WHEREAS**, Article VI, Section 4 of the PACE Industry Union-Management Pension Plan ("Plan") provides that the Plan may be amended at any time by the Board of Trustees of the PACE Industry Union-Management Pension Fund (the "Board"); and


**WHEREAS**, the Board desires to amend the Plan in the manner described below;

**NOW, THEREFORE**, Article I, Section 22 (RETIREMENT AND RETIREMENT DEFINED) is amended to read as follows, effective for applications received on and after September 1, 2017:

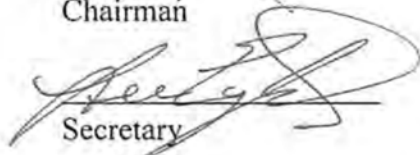
A Participant shall be deemed to be Retired (and shall be deemed to be Retired on the first day on which he has ceased to be employed or engaged in such employment) if, as of the date of determination, he is not employed or engaged in any of the following employment:

- (a) Employment with any Contributing Employer or former Contributing Employer; or
- (b) Employment at the same facility at which the employee was employed in Covered Employment, if the facility is used for the same purpose as when the Participant was employed in Covered Employment.

**IN WITNESS WHEREOF**, this amendment was adopted on August 9, 2017 and executed by the undersigned on the dates below.

  
Chairman

08/09/2017  
Date

  
Secretary

8-9-17  
Date

Amendment Seven to the  
PACE Industry Union-Management Pension Plan  
(As Amended and Restated Effective January 1, 2015)

**WHEREAS**, Article VI, Section 4 of the PACE Industry Union-Management Pension Plan ("Plan") provides that the Plan may be amended at any time by the Board of Trustees of the PACE Industry Union-Management Pension Fund (the "Board"); and

**WHEREAS**, the Board desires to amend the Plan in the manner described below;

**NOW, THEREFORE**, the Plan is amended as follows:

1. Article III, Section 4(d)(ii) (Effect of Permanent Break in Service) is amended to read as follows, effective on the date of adoption:

He must again satisfy the participation requirements of Article II.

2. Article IV, Section 9 (Eligibility for Disability Pension) is amended to delete subsection (a)(iv), effective for Hours of Service earned on or after January 1, 2011.
3. Article V, Section 2 (Rounding Benefit Amounts) is amended to read as follows, effective January 1, 2011:

If in calculating the monthly benefit payments due under the Regular, Early Retirement, Deferred or Disability Pension provided herein, the monthly amount so determined is not in a whole-dollar amount, it shall be rounded to the next higher whole-dollar amount.

4. Appendix A, Exhibit 1(3) is amended to read as follows, effective for Pension Starting Dates on or after January 1, 2011:

The following Sections reflect the benefit provisions for those Program G covered Participants covered by Plan 62:

- **Plan Section 3.2.** For benefits earned before January 1, 2011, the age requirement is 62 instead of 65.
- **Plan Section 3.3(a) and 3.3(b).** Effective for pensions which become effective on or after January 1, 2000, and for Participants who earned at least one-tenth (1/10) of a Pension Credit in 1999, including those who retired in 1999, the Normal Pension is \$13.33 per month (for each \$.01 per hour average contribution rate).
- **Program G Section 3.5.** For participants with a Pension Starting Date before January 1, 2011, the reduction from the Normal Pension amount which is payable at age 62 is 1/4% for each month by which the Participant is younger than age 62.
- **Program G Section 3.7.** The amount of the Deferred Pension is the same as the Normal or Early Retirement Pensions for Plan 62 except if Covered Employment ceased before

the Participant reached age 55. In that event the benefit shall be calculated in accordance with Plan Section 3.5 for non-Plan 62 participants.

**IN WITNESS WHEREOF**, this amendment was adopted on December 13, 2017 and executed by the undersigned on the dates below.

  
Chairman

12/13/2017  
Date

  
Secretary

12/13/17  
Date

Amendment Eight to the  
PACE Industry Union-Management Pension Plan  
(As Amended and Restated Effective January 1, 2015)

**WHEREAS**, Article VI, Section 4 of the PACE Industry Union-Management Pension Plan ("Plan") provides that the Plan may be amended at any time by the Board of Trustees of the PACE Industry Union-Management Pension Fund (the "Board"); and

**WHEREAS**, the Board desires to amend the Plan as required under PBGC regulation section 4262.6(e); and

**WHEREAS**, it is the intention of the Board for this amendment to be effective through 2051;

**NOW, THEREFORE**, the Plan is amended to add the following new section to the end of Article VI:

**Article VI, Section 8.**

**SPECIAL FINANCIAL ASSISTANCE**

Beginning with the Special Financial Assistance measurement date selected by the Board of Trustees in the Fund's application for special financial assistance, notwithstanding anything to the contrary in this or any other governing document, 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 Fund's application for special financial assistance.

**IN WITNESS WHEREOF**, this amendment was adopted on October 6, 2022 and executed by the undersigned on the dates below.

*John E. Shinn*  
John E. Shinn (Nov 29, 2022 14:56 EST)  
Chairman

Nov 29, 2022  
Date

*Lee Eglar*  
Lee Eglar (Nov 29, 2022 13:49 PST)  
Secretary

Nov 29, 2022  
Date


# SFA plan amendment for adoption at October meeting - FINAL

Final Audit Report

2022-11-29

Created:	2022-11-29
By:	CHARLES KNIGHT (cknight@uswbenefitfunds.com)
Status:	Signed
Transaction ID:	[REDACTED]

## "SFA plan amendment for adoption at October meeting - FINAL" History

-  Document created by CHARLES KNIGHT (cknight@uswbenefitfunds.com)  
2022-11-29 - 6:58:31 PM GMT
-  Document emailed to jshinn@usw.org for signature  
2022-11-29 - 7:01:02 PM GMT
-  Document emailed to lee.egland@crowley.com for signature  
2022-11-29 - 7:01:02 PM GMT
-  Email viewed by jshinn@usw.org  
2022-11-29 - 7:55:57 PM GMT
-  Signer jshinn@usw.org entered name at signing as John E. Shinn  
2022-11-29 - 7:56:23 PM GMT
-  Document e-signed by John E. Shinn (jshinn@usw.org)  
Signature Date: 2022-11-29 - 7:56:25 PM GMT - Time Source: server
-  Email viewed by lee.egland@crowley.com  
2022-11-29 - 9:49:11 PM GMT
-  Signer lee.egland@crowley.com entered name at signing as Lee Egland  
2022-11-29 - 9:49:53 PM GMT
-  Document e-signed by Lee Egland (lee.egland@crowley.com)  
Signature Date: 2022-11-29 - 9:49:55 PM GMT - Time Source: server
-  Agreement completed.  
2022-11-29 - 9:49:55 PM GMT

**Form 5500**Department 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**2021****This Form is Open to Public Inspection****Part I Annual Report Identification Information**For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

- 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) \_\_\_\_\_
- E** If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. . . . . ▶

**Part II Basic Plan Information—enter all requested information**

<b>1a</b> Name of plan <u>PACE INDUSTRY UNION-MANAGEMENT PENSION FUND</u>	<b>1b</b> Three-digit plan number (PN) ▶ <u>001</u>
	<b>1c</b> Effective date of plan <u>01/01/1963</u>
<b>2a</b> 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) <u>PACE INDUSTRY UNION-MANAGEMENT PENSION FUND</u>  <u>1101 KERMIT DRIVE, SUITE 800</u> <u>NASHVILLE, TN 37217</u>	<b>2b</b> Employer Identification Number (EIN) <u>11-6166763</u>
	<b>2c</b> Plan Sponsor's telephone number <u>615-333-6343</u>
	<b>2d</b> Business code (see instructions) <u>322100</u>

**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.

<b>SIGN HERE</b>	<u>Filed with authorized/valid electronic signature.</u>	<u>10/13/2022</u>	<u>CAROLYN ADAMS-ROSSIGNOL</u>
	<b>Signature of plan administrator</b>	Date	Enter name of individual signing as plan administrator
<b>SIGN HERE</b>			
	<b>Signature of employer/plan sponsor</b>	Date	Enter name of individual signing as employer or plan sponsor
<b>SIGN HERE</b>			
	<b>Signature of DFE</b>	Date	Enter name of individual signing as DFE

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

Form 5500 (2021)  
v. 210624



<b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	<b>3b</b> Administrator's EIN  <b>3c</b> Administrator's telephone number
<b>4</b> 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: <b>a</b> Sponsor's name <b>c</b> Plan Name	<b>4b</b> EIN  <b>4d</b> PN
<b>5</b> Total number of participants at the beginning of the plan year	<b>5</b> 65833
<b>6</b> 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).	
<b>a(1)</b> Total number of active participants at the beginning of the plan year.....	<b>6a(1)</b> 3626
<b>a(2)</b> Total number of active participants at the end of the plan year .....	<b>6a(2)</b> 3344
<b>b</b> Retired or separated participants receiving benefits.....	<b>6b</b> 28378
<b>c</b> Other retired or separated participants entitled to future benefits .....	<b>6c</b> 27497
<b>d</b> Subtotal. Add lines 6a(2), 6b, and 6c.....	<b>6d</b> 59219
<b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....	<b>6e</b> 5303
<b>f</b> Total. Add lines 6d and 6e.....	<b>6f</b> 64522
<b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....	<b>6g</b>
<b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested .....	<b>6h</b>
<b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....	<b>7</b> 44
<b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1B	
<b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
<b>9a</b> Plan funding arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	<b>9b</b> Plan benefit arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
<b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
<b>a Pension Schedules</b> (1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)  (2) <input checked="" type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary  (3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	<b>b General Schedules</b> (1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information) (2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan) (3) <input type="checkbox"/> <u>0</u> <b>A</b> (Insurance Information) (4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information) (5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information) (6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules)

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

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**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 2021 Form M-1 annual report. If the plan was not required to file the 2021 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)**

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

**2021**

**This Form is Open to Public  
Inspection**

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

▶ **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.

<b>A</b> Name of plan <u>PACE INDUSTRY UNION-MANAGEMENT PENSION FUND</u>	<b>B</b> Three-digit plan number (PN) ▶ <u>001</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>PACE INDUSTRY UNION-MANAGEMENT PENSION FUND</u>	<b>D</b> Employer Identification Number (EIN) <u>11-6166763</u>

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

**1a** Enter the valuation date: Month 01 Day 01 Year 2021

**b** Assets

(1) Current value of assets.....	<b>1b(1)</b>	<u>1646837605</u>
(2) Actuarial value of assets for funding standard account.....	<b>1b(2)</b>	<u>1554996149</u>
<b>c</b> (1) Accrued liability for plan using immediate gain methods.....	<b>1c(1)</b>	<u>2874253340</u>
(2) Information for plans using spread gain methods:		
(a) Unfunded liability for methods with bases.....	<b>1c(2)(a)</b>	
(b) Accrued liability under entry age normal method.....	<b>1c(2)(b)</b>	
(c) Normal cost under entry age normal method.....	<b>1c(2)(c)</b>	
(3) Accrued liability under unit credit cost method.....	<b>1c(3)</b>	<u>2874253340</u>
<b>d</b> Information on current liabilities of the plan:		
(1) Amount excluded from current liability attributable to pre-participation service (see instructions).....	<b>1d(1)</b>	
(2) "RPA '94" information:		
(a) Current liability.....	<b>1d(2)(a)</b>	<u>4863335261</u>
(b) Expected increase in current liability due to benefits accruing during the plan year.....	<b>1d(2)(b)</b>	<u>16910736</u>
(c) Expected release from "RPA '94" current liability for the plan year.....	<b>1d(2)(c)</b>	<u>212197994</u>
(3) Expected plan disbursements for the plan year.....	<b>1d(3)</b>	<u>220397994</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**

Signature of actuary

SUSAN L. BOYLE, FSA, FCA, MAAA

Type or print name of actuary

SEGAL

Firm name

333 WEST 34TH STREET, NEW YORK, NY 10001-2402

Address of the firm

09/26/2022

Date

20-06862

Most recent enrollment number

212-251-5000

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.**

**Schedule MB (Form 5500) 2021  
v. 201209**



**2** Operational information as of beginning of this plan year:

<b>a</b> Current value of assets (see instructions) .....	<b>2a</b>	1646837605
<b>b</b> "RPA '94" current liability/participant count breakdown:	<b>(1) Number of participants</b>	<b>(2) Current liability</b>
<b>(1)</b> For retired participants and beneficiaries receiving payment .....	33681	2748711316
<b>(2)</b> For terminated vested participants .....	27497	1823931626
<b>(3)</b> For active participants:		
<b>(a)</b> Non-vested benefits.....		8956491
<b>(b)</b> Vested benefits.....		281735828
<b>(c)</b> Total active.....	3344	290692319
<b>(4)</b> Total .....	64522	4863335261
<b>c</b> If the percentage resulting from dividing line 2a by line 2b(4), column (2), is less than 70%, enter such percentage .....	<b>2c</b>	33.86 %

**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
07/15/2021	71470210	0			
			<b>Totals ▶</b>	<b>3(b)</b>	<b>3(c)</b>
				71470210	0
					<b>3(d)</b>
					51847423

**(d)** Total withdrawal liability amounts included in line 3(b) total

**4** Information on plan status:

<b>a</b> Funded percentage for monitoring plan's status (line 1b(2) divided by line 1c(3)) .....	<b>4a</b>	54.1 %
<b>b</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 .....	<b>4b</b>	D
<b>c</b> Is the plan making the scheduled progress under any applicable funding improvement or rehabilitation plan? .....		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>d</b> 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
<b>e</b> If line d is "Yes," enter the reduction in liability resulting from the reduction in benefits (see instructions), measured as of the valuation date .....	<b>4e</b>	
<b>f</b> 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 .....	<b>4f</b>	2034 <input checked="" type="checkbox"/>

**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):

<b>j</b> If box h is checked, enter period of use of shortfall method .....	<b>5j</b>	
<b>k</b> Has a change been made in funding method for this plan year? .....		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>l</b> 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
<b>m</b> 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 .....	<b>5m</b>	



**6 Checklist of certain actuarial assumptions:**

<b>a</b> Interest rate for "RPA '94" current liability.....			<b>6a</b>	2.43 %
			Pre-retirement	
<b>b</b> Rates specified in insurance or annuity contracts.....	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	
			Post-retirement	
<b>c</b> Mortality table code for valuation purposes:			<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>(1)</b> Males .....	<b>6c(1)</b>	A		A
<b>(2)</b> Females .....	<b>6c(2)</b>	A		A
<b>d</b> Valuation liability interest rate .....	<b>6d</b>	6.50 %		6.50 %
<b>e</b> Expense loading .....	<b>6e</b>	124.0 %	<input type="checkbox"/> N/A	<input checked="" type="checkbox"/> N/A
<b>f</b> Salary scale .....	<b>6f</b>	%	<input checked="" type="checkbox"/> N/A	
<b>g</b> Estimated investment return on actuarial value of assets for year ending on the valuation date.....	<b>6g</b>			9.3 %
<b>h</b> Estimated investment return on current value of assets for year ending on the valuation date .....	<b>6h</b>			11.4 %

**7 New amortization bases established in the current plan year:**

(1) Type of base	(2) Initial balance	(3) Amortization Charge/Credit
1	-54085314	-5401055

**8 Miscellaneous information:**

<b>a</b> 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.....	<b>8a</b>	
<b>b(1)</b> Is the plan required to provide a projection of expected benefit payments? (See the instructions.) If "Yes," attach a schedule.....		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>b(2)</b> 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
<b>c</b> 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
<b>d</b> If line c is "Yes," provide the following additional information:		
<b>(1)</b> Was an extension granted automatic approval under section 431(d)(1) of the Code?.....		<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>(2)</b> If line 8d(1) is "Yes," enter the number of years by which the amortization period was extended .....	<b>8d(2)</b>	
<b>(3)</b> 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
<b>(4)</b> 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)).....	<b>8d(4)</b>	
<b>(5)</b> If line 8d(3) is "Yes," enter the date of the ruling letter approving the extension .....	<b>8d(5)</b>	
<b>(6)</b> 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
<b>e</b> 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) .....	<b>8e</b>	

**9 Funding standard account statement for this plan year:**

**Charges to funding standard account:**

<b>a</b> Prior year funding deficiency, if any .....	<b>9a</b>	609511179
<b>b</b> Employer's normal cost for plan year as of valuation date.....	<b>9b</b>	14317143
<b>c</b> Amortization charges as of valuation date:	Outstanding balance	
<b>(1)</b> All bases except funding waivers and certain bases for which the amortization period has been extended .....	<b>9c(1)</b>	998256826
<b>(2)</b> Funding waivers .....	<b>9c(2)</b>	0
<b>(3)</b> Certain bases for which the amortization period has been extended .....	<b>9c(3)</b>	0
<b>d</b> Interest as applicable on lines 9a, 9b, and 9c.....	<b>9d</b>	52076450
<b>e</b> Total charges. Add lines 9a through 9d.....	<b>9e</b>	853252605

**Credits to funding standard account:**

<b>f</b> Prior year credit balance, if any.....	<b>9f</b>		0
<b>g</b> Employer contributions. Total from column (b) of line 3.....	<b>9g</b>		71470210
		Outstanding balance	
<b>h</b> Amortization credits as of valuation date.....	<b>9h</b>	288510814	46293104
<b>i</b> Interest as applicable to end of plan year on lines 9f, 9g, and 9h.....	<b>9i</b>		5138268
<b>j</b> Full funding limitation (FFL) and credits:			
<b>(1)</b> ERISA FFL (accrued liability FFL).....	<b>9j(1)</b>	1420256666	
<b>(2)</b> "RPA '94" override (90% current liability FFL).....	<b>9j(2)</b>	2877500179	
<b>(3)</b> FFL credit.....	<b>9j(3)</b>		0
<b>k</b> <b>(1)</b> Waived funding deficiency.....	<b>9k(1)</b>		0
<b>(2)</b> Other credits.....	<b>9k(2)</b>		0
<b>l</b> Total credits. Add lines 9f through 9i, 9j(3), 9k(1), and 9k(2).....	<b>9l</b>		122901582
<b>m</b> Credit balance: If line 9l is greater than line 9e, enter the difference.....	<b>9m</b>		
<b>n</b> Funding deficiency: If line 9e is greater than line 9l, enter the difference.....	<b>9n</b>		730351023
<b>9o</b> Current year's accumulated reconciliation account:			
<b>(1)</b> Due to waived funding deficiency accumulated prior to the 2021 plan year.....	<b>9o(1)</b>		
<b>(2)</b> Due to amortization bases extended and amortized using the interest rate under section 6621(b) of the Code:			
<b>(a)</b> Reconciliation outstanding balance as of valuation date.....	<b>9o(2)(a)</b>		0
<b>(b)</b> Reconciliation amount (line 9c(3) balance minus line 9o(2)(a)).....	<b>9o(2)(b)</b>		0
<b>(3)</b> Total as of valuation date.....	<b>9o(3)</b>		0
<b>10</b> Contribution necessary to avoid an accumulated funding deficiency. (See instructions.).....	<b>10</b>		730351023
<b>11</b> Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions.....			<input checked="" type="checkbox"/> Yes <input 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

**2021**

**This Form is Open to Public Inspection.**

For calendar plan year 2021 or fiscal plan year beginning **01/01/2021**

and ending **12/31/2021**

**A** Name of plan

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**

**B** Three-digit

plan number (PN) ▶

**001**

**C** Plan sponsor's name as shown on line 2a of Form 5500

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**

**D** Employer Identification Number (EIN)

**11-6168763**

**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

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

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

THE SEGAL COMPANY (EASTERN STATES)

13-1835864

(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 50	SERVICE PROVIDER	851790	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)

BREDHOFF & KAISER, PLLC

52-0969534

(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?
29 50	SERVICE PROVIDER	593200	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)

MEKETA FIDUCIARY MANAGEMENT

100 LOWDER BROOK DRIVE SUITE 1100  
WESTWOOD, MA 02090

47-2126910

(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?
28 33 51 24	SERVICE PROVIDER	535000	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)

US BANK, NA

31-0841368

(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?
49 50 21	SERVICE PROVIDER	254641	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)

OLYMBEC USA LLC

1004 E. BROOKS RD  
MEMPHIS, TN 38116

98-0432884

(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?
49 50	SERVICE PROVIDER	196799	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)

1101 KERMIT DR, STE 800  
NASHVILLE, TN 37217

(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?
30 50	EMPLOYEE	193561	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)



1101 KERMIT DR, STE 800  
NASHVILLE, TN 37217

(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?
30 50	EMPLOYEE	190947	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)



1101 KERMIT DR, STE 800  
NASHVILLE, TN 37217

(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?
30 50	EMPLOYEE	166619	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)



1101 KERMIT DR, STE 800  
NASHVILLE, TN 37217

(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?
30 50	EMPLOYEE	152310	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)

CONCEPT TECHNOLOGY INC

47-0910634

(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?
49 50	SERVICE PROVIDER	151957	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)

1101 KERMIT DR, STE 800  
NASHVILLE, TN 37217

(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?
30 50	EMPLOYEE	134643	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)

1101 KERMIT DR, STE 800  
NASHVILLE, TN 37217

(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?
30 50	EMPLOYEE	132782	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)

[REDACTED]

1101 KERMIT DR, STE 800  
NASHVILLE, TN 37217

(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?
30 50	EMPLOYEE	123914	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)

[REDACTED]

1101 KERMIT DR, STE 800  
NASHVILLE, TN 37217

(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?
30 50	EMPLOYEE	122951	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)

[REDACTED]

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(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?
30 50	EMPLOYEE	115722	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).

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30 50	EMPLOYEE	114469	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)



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30 50	EMPLOYEE	111553	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"/>

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30 50	EMPLOYEE	110668	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"/>

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30 50	EMPLOYEE	108944	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)

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30 50	EMPLOYEE	107992	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"/>

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30 50	EMPLOYEE	103704	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"/>

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211 WHITSETT RD  
NASHVILLE, TN 37210

86-2511770

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36 49 50	SERVICE PROVIDER	103657	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)

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30 50	EMPLOYEE	103369	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)

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30 50	EMPLOYEE	100917	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"/>

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30 50	EMPLOYEE	96179	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"/>

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30 50	EMPLOYEE	96078	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"/>

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30 50	EMPLOYEE	95516	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"/>

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30 50	EMPLOYEE	95284	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"/>

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30 50	EMPLOYEE	92057	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"/>

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30 50	EMPLOYEE	87370	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"/>



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30 50	EMPLOYEE	86069	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"/>

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30 50	EMPLOYEE	84077	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"/>

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30 50	EMPLOYEE	83718	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"/>

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30 50	EMPLOYEE	83008	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"/>

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30 50	EMPLOYEE	81029	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"/>

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30 50	EMPLOYEE	80186	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"/>

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30 50	EMPLOYEE	80053	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"/>

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30 50	EMPLOYEE	79293	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"/>

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30 50	EMPLOYEE	77083	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"/>

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30 50	EMPLOYEE	76508	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"/>

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30 50	EMPLOYEE	75639	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"/>

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30 50	EMPLOYEE	74667	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"/>

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1101 KERMIT DRIVE SUITE 800  
NASHVILLE, TN 37217

(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?
30 50	EMPLOYEE	68012	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)

LBMC INFORMATION SECURITY LLC

26-3952990

(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?
49 50	SERVICE PROVIDER	59243	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)



1101 KERMIT DRIVE SUITE 800  
NASHVILLE, TN 37217

(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?
30 50	EMPLOYEE	57381	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)

1101 KERMIT DR, STE 800  
NASHVILLE, TN 37217

(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?
30 50	EMPLOYEE	48607	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)

CHERRY BEKAERT LLP

222 SECOND AVE SOUTH SUIT E1240  
NASHVILLE, TN 37201

56-0574444

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	SERVICE PROVIDER	43900	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)

ASYLAS, LLC

1900 PATTERSON ST. SUITE 101  
NASHVILLE, TN 37203

83-0663109

(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?
16 50	SERVICE PROVIDER	41134	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)

LEGACY PROFESSIONALS

4 WESTBROOK CORPORATE CENTER  
SUITE 700  
WESTCHESTER, IL 60154

32-0043599

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	SERVICE PROVIDER	41104	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)



1101 KERMIT DR, STE 800  
NASHVILLE, TN 37217

(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?
30 50	EMPLOYEE	32208	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)

PENSION BENEFIT INFORMATION

333 SOUTH SEVENTH ST STE 2400  
MINNEAPOLIS, MN 55402

94-2856521

(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?
49 50	SERVICE PROVIDER	31646	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)

SEGAL SELECT INSURANCE

46-0619194

(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?
22 53	SERVICE PROVIDER	0	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	30573	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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

1101 KERMIT DRIVE, SUITE 800  
NASHVILLE, TN 37217

(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?
30 50	EMPLOYEE	29266	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)

STERLING BUILDING SPECIALISTS

6064 APPLE TREE DR #4  
MEMPHIS, TN 38115

62-1727213

(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?
49 50	SERVICE PROVIDER	18998	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)

**[REDACTED] / GXI SERVICES** **500A RUSSELL ST  
NASHVILLE, TN 37206**

(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?
49 50	SERVICE PROVIDER	11371	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)

**NCCMP** **815 16TH ST. N.W.  
WASHINGTON, DC 20006**

52-1041104

(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?
49 50	SERVICE PROVIDER	8250	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)

**QDRO CONSULTANTS CO LLC**

34-1820650

(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?
49 50	SERVICE PROVIDER	6000	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"/>

**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
SEGAL SELECT INSURANCE	22 53	31268
(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.	
CHUBB  13-1963496	202B HALL'S MILL ROAD WHITEHOUSE STATION, NJ 08889	INSURANCE BROKER COMMISSIONS
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
SEGAL SELECT INSURANCE	22 53	26040
(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.	
RLI  37-0915434	9025 NORTH LINDBERGH DR PEORIA, IL 61615	INSURANCE BROKER COMMISSIONS
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
SEGAL SELECT INSURANCE	22 53	2635
(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.	
EUCLID SPECIALTY MANAGERS LLC.  45-3957469	234 SPRING LAKE DRIVE ITASCA, NY 60143	INSURANCE BROKER COMMISSIONS

**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
DE LAGE LANDEN  38-1904500	49 50	THE FUND WAS UNABLE TO DETERMINE IF THE SERVICE PROVIDER RECEIVED ANY INDIRECT COMPENSATION BECAUSE THE SERVICE PROVIDER DID NOT RESPOND TO THE COMPENSATION QUESTIONNAIRE.
EMBASSY SUITES  84-1958813	49 50	THE FUND WAS UNABLE TO DETERMINE IF THE SERVICE PROVIDER RECEIVED ANY INDIRECT COMPENSATION BECAUSE THE SERVICE PROVIDER DID NOT RESPOND TO THE COMPENSATION QUESTIONNAIRE.
JOURNEYTEAM 1624 WESTGATE CIRCLE #175 BRENTWOOD, TN 37027  20-3198246	16 50	THE FUND WAS UNABLE TO DETERMINE IF THE SERVICE PROVIDER RECEIVED ANY INDIRECT COMPENSATION BECAUSE THE SERVICE PROVIDER DID NOT RESPOND TO THE COMPENSATION QUESTIONNAIRE.
LOGMEIN PO BOX 412252 BOSTON, MA 02241-2252  02-0783048	49 50	THE FUND WAS UNABLE TO DETERMINE IF THE SERVICE PROVIDER RECEIVED ANY INDIRECT COMPENSATION BECAUSE THE SERVICE PROVIDER DID NOT RESPOND TO THE COMPENSATION QUESTIONNAIRE.
[REDACTED] 1101 KERMIT DR SUITE 800 NASHVILLE, TN 37217	30 50	THE FUND WAS UNABLE TO DETERMINE IF THE EMPLOYEE RECEIVED ANY INDIRECT COMPENSATION BECAUSE THE EMPLOYEE DID NOT RESPOND TO THE COMPENSATION QUESTIONNAIRE.
NEOPOST PO BOX 123689 DALLAS, TX 75312  94-2984524	49 50	THE FUND WAS UNABLE TO DETERMINE IF THE SERVICE PROVIDER RECEIVED ANY INDIRECT COMPENSATION BECAUSE THE SERVICE PROVIDER DID NOT RESPOND TO THE COMPENSATION QUESTIONNAIRE.

**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
<p>TRANSUNION RISK &amp; ALTERNATIVE DATA</p> <p>46-3901689</p>	<p>49 50</p>	<p>THE FUND WAS UNABLE TO DETERMINE IF THE SERVICE PROVIDER RECEIVED ANY INDIRECT COMPENSATION BECAUSE THE SERVICE PROVIDER DID NOT RESPOND TO THE COMPENSATION QUESTIONNAIRE.</p>



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

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

**SCHEDULE D  
(Form 5500)**Department of the Treasury  
Internal Revenue ServiceDepartment of Labor  
Employee Benefits Security Administration**DFE/Participating Plan 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

**2021****This Form is Open to Public Inspection.**For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

<b>A</b> Name of plan <u>PACE INDUSTRY UNION-MANAGEMENT PENSION FUND</u>	<b>B</b> Three-digit plan number (PN) ▶ <u>001</u>
<b>C</b> Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>PACE INDUSTRY UNION-MANAGEMENT PENSION FUND</u>	<b>D</b> Employer Identification Number (EIN) <u>11-6166763</u>

**Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**  
(Complete as many entries as needed to report all interests in DFEs)

<b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>MSCI EAFE INDX NL FUND</u>	<b>b</b> Name of sponsor of entity listed in (a): <u>MEKETA FIDUCIARY MANAGEMENT, LLC.</u>	
<b>c</b> EIN-PN <u>04-0025081-182</u>	<b>d</b> Entity code <u>C</u>	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>105356139</u>
<b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>RUSSELL 3000 R INDX NL FUND</u>	<b>b</b> Name of sponsor of entity listed in (a): <u>MEKETA FIDUCIARY MANAGEMENT, LLC.</u>	
<b>c</b> EIN-PN <u>04-0025081-042</u>	<b>d</b> Entity code <u>C</u>	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>213438318</u>
<b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>U.S. REIT INDX NL FUND</u>	<b>b</b> Name of sponsor of entity listed in (a): <u>MEKETA FIDUCIARY MANAGEMENT, LLC.</u>	
<b>c</b> EIN-PN <u>04-0025081-327</u>	<b>d</b> Entity code <u>C</u>	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>88742201</u>
<b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>U.S. TIPS INDX NL FUND</u>	<b>b</b> Name of sponsor of entity listed in (a): <u>MEKETA FIDUCIARY MANAGEMENT, LLC.</u>	
<b>c</b> EIN-PN <u>04-0025081-152</u>	<b>d</b> Entity code <u>C</u>	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>14817390</u>
<b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>MSCI EMERGING MARKETS INDEX</u>	<b>b</b> Name of sponsor of entity listed in (a): <u>MEKETA FIDUCIARY MANAGEMENT, LLC.</u>	
<b>c</b> EIN-PN <u>04-0025081-192</u>	<b>d</b> Entity code <u>C</u>	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>57090448</u>
<b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>WCM FOCUSED GLOBAL GROWTH FUND</u>	<b>b</b> Name of sponsor of entity listed in (a): <u>NO SPONSOR RECORDED</u>	
<b>c</b> EIN-PN <u>47-5599419-000</u>	<b>d</b> Entity code <u>C</u>	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>119926239</u>
<b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>SSGA GLOBAL LG-MID NR INDEX</u>	<b>b</b> Name of sponsor of entity listed in (a): <u>MEKETA FIDUCIARY MANAGEMENT, LLC.</u>	
<b>c</b> EIN-PN <u>90-0337987-287</u>	<b>d</b> Entity code <u>C</u>	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>37857807</u>

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

Schedule D (Form 5500) 2021  
v. 201209

**a** Name of MTIA, CCT, PSA, or 103-12 IE: **PAYDEN & RYGEL EM MARKETS**

**b** Name of sponsor of entity listed in (a): **GLOBAL TRUST COMPANY**

<b>c</b> EIN-PN <b>37-6667944-001</b>	<b>d</b> Entity code <b>C</b>	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <b>33223789</b>
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**a** Name of MTIA, CCT, PSA, or 103-12 IE: **BH-DG**

**b** Name of sponsor of entity listed in (a): **[REDACTED]**

<b>c</b> EIN-PN <b>98-1411058-001</b>	<b>d</b> Entity code <b>E</b>	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <b>28840527</b>
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**a** Name of MTIA, CCT, PSA, or 103-12 IE: **KOPERNIK GLOBAL ALL CAP**

**b** Name of sponsor of entity listed in (a): **SEI TRUST COMPANY**

<b>c</b> EIN-PN <b>82-2022303-126</b>	<b>d</b> Entity code <b>C</b>	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <b>50801412</b>
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**a** Name of MTIA, CCT, PSA, or 103-12 IE: **RUSSELL 1000 VALUE INDEX**

**b** Name of sponsor of entity listed in (a): **MEKETA FIDUCIARY MANAGEMENT, LLC.**

<b>c</b> EIN-PN <b>90-0337987-015</b>	<b>d</b> Entity code <b>C</b>	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <b>45609945</b>
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**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

<b>c</b> EIN-PN	<b>d</b> Entity code	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

<b>c</b> EIN-PN	<b>d</b> Entity code	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

<b>c</b> EIN-PN	<b>d</b> Entity code	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

<b>c</b> EIN-PN	<b>d</b> Entity code	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

<b>c</b> EIN-PN	<b>d</b> Entity code	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

<b>c</b> EIN-PN	<b>d</b> Entity code	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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<b>Part II</b>	<b>Information on Participating Plans (to be completed by DFEs)</b> (Complete as many entries as needed to report all participating plans)
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<b>a</b>	Plan name
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<b>b</b>	Name of plan sponsor
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<b>c</b>	EIN-PN
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<b>a</b>	Plan name
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<b>b</b>	Name of plan sponsor
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<b>c</b>	EIN-PN
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<b>a</b>	Plan name
----------	-----------

<b>b</b>	Name of plan sponsor
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<b>c</b>	EIN-PN
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<b>a</b>	Plan name
----------	-----------

<b>b</b>	Name of plan sponsor
----------	----------------------

<b>c</b>	EIN-PN
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<b>a</b>	Plan name
----------	-----------

<b>b</b>	Name of plan sponsor
----------	----------------------

<b>c</b>	EIN-PN
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<b>a</b>	Plan name
----------	-----------

<b>b</b>	Name of plan sponsor
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<b>c</b>	EIN-PN
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<b>a</b>	Plan name
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<b>b</b>	Name of plan sponsor
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<b>c</b>	EIN-PN
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<b>a</b>	Plan name
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<b>b</b>	Name of plan sponsor
----------	----------------------

<b>c</b>	EIN-PN
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<b>a</b>	Plan name
----------	-----------

<b>b</b>	Name of plan sponsor
----------	----------------------

<b>c</b>	EIN-PN
----------	--------

<b>a</b>	Plan name
----------	-----------

<b>b</b>	Name of plan sponsor
----------	----------------------

<b>c</b>	EIN-PN
----------	--------

<b>a</b>	Plan name
----------	-----------

<b>b</b>	Name of plan sponsor
----------	----------------------

<b>c</b>	EIN-PN
----------	--------

<b>a</b>	Plan name
----------	-----------

<b>b</b>	Name of plan sponsor
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<b>c</b>	EIN-PN
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**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

**2021**

**This Form is Open to Public Inspection**

For calendar plan year 2021 or fiscal plan year beginning **01/01/2021** and ending **12/31/2021**

<b>A</b> Name of plan <b>PACE INDUSTRY UNION-MANAGEMENT PENSION FUND</b>		<b>B</b> Three-digit plan number (PN) ▶	<b>001</b>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <b>PACE INDUSTRY UNION-MANAGEMENT PENSION FUND</b>		<b>D</b> Employer Identification Number (EIN) <b>11-6166763</b>	

**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.

<b>Assets</b>		<b>(a) Beginning of Year</b>	<b>(b) End of Year</b>
<b>a</b> Total noninterest-bearing cash.....	<b>1a</b>	60860766	53709853
<b>b</b> Receivables (less allowance for doubtful accounts):			
<b>(1)</b> Employer contributions .....	<b>1b(1)</b>	4595657	2764334
<b>(2)</b> Participant contributions.....	<b>1b(2)</b>		
<b>(3)</b> Other .....	<b>1b(3)</b>	2933799	2920551
<b>c</b> General investments:			
<b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....	<b>1c(1)</b>		
<b>(2)</b> U.S. Government securities .....	<b>1c(2)</b>		
<b>(3)</b> Corporate debt instruments (other than employer securities):			
<b>(A)</b> Preferred .....	<b>1c(3)(A)</b>		
<b>(B)</b> All other .....	<b>1c(3)(B)</b>		
<b>(4)</b> Corporate stocks (other than employer securities):			
<b>(A)</b> Preferred .....	<b>1c(4)(A)</b>		
<b>(B)</b> Common .....	<b>1c(4)(B)</b>		
<b>(5)</b> Partnership/joint venture interests .....	<b>1c(5)</b>	144677822	158868830
<b>(6)</b> Real estate (other than employer real property) .....	<b>1c(6)</b>		
<b>(7)</b> Loans (other than to participants).....	<b>1c(7)</b>		
<b>(8)</b> Participant loans .....	<b>1c(8)</b>		
<b>(9)</b> Value of interest in common/collective trusts .....	<b>1c(9)</b>	589662813	493435643
<b>(10)</b> Value of interest in pooled separate accounts .....	<b>1c(10)</b>		
<b>(11)</b> Value of interest in master trust investment accounts .....	<b>1c(11)</b>		
<b>(12)</b> Value of interest in 103-12 investment entities .....	<b>1c(12)</b>	26530769	28840527
<b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds) .....	<b>1c(13)</b>	718187005	646824716
<b>(14)</b> Value of funds held in insurance company general account (unallocated contracts).....	<b>1c(14)</b>		
<b>(15)</b> Other.....	<b>1c(15)</b>	120355068	297934157



		(a) Beginning of Year	(b) End of Year
<b>1d</b>	Employer-related investments:		
(1)	Employer securities.....	<b>1d(1)</b>	
(2)	Employer real property.....	<b>1d(2)</b>	
<b>e</b>	Buildings and other property used in plan operation.....	<b>1e</b>	275625 539010
<b>f</b>	Total assets (add all amounts in lines 1a through 1e).....	<b>1f</b>	1668079324 1685837621
<b>Liabilities</b>			
<b>g</b>	Benefit claims payable.....	<b>1g</b>	
<b>h</b>	Operating payables.....	<b>1h</b>	730767 508473
<b>i</b>	Acquisition indebtedness.....	<b>1i</b>	
<b>j</b>	Other liabilities.....	<b>1j</b>	20510952 20480125
<b>k</b>	Total liabilities (add all amounts in lines 1g through 1j).....	<b>1k</b>	21241719 20988598
<b>Net Assets</b>			
<b>l</b>	Net assets (subtract line 1k from line 1f).....	<b>1l</b>	1646837605 1664849023

**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
<b>Income</b>			
<b>a</b>	<b>Contributions:</b>		
(1)	Received or receivable in cash from: (A) Employers.....	<b>2a(1)(A)</b>	19548916
	(B) Participants.....	<b>2a(1)(B)</b>	
	(C) Others (including rollovers).....	<b>2a(1)(C)</b>	51847423
(2)	Noncash contributions.....	<b>2a(2)</b>	
(3)	Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2).....	<b>2a(3)</b>	71396339
<b>b</b>	<b>Earnings on investments:</b>		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	<b>2b(1)(A)</b>	
	(B) U.S. Government securities.....	<b>2b(1)(B)</b>	
	(C) Corporate debt instruments.....	<b>2b(1)(C)</b>	
	(D) Loans (other than to participants).....	<b>2b(1)(D)</b>	
	(E) Participant loans.....	<b>2b(1)(E)</b>	
	(F) Other.....	<b>2b(1)(F)</b>	73870
	(G) Total interest. Add lines 2b(1)(A) through (F).....	<b>2b(1)(G)</b>	73870
(2)	Dividends: (A) Preferred stock.....	<b>2b(2)(A)</b>	
	(B) Common stock.....	<b>2b(2)(B)</b>	
	(C) Registered investment company shares (e.g. mutual funds).....	<b>2b(2)(C)</b>	15116417
	(D) Total dividends. Add lines 2b(2)(A), (B), and (C).....	<b>2b(2)(D)</b>	15116417
(3)	Rents.....	<b>2b(3)</b>	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds.....	<b>2b(4)(A)</b>	1221854381
	(B) Aggregate carrying amount (see instructions).....	<b>2b(4)(B)</b>	1126786782
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	<b>2b(4)(C)</b>	95067599
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate.....	<b>2b(5)(A)</b>	
	(B) Other.....	<b>2b(5)(B)</b>	1603599
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	<b>2b(5)(C)</b>	1603599



		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		32156039
(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)		24753294
<b>c</b> Other income.....	<b>2c</b>		203404
<b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total.....	<b>2d</b>		240370561
<b>Expenses</b>			
<b>e</b> Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	212279560	
(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)		212279560
<b>f</b> Corrective distributions (see instructions).....	<b>2f</b>		
<b>g</b> Certain deemed distributions of participant loans (see instructions).....	<b>2g</b>		
<b>h</b> Interest expense.....	<b>2h</b>		381031
<b>i</b> Administrative expenses: (1) Professional fees.....	2i(1)	1248115	
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)	2154930	
(4) Other.....	2i(4)	6295507	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		9698552
<b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total.....	<b>2j</b>		222359143
<b>Net Income and Reconciliation</b>			
<b>k</b> Net income (loss). Subtract line 2j from line 2d.....	<b>2k</b>		18011418
<b>l</b> 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 Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

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

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

(1) Name: CHERRY BEKAERT, LLP

(2) EIN: 56-0574444

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.).....

	Yes	No	Amount
4a		X	

		Yes	No	Amount
<b>b</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.)	<b>4b</b>		X	
<b>c</b> 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.)	<b>4c</b>		X	
<b>d</b> 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.)	<b>4d</b>		X	
<b>e</b> Was this plan covered by a fidelity bond?	<b>4e</b>	X		1000000
<b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	<b>4f</b>		X	
<b>g</b> 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?	<b>4g</b>	X		466968321
<b>h</b> 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?	<b>4h</b>		X	
<b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	<b>4i</b>	X		
<b>j</b> 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.)	<b>4j</b>	X		
<b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	<b>4k</b>		X	
<b>l</b> Has the plan failed to provide any benefit when due under the plan?	<b>4l</b>		X	
<b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	<b>4m</b>			
<b>n</b> 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.	<b>4n</b>			

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

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

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

**5c** Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.)  Yes  No  Not determined  
 If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 442339.



**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

**2021**

**This Form is Open to Public Inspection.**

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

<b>A</b> Name of plan <u>PACE INDUSTRY UNION-MANAGEMENT PENSION FUND</u>		<b>B</b> Three-digit plan number (PN) ▶ <u>001</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <u>PACE INDUSTRY UNION-MANAGEMENT PENSION FUND</u>		<b>D</b> Employer Identification Number (EIN) <u>11-6166763</u>

**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** 0

**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): 62-1132799

**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** 82

**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.**

<b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....	<b>6a</b>
<b>b</b> Enter the amount contributed by the employer to the plan for this plan year.....	<b>6b</b>
<b>c</b> 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).....	<b>6c</b>

**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 **CLEARWATER PAPER CORPORATION**

**b** EIN **20-3594554** **c** Dollar amount contributed by employer **5397395**

**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 08 Day 31 Year 2025

**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) 2.79

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

**a** Name of contributing employer **CROWLEY PETROLEUM DISTRIBUTION ALASKA**

**b** EIN **36-4714854** **c** Dollar amount contributed by employer **7300468**

**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 31 Year 2023

**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) 3.16

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

**a** Name of contributing employer **HUHTAMAKI AMERICAS INC**

**b** EIN **98-0338708** **c** Dollar amount contributed by employer **3803284**

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box  and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box  and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box  and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box  and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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



**14** Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

<b>a</b> The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: <input checked="" type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment).....	<b>14a</b>	55238
<b>b</b> The plan year immediately preceding the current plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	<b>14b</b>	56532
<b>c</b> The second preceding plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	<b>14c</b>	57070

**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:

<b>a</b> The corresponding number for the plan year immediately preceding the current plan year.....	<b>15a</b>	0.98
<b>b</b> The corresponding number for the second preceding plan year.....	<b>15b</b>	0.99

**16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

<b>a</b> Enter the number of employers who withdrew during the preceding plan year.....	<b>16a</b>	0
<b>b</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.....	<b>16b</b>	0

**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: 58.0 % Investment-Grade Debt: 29.0 % High-Yield Debt: 6.0 % Real Estate: 0.0 % Other: 7.0 %

**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 \_\_\_\_\_

**PACE INDUSTRY UNION-MANAGEMENT  
PENSION FUND**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTAL SCHEDULES**

*As of and for the Years Ended December 31, 2021 and 2020*

*And Report of Independent Auditor*



**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
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## Report of Independent Auditor

To the Board of Trustees  
PACE Industry Union-Management Pension Fund  
Nashville, Tennessee

### Opinion

We have audited the accompanying financial statements of PACE Industry Union-Management Pension Fund (the "Fund"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), which comprise the statements of net assets available for benefits as of December 31, 2021 and 2020, the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding The Fund's net assets available for benefits as of December 31, 2021, and changes therein for the year then ended and its financial status as of December 31, 2020, and changes therein for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

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

### Emphasis of Matter

As discussed in Note 5, the Fund's actuary certified that the Fund is in "critical status" as defined by the Pension Protection Act of 2006. Additionally, at January 1, 2021, the Fund did not meet the minimum funding requirements of the Employee Retirement Income Security Act of 1974 ("ERISA"). Our opinion is not modified with respect to that matter.

### Responsibilities of Management for the Financial Statements

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

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Exercise professional judgment and maintain professional skepticism through the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions of events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

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

### **Supplemental Schedules Required by ERISA**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules, Schedule of Assets (Held at End of Year) – Form 5500, Schedule H, Part IV, Line 4i as of December 31, 2021 and Schedule of Reportable Transactions – Form 5500, Schedule H, Part IV, Line 4j for the year then ended, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedules is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

*Cherry Bekaert LLP*

Nashville, Tennessee  
October 6, 2022

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**

DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Investments, at fair value:		
Mutual funds	\$ 646,824,716	\$ 718,187,005
Collective trust funds	596,136,036	589,662,813
Commingled funds	195,233,764	120,355,068
Fund interests in limited partnerships ("LPs")	<u>187,709,357</u>	<u>171,208,591</u>
Total Investments, at Fair Value	<u>1,625,903,873</u>	<u>1,599,413,477</u>
Receivables:		
Employer contributions (net of allowance for uncollectible accounts of \$64,077 in 2021 and \$78,839 in 2020)	2,762,743	3,963,821
Receivable from USW Industry 401(k) Fund	2,137,031	2,167,919
Receivable from USW HRA Fund	783,520	765,880
Other	<u>1,591</u>	<u>631,836</u>
Total Receivables	<u>5,684,885</u>	<u>7,529,456</u>
Furniture and equipment, net	80,845	112,929
Other assets	458,168	162,696
Cash	<u>53,709,853</u>	<u>60,860,766</u>
<b>Total Assets</b>	<u>1,685,837,624</u>	<u>1,668,079,324</u>
<b>LIABILITIES</b>		
Postretirement benefit obligations	20,480,125	20,510,952
Accounts payable and accrued expenses	<u>508,473</u>	<u>730,767</u>
<b>Total Liabilities</b>	<u>20,988,598</u>	<u>21,241,719</u>
<b>Net Assets Available for Benefits</b>	<u>\$ 1,664,849,026</u>	<u>\$ 1,646,837,605</u>

The accompanying notes to the financial statements are an integral part of these statements.

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**

YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
Additions to net assets attributed to:		
Net change resulting from investment activity:		
Net appreciation in fair value of investments	\$ 154,010,382	\$ 162,562,697
Interest and dividend income	15,116,417	12,179,388
Total Investment Income	<u>169,126,799</u>	<u>174,742,085</u>
Less investment expenses	<u>2,154,930</u>	<u>1,142,842</u>
	166,971,869	173,599,243
Fund interest in limited partnerships – (decrease) increase in partners' capital resulting from operations	<u>(429,849)</u>	<u>43,707</u>
Net change resulting from investment activity	<u>166,542,020</u>	<u>173,642,950</u>
Contributions:		
Participating employers	12,895,616	13,014,653
Withdrawal liability payments	51,847,423	96,887,592
Funding deficiency payments	<u>6,727,171</u>	<u>4,180,182</u>
Total Contributions	<u>71,470,210</u>	<u>114,082,427</u>
Securities litigation recoveries	-	1,407
Other income	<u>203,404</u>	<u>923,659</u>
Total Additions	<u>238,215,634</u>	<u>288,650,443</u>
Deductions from net assets attributed to:		
Benefits paid	212,660,591	209,464,088
Professional services	1,051,316	1,746,229
Salaries and other employee benefits, net of reimbursements	3,303,729	6,542,709
Other general and administrative expenses	<u>3,188,577</u>	<u>3,221,188</u>
Total Deductions	<u>220,204,213</u>	<u>220,974,214</u>
Net increase	18,011,421	67,676,229
Net assets available for benefits, beginning of year	<u>1,646,837,605</u>	<u>1,579,161,376</u>
Net assets available for benefits, end of year	<u>\$ 1,664,849,026</u>	<u>\$ 1,646,837,605</u>

The accompanying notes to the financial statements are an integral part of these statements.

# PACE INDUSTRY UNION-MANAGEMENT PENSION FUND

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

---

### Note 1—Description of plan

The following description of the PACE Industry Union-Management Pension Fund (the “Fund”) provides only general information. Participants should refer to the Fund’s plan of benefits (the “Plan”) for a more complete description of the Plan’s provisions.

*General Description of Plan* – The multiemployer defined benefit program was established in 1963. The Plan was restated in 2002, 2009, and 2015. The more significant provisions of the multiemployer defined benefit program are as follows:

- (i) Participating employers contribute amounts based upon the contribution rates that have been agreed to in their collective bargaining agreements with the sponsoring union and participation agreements with the Plan. The collective bargaining agreements require contributions to the Plan at fixed rates per hour. Such contributions are required to be remitted to the Plan monthly. No employee contributions are permitted.
- (ii) An employee who is engaged in covered employment, as defined, shall become a participant in the Plan on the earliest of January 1 or July 1 following completion of a 12-month period beginning on the employee’s hire date (or in calendar years thereafter) during which the employee has at least 1,000 hours of service in covered employment and is age 21 or older. Program G (see below) requires completion of 150 hours in covered employment during a similar 12-month period for employees hired on or after January 1, 1994 (the requirement is 750 hours in covered employment during a similar 12 month period for employees hired on or before December 31, 1993).
- (iii) The Plan provides for several different types of pension and other forms of benefits. Participants’ benefits are determined based on each participant’s pension credits and benefit levels. The Plan is comprised of several programs that determine pension credit as follows:

*Future Service Credit* – Future service credit is based on hours of service in covered employment and generally includes all hours in covered employment which are paid by an employer. Subject to certain limitations, hours may also be credited for certain non-working periods.

*Programs A, B, C, D, E, & F* – Participants receive one full year of future service credit for each calendar year in which they have at least 1,760 hours (effective January 1, 2011 this requirement increased to 2,040 hours for most participants) for which contributions are due from a contributing employer on their behalf. Participants may also receive a partial year of future service credit for calendar years in which they have less than 1,760 hours (effective January 1, 2011 this requirement increased to 2,040 hours for most participants).

*Program G* – Participants receive one full year of future service credit for each calendar year in which they have at least 1,800 hours (effective January 1, 2011 this requirement increased to 2,040 hours) for which contributions are due on their behalf. Participants may also receive a partial year of future service credit for calendar years in which they have less than 1,800 hours (effective January 1, 2011 this requirement increased to 2,040 hours).

*Past Service Credit* – Past service credit is pension credit for work performed before an employer started contributing to the Plan.

*Programs A, B, C, D, E, & F* – Participants qualify for past service credit if they satisfy certain requirements. Subject to several restrictions, including type of eligible employment, participants may receive one year of past service credit for each calendar year in which they worked at least 1,200 hours in creditable employment. A partial year of past service credit for the calendar year in which covered employment or creditable employment starts may also be received. Under Programs A, B, and C, past service is available for both vesting and pension credit purposes. Under Programs D, E, and F, on or after January 1, 1999, it is available only for vesting purposes.

# PACE INDUSTRY UNION-MANAGEMENT PENSION FUND

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

---

### Note 1—Description of plan (continued)

*Program G* – Participants qualify for past service credit if they satisfy certain requirements. Subject to several restrictions, including type of eligible employment, participants may receive one year of past service credit for each calendar year in which they worked at least 150 days.

For employees of employers that begin participating in the Fund on or after January 1, 2006, past service credit is limited to time worked at the facility for which the employer makes contributions to the Fund, subject to limitations as determined by the Fund's actuary.

Participants are vested after earning five years of vesting credit.

*Amendments* – Certain provisions of the Plan have been amended by the Trustees. Participants should refer to the Summary Plan Description and Summaries of Material Modifications ("SMM") for the details of such amendments and their impact on the benefits provided under the Plan. The effects of the amendments adopted by the Trustees subsequent to January 1, 2021 have not been included in the actuarial studies disclosed in Note 5.

*Fund Termination* – It is the intent of the Trustees to continue the Fund in full force and effect. However, the Trustees have the right to discontinue or terminate the Plan in whole or in part. Termination shall not permit any part of the Fund's assets to be used for or diverted to purposes other than the exclusive benefit of the pensioners, beneficiaries and participants. In the event the Fund terminates, the net assets of the Fund will be allocated as prescribed by the Plan and ERISA.

In addition, certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation ("PBGC") if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. The PBGC does not guarantee all types of benefits and the amount of any individual participant's benefit protection is subject to certain limitations, particularly with respect to benefit increases as a result of Plan amendments in effect for less than five years. Some benefits may be fully or partially provided for while other benefits may not be provided at all.

### Note 2—Summary of significant accounting policies

*Basis of Accounting* – The accompanying financial statements are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

*Investment Valuation and Income Recognition* – Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Quoted market prices as of the last day of the year, whenever available, are used to value investments. See Note 3 for a discussion of fair value measurements.

Mutual funds, commingled funds, and collective trust funds are valued at the net asset value ("NAV") of shares held by the Fund at year end. Mutual funds are registered investment companies with quoted prices that are publicly accessible.

The Fund's interests in the limited partnerships are valued at fair value as determined by the limited partnership custodian based on the beginning of year value of the Fund's interest plus actual contributions and allocated investment income, less actual distributions and allocated administrative expenses.

The Fund's purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date. Net appreciation in the fair value of investments includes the Fund's gains and losses on investments bought and sold, as well as, held during the year.



**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2021 AND 2020

---

**Note 2—Summary of significant accounting policies (continued)**

*Employer Contributions* – Employer contributions receivable are recorded as they become due. The carrying amounts of receivables are reduced by valuation allowances, if necessary, which reflect the Fund's best estimate of the amounts that will not be collected. Such allowances are estimated based on the Fund's knowledge of its participating employers. Any withdrawal liabilities due to the Fund are recognized as income when received due to the uncertainties surrounding ultimate collection.

*Furniture and Equipment* – Furniture and equipment are stated at cost. Depreciation is provided over the assets' estimated useful lives using the straight-line method. Expenditures for maintenance and repairs are expensed when incurred. Expenditures for renewals or betterments are capitalized. When assets are retired or sold, the cost and the related accumulated depreciation are removed from the accounts, and the resulting gain or loss is included in the statement of changes in net assets available for benefits.

*Payment of Benefits* – Benefits are recorded when paid.

*Accumulated Plan Benefits* – Accumulated plan benefits for the multiemployer defined benefit program are those estimated future periodic payments, including lump-sum distributions, under the Plan's provisions that are attributable to services rendered by the participants to the valuation date. Accumulated plan benefits include benefits expected to be paid to: (a) retired or terminated vested participants or their beneficiaries, (b) beneficiaries of participants who have died, and (c) present participants or their beneficiaries.

Benefits are based on the benefit level negotiated by participating employers in their participation agreements with the Fund. Benefits for retired or terminated participants or their beneficiaries are based on employees' benefit levels at the time of retirement or termination. The accumulated plan benefits for active participants are based on the benefit levels in effect on the date as of which the benefit information is presented. Benefits payable under all circumstances (retirement, death, disability, and termination of employment) are included to the extent they are deemed attributable to participant service rendered as of the valuation date.

The estimated actuarial present value of accumulated plan benefits is determined by the Fund's actuary and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuations are (a) life expectancy of participants was measured using the RP-2006 Blue Collar Employee Mortality Table with generational projection using Scale MP2019 from 2006, RP-2006 Blue Collar Healthy Annuitant Mortality Table with generational projection using Scale MP2019 from 2006, and RP-2006 Disabled Retiree Mortality Table with generational projection using Scale MP2019 from 2006, (b) retirement age assumptions based on historical and current demographic data (the assumed retirement age range was 55 to 70+), and (c) an investment return of 6.5%.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

# PACE INDUSTRY UNION-MANAGEMENT PENSION FUND

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

---

### **Note 2—Summary of significant accounting policies (continued)**

*Postretirement Benefits Other Than Pensions for Fund Employees* – Employees of the Fund that were hired on or before December 31, 2010, who have rendered at least 5 years of service to the Fund and reached age 50 or are totally and permanently disabled are entitled to postretirement health and dental care. These benefits are subject to deductibles, copayment provisions and other limitations. The Fund reserves the right to change or terminate the benefits at any time. In addition to health and dental care, the Fund provides death benefits to the beneficiaries of such employees and certain qualified retirees of the Fund in an amount rounded up to the nearest thousand dollars, equal to the employee's annual salary at death or the retiree's salary at retirement.

Postretirement benefits, other than pensions, are accrued based on actuarially determined costs during an employee's period of service. The Fund recognizes actuarial gains and losses in the year incurred. The obligation for postretirement benefits is measured annually and changes in the obligation are included in the accompanying financial statements.

*Reimbursed Expenses* – The Fund has entered into an agreement to provide management and other services for the operations of the USW HRA Fund ("HRA") and the USW Industry 401(k) Fund ("USW 401(k)"). As part of this agreement, the Fund charges HRA and USW 401(k) a monthly allocation of costs incurred on their behalf. The amount of costs allocated to the respective funds are based upon various factors such as specific identification of direct expenses, which include salaries and employee benefits, and appropriate allocations for other common administrative and occupancy expenses.

The Fund allocated \$268,519 and \$323,395 of expenses to the HRA during 2021 and 2020, respectively. The Fund allocated \$669,555 and \$887,170 of expenses to the USW 401(k) during 2021 and 2020, respectively. The Fund records the reimbursement of these allocated costs as a reduction to salaries and other employee benefits in the accompanying statements of changes in net assets available for benefits.

*Use of Estimates* – The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

*Withdrawal Liability* – The Fund complies with provisions of the Multiemployer Pension Plan Amendments Act of 1980 that require imposition of withdrawal liability on a contributing employer that partially or completely withdraws from the Fund. The Trustees adopted the attributable method for determining withdrawal liability. Payments of withdrawal liability by a participating employer are recognized as income when received prior to end of year, or soon after year end if such payment was expected for prior year, due to uncertainty of receipt and inability to estimate the likelihood of receipt.

*Funding Deficiency Payments* – The Fund has a deficiency in its funding standard account and is allocating the deficiency to employers under the terms of the Fund's rehabilitation plan. Contributions made to the funding standard account by employers are recognized as income when received due to uncertainty of receipt and inability to estimate the likelihood of receipt.

*Date of Management's Review* – Subsequent events were evaluated through October 6, 2022, which was the date the financial statements were available to be issued.

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2021 AND 2020

**Note 3—Fair value measurements**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Fund has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used at December 31, 2021 and 2020.

*Mutual Funds, Collective Trust Funds and Commingled Funds* – Valued at NAV of shares held by the Fund at year end.

The following tables set forth by level, within the fair value hierarchy, the Fund's assets at fair value at December 31, 2021 and 2020.

**Assets at Fair Value at December 31, 2021**

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Mutual funds	\$ 596,023,304	\$ 50,801,412	\$ -	\$ 646,824,716
Collective trust funds - Index funds	562,912,248	-	-	562,912,248
Collective trust funds - Bond funds	-	33,223,789	-	33,223,789
Total investments in the fair value hierarchy	1,158,935,552	84,025,201	-	1,242,960,753
Investments measured at NAV (*)	-	-	-	382,943,120
Total assets, at fair value	<u>\$ 1,158,935,552</u>	<u>\$ 84,025,201</u>	<u>\$ -</u>	<u>\$ 1,625,903,873</u>

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2021 AND 2020

**Note 3—Fair value measurements (continued)**

	<b>Assets at Fair Value at December 31, 2020</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Mutual funds	\$ 208,343,441	\$ 509,843,564	\$ -	\$ 718,187,005
Collective trust funds - Index funds	452,106,670	9,245,653	-	461,352,323
Collective trust funds - Bond funds	-	36,902,125	-	36,902,125
Commingled funds	75,268,994			75,268,994
Total investments in the fair value hierarchy	735,719,105	555,991,342	-	1,291,710,447
Investments measured at NAV (*)	-	-	-	307,703,030
Total assets, at fair value	<u>\$ 735,719,105</u>	<u>\$ 555,991,342</u>	<u>\$ -</u>	<u>\$ 1,599,413,477</u>

(\*) In accordance with Subtopic 820-10, certain investments that are measured at fair value using NAV per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

*Fair Value of Investments that Calculate Net Asset Value or its Equivalent*

The following tables summarize investments measured at fair value based on NAV per share or its equivalent as a practical expedient as of December 31, 2021 and 2020, respectively.

<b>December 31, 2021</b>	<b>Fair Value</b>	<b>Unfunded Commitments</b>	<b>Redemption Frequency (if currently eligible)</b>	<b>Redemption Notice Period</b>
Hedge fund II (b)	\$ 20,794,603	None	See (b)	See (b)
Hedge fund III (c)	28,840,527	None	See (c)	See (c)
Hedge fund IV (d)	38,942,590	None	See (d)	See (d)
Hedge fund V (e)	21,679,472	None	See (e)	See (e)
Hedge fund VI (f)	16,304,224	None	See (f)	See (f)
Hedge fund VII (g)	84,881,351	None	See (g)	See (g)
Global equity fund	119,926,239	None	None	None
Global growth fund	51,574,114	None	None	None
Private Equity Fund I	-	\$ 30,000,000	Illiquid	Illiquid

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2021 AND 2020

**Note 3—Fair value measurements (continued)**

<u>December 31, 2020</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if currently eligible)</u>	<u>Redemption Notice Period</u>
Real estate debt fund (a)	\$ 443,990	None	See (a)	See (a)
Hedge fund II (b)	22,893,444	None	See (b)	See (b)
Hedge fund III (c)	26,530,769	None	See (c)	See (c)
Hedge fund IV (d)	22,192,630	None	See (d)	See (d)
Hedge fund V (e)	33,208,758	None	See (e)	See (e)
Global equity fund	91,408,365	None	None	None
Global growth fund	111,025,074	None	None	None

(a) *Real Estate Debt Fund* – The investment objective is to provide investors with attractive risk-adjusted returns through various real estate market cycles by primarily investing, directly or indirectly, in public and/or private debt and, to a lesser extent, in non-controlling equity and other interests in or relating to real estate related equity investments. Except as provided in the fund’s agreement, withdrawals were not authorized until the fund terminated in June 2021.

(b) *Hedge Fund II* – The fund has withdrawal provisions that apply to the Fund’s investment. Withdrawals can be made with 30-days’ notice to the fund. Redemptions can be gated up to 25% at the discretion of the fund’s board.

(c) *Hedge Fund III* – There is a 10% holdback on total redemptions that is held in escrow until final NAV is calculated, 20 days after month end.

(d) *Hedge Fund IV* – The fund has withdrawal provisions that apply to the Fund’s investment. Such provisions require a 1 year rolling soft lock-up period, and generally limit the timing of withdrawals that can be made by the Fund to quarterly, with 90 days pre-notification after the lock-up period. There is also a 5% holdback on total redemptions that is held in escrow until completion of the fund’s audit. As of December 31, 2020, the investment closed and 95% of funds were returned with the remaining 5% holdback paid in March 2021.

(e) *Hedge Fund V* - The fund has withdrawal provisions that apply to the Fund’s investment. Such provisions require a 4-year rolling lock-up period, and generally limit the timing of withdrawals that can be made with 45-days’ notice to the fund, with 90 days pre-notification after the lock-up period. There is also a 5% holdback on total redemptions that is held in escrow until completion of the fund’s audit.

(f) *Hedge Fund VI* - The fund has withdrawal provisions that apply to the Fund’s investment. Such provisions require a 1 year rolling soft lock-up period, and generally limit the timing of withdrawals that can be made by the Fund to monthly, with 60 days pre-notification after the lock-up period. There is also a 5% holdback on total redemptions that is held in escrow until completion of the fund’s audit.

(g) *Hedge Fund VII* - The fund has withdrawal provisions that apply to the Fund’s investment. Withdrawals can be made monthly with 28 days pre-notification. There is also a 5% holdback on total redemptions that is held in escrow until completion of the fund’s audit.

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2021 AND 2020

**Note 4—Furniture and equipment**

A summary of furniture and equipment owned by the Fund as of December 31, 2021 and 2020 is as follows:

	<u>2021</u>	<u>2020</u>
Furniture, fixtures, and equipment	\$ 153,040	\$ 153,040
Accumulated depreciation and amortization	(72,195)	(40,111)
	<u>\$ 80,845</u>	<u>\$ 112,929</u>

The Fund recognized depreciation expense of \$32,084 and \$19,018 in 2021 and 2020, respectively, which is included in other general and administrative expenses.

**Note 5—Accumulated plan benefits**

A summary of accumulated plan benefit information obtained from actuarial studies as of January 1, 2021 and 2020 is as follows:

	<u>2021</u>	<u>2020</u>
Actuarial present value of accumulated plan benefits:		
Participants currently receiving payments	\$ 1,867,071,009	\$ 1,835,163,228
Other vested participants	1,001,562,896	1,067,046,117
	<u>2,868,633,905</u>	<u>2,902,209,345</u>
Actuarial present value of nonvested accrued benefits	<u>5,619,435</u>	<u>6,681,542</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 2,874,253,340</u>	<u>\$ 2,908,890,887</u>

The changes in the actuarial present value of accumulated plan benefits obtained from actuarial studies as of January 1, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Accumulated plan benefits, beginning of year	<u>\$ 2,908,890,887</u>	<u>\$ 2,932,707,127</u>
Benefits paid	(209,464,088)	(205,610,430)
Interest	181,703,026	183,386,763
Benefits accumulated and other	<u>(6,876,485)</u>	<u>(1,592,573)</u>
Net decrease	<u>(34,637,547)</u>	<u>(23,816,240)</u>
Accumulated plan benefits, end of year	<u>\$ 2,874,253,340</u>	<u>\$ 2,908,890,887</u>

As of January 1, 2021 and 2020, the Fund's actuarially determined Minimum Funding Standard Account did not meet the minimum funding requirements of ERISA.

The Fund's actuary certified that, for the plan years beginning January 1, 2021 and January 1, 2020, the Fund is in "critical status," as defined in the Pension Protection Act of 2006 ("PPA"). As required by the PPA, the Fund has notified all affected parties, including plan participants that the Fund is in critical status.

The PPA requires that pension plans in critical status adopt a rehabilitation plan aimed at improving the Fund's funded status. The Fund's Board of Trustees adopted a rehabilitation plan on July 19, 2010, which has been updated and amended from time to time, that calls for contribution rate increases, reductions in future benefit accruals, the reduction or elimination of specified benefits, and payment by a withdrawing employer of its allocable portion of the accumulated funding deficiency. A copy of the rehabilitation plan was sent to the contributing employers and unions representing plan participants. The Trustees have updated the rehabilitation plan in accordance with applicable law.

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2021 AND 2020

**Note 6—Postretirement benefits other than pensions**

Medical and life insurance benefits for certain employees of the Fund are provided by the Fund through a plan that the Fund participates in. The plan is funded as obligations become due and, therefore, has no assets. A summary of the Fund's postretirement benefit obligations included in the accompanying financial statements as of December 31, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Change in benefit obligation:		
Benefit obligation, beginning of year	\$ 20,510,952	\$ 17,157,932
Service cost	210,833	191,550
Interest cost	566,295	650,476
Actuarial (gain) loss	(282,359)	3,015,594
Benefits paid	<u>(525,596)</u>	<u>(504,600)</u>
Benefit obligation, end of year	<u>20,480,125</u>	<u>20,510,952</u>
Change in plan assets:		
Employer contributions	525,596	504,600
Benefits paid	<u>(525,596)</u>	<u>(504,600)</u>
Fair value of plan assets, at end of year	-	-
Funded status, at end of year	<u>\$ 20,480,125</u>	<u>\$ 20,510,952</u>

A summary of net periodic benefit cost related to postretirement benefits for 2021 and 2020 is as follows:

	<u>2021</u>	<u>2020</u>
Service cost	\$ 210,833	\$ 191,550
Interest cost	566,295	650,476
Amortizations of prior credit	(21,017)	(21,017)
Amortization of actuarial loss	391,340	473,411
Net periodic benefit costs	<u>\$ 1,147,451</u>	<u>\$ 1,294,420</u>

Assumptions used in determining the postretirement benefit obligation are as follows:

	<u>2021</u>	<u>2020</u>
Discount rate	2.77%	2.94%
Rate of compensation increase	2.25%	2.25%

Assumptions used in determining the periodic benefit cost are as follows:

	<u>2021</u>	<u>2020</u>
Discount rate	2.94%	3.52%
Expected return on plan assets	N/A	N/A
Rate of compensation increase	2.25%	2.25%

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2021 AND 2020

**Note 6—Postretirement benefits other than pensions (continued)**

The approximate future benefit payments, which reflect expected future service are as follows:

	<b>Estimated Benefit Payments</b>
2022	\$ 577,990
2023	596,064
2024	630,768
2025	676,126
2026	697,635
2027 through 2031	3,828,561
Total	<u>\$ 7,007,144</u>

The disclosures above were determined through actuarial valuation. For measurement purposes at December 31, 2021, various health care cost trend rates were used to calculate the anticipated increase in per capita costs of medical, prescription drug and dental benefits. Rates ranging from 5.5% to 5% were assumed in 2021, and such rates were assumed to decrease in various increments annually until reaching an ultimate level of 5% in 2022.

The health care cost trend rate assumption has a significant effect on the amounts reported. Increasing the assumed health care cost trend by one percentage point in each year would increase the accrued postretirement benefit obligation by \$4,085,086 and \$149,734 at December 31, 2021 and 2020, respectively, and would increase the net periodic postretirement benefit cost by \$191,744 in 2021 and \$9,036 in 2020. Similarly, decreasing the assumed health care cost trend by one percentage point in each year would decrease the accrued postretirement benefit obligation by \$3,140,423 and \$116,471 at December 31, 2021 and 2020, respectively, and would decrease the net periodic postretirement benefit cost by \$140,943 in 2021 and \$6,796 in 2020.

**Note 7—Multiemployer retirement plan**

Certain employees of the Fund are covered by a multiemployer pension plan (“MEPP”). The MEPP provides retirement benefits to the covered employees in accordance with a collective bargaining agreement. The collective bargaining agreement covers approximately 64% of the Fund’s employees and expires December 31, 2021. The new agreement, effective January 1, 2022 has no significant changes to participants in the MEPP. As one of many participating employers in the MEPP, the Fund is generally responsible with the other participating employers for any plan underfunding. The Fund made contributions of \$146,267 and \$143,886 during December 31, 2021 and 2020, respectively, to the MEPP for covered employees.

The Fund could be obligated to make future payments to the MEPP if the MEPP adopts a funding improvement plan or rehabilitation plan to improve its funding status as required under the PPA. As of December 31, 2021, the MEPP’s actuary certified that the plan was neither in endangered nor critical status. Therefore, the MEPP is not currently required to adopt a funding improvement plan or rehabilitation plan.

The Fund could also be obligated to make future payments to the MEPP if the Fund ceases to have an obligation to contribute to the plan or significantly reduces its contributions to the plan because of a reduced number of employees covered by the plan (known as complete or partial withdrawal liability). In the event of complete or partial withdrawal from the MEPP, the amount of additional payments generally would equal the Fund’s proportionate share of the MEPP’s unfunded vested benefits. The Fund is aware that the MEPP had unfunded vested benefits at December 31, 2021. However, due to uncertainty regarding future factors that could trigger withdrawal liability, as well as the absence of specific information regarding matters such as the MEPP’s current financial situation, delays in reporting, the potential withdrawal or bankruptcy of other contributing employers, and the impact of future plan performance, the Fund is unable to determine with any certainty the amount and timing of any potential, future withdrawal liability or changes in future funding obligations.



# PACE INDUSTRY UNION-MANAGEMENT PENSION FUND

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

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### **Note 8—Risks and uncertainties**

The Fund utilizes various investment instruments. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statements of net assets available for plan benefits.

The Fund's credit risks primarily relate to mutual funds and collective trust funds. The market values of these assets will fluctuate considerably based on investors' determinations of the performance of the underlying investments and interest rate changes. The risk of loss would increase due to poor performances by the financial markets or underlying investments and due to failures by financial institutions in which funds are held or invested.

At various times during the year, the Fund has cash deposits at banks in excess of the federally insured limit. The Fund has not experienced any losses in such accounts, and the Trustees believe the Fund is not exposed to any significant credit risk in this regard.

The actuarial present value of benefit obligations is reported based on certain assumptions pertaining to interest rates, healthcare 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 would be material to the financial statements.

### **Note 9—Income tax status**

The Fund obtained a favorable determination letter on January 18, 2017, in which the Internal Revenue Service ("IRS") stated that the Fund was in compliance with the applicable requirements of the IRC. The Fund is required to operate in conformity with the IRC to maintain its qualification. The Fund has been amended subsequent to the form submitted to the IRS for which favorable determination was received. However, the Trustees believe that the Fund is designed and is currently being operated in compliance with the applicable provisions of the IRC.

U.S. GAAP requires Fund management to evaluate tax positions taken by the Fund and recognize a tax liability (or asset) if the Fund has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Fund administrator has analyzed the tax positions taken by the Fund, and has concluded that as of December 31, 2021 and 2020, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Fund is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

### **Note 10—Related party transactions**

The Fund pays all expenses related to operations and investment related activities to various service providers. These transactions are party in interest transactions under ERISA.

An investment in a limited partnership is managed by Blackstone Real Estate Special Situations Advisors LLC (BRESSA), a fiduciary for the plan, and, therefore, this investment transaction qualified as a party in interest transaction.

Certain members of the Trustees are also trustees of the HRA and USW 401(k).

### **Note 11—Commitments and contingencies**

The Fund is periodically subject to legal actions which arise in the course of business. Fund management is unable to predict the ultimate outcome of current litigation outstanding but does not believe an ultimate liability with respect to current litigation will be material to the operating results or financial position of the Fund. As a result, no accrual for any liability is included in the financial statements.

**SUPPLEMENTAL INFORMATION**

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
FORM 5500, SCHEDULE H, PART IV, LINE 4i  
EIN: 11-6166763 PLAN NUMBER: 001

DECEMBER 31, 2021

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor, or similar party	Description of investment, including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current value	
<b>Mutual funds:</b>				
Kopernik	Kopernik Global	\$ 30,527,106	\$ 50,801,412	
Pacific Funds	Pacific Funds	15,409,115	16,019,402	
First Eagle	First Eagle Global	95,886,279	107,658,263	
Vanguard	Vanguard S/T Tips	76,271,559	77,274,150	
Vanguard	Total Bond Index	395,596,124	388,871,853	
Nomura	High Yield Bond	6,064,230	6,199,636	
Total mutual funds		<u>619,754,413</u>	<u>646,824,716</u>	
<b>Collective trust funds:</b>				
State Street	SSGA EAFE Index Fun	83,107,536	105,356,139	
Payden & Rygel	Payden&Rygel EM Markets	31,769,699	33,223,789	
State Street	SSGA Global LG-MID NR Index	27,290,835	37,857,807	
State Street	SSGA US REIT Index	64,654,666	88,742,201	
State Street	SSGA Barclays US TIPS Index	13,133,750	14,817,390	
State Street	SSGA Russell 3000	150,045,988	213,438,317	
State Street	SSGA Russell 1000	36,098,971	45,609,945	
State Street	SSGA MSCI Emerging	58,663,841	57,090,448	
Total collective trust funds		<u>464,765,286</u>	<u>596,136,036</u>	
<b>Commingled funds:</b>				
TSE	TSE Capital			
36 South	36 South	18,465,184	20,794,603	
Alliance Bernstein	Alliance Bernstein	61,869,539	84,881,351	
Alpstone	Global Macro Fund	23,000,000	21,679,472	
First Eagle	LP	51,000,000	51,574,114	
Lombard	1798 Bear Convexity Fund	16,500,000	16,304,224	
Total commingled funds		<u>170,834,723</u>	<u>195,233,764</u>	
<b>Fund interests in limited partnerships:</b>				
WCM	WCM Global Growth	64,995,000	119,926,239	
BH-DG	BH-DG Stem	24,022,770	28,840,527	
Sculptor	Sculptor	29,000,000	38,942,591	
Total fund interests in limited partnerships		<u>118,017,770</u>	<u>187,709,357</u>	
Total investments		<u>\$ 1,373,372,192</u>	<u>\$ 1,625,903,873</u>	

\* Represents a party-in-interest.

**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**  
**SCHEDULE OF REPORTABLE TRANSACTIONS**  
**FORM 5500, SCHEDULE H, PART IV, LINE 4j**  
**EIN: 11-6166763 PLAN #: 001**

*YEAR ENDED DECEMBER 31, 2021*

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset (include interest rate and maturity in case of a loan)	Purchase Price	Selling Price	Lease Rental	Expense Incurred with Transaction	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)
<u>Category (i) - A single transaction involving securities in excess of 5% of plan assets</u>								
	First Am Treas Ob Fd Cl Z	\$ 114,288,069	\$ -	\$ -	\$ -	\$ 114,288,069	\$ 114,288,069	\$ -
	First Am Treas Ob Fd Cl Z	-	95,500,000	-	-	95,500,000	95,500,000	-
	Gqg Partners Global Equity Cit Cl B	-	114,288,069	-	-	81,953,164	114,288,069	32,334,905
<u>Category (iii) - A series of transactions involving securities in excess of 5% of plan assets</u>								
	First Am Treas Ob Fd Cl Z	651,026,023	-	-	-	651,026,023	651,026,023	-
	First Am Treas Ob Fd Cl Z	-	659,438,960	-	-	659,438,960	659,438,960	-
	Vanguard Total Bond Market Idx Instl	61,138,733	-	-	-	61,138,733	61,138,733	-
	Vanguard Total Bond Market Idx Instl	-	121,400,000	-	-	123,135,243	121,400,000	(1,735,243)
	Ssga Russell 3000 (R) Indx NI Fund	61,500,000	-	-	-	61,500,000	61,500,000	-
	Ssga Russell 3000 (R) Indx NI Fund	-	52,427,890	-	-	39,227,690	52,427,890	13,200,200
	Gqg Partners Global Equity Cit Cl B	8,800,000	-	-	-	8,800,000	8,800,000	-
	Gqg Partners Global Equity Cit Cl B	-	114,288,069	-	-	81,953,164	114,288,069	32,334,905

## Section 3: Certificate of Actuarial Valuation

### Exhibit F: Schedule of Active Participant Data

(Schedule MB, Line 8b(2))

The participant data is for the year ended December 31, 2020.

Age	Pension Credits									
	Total	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 & over
Under 25	87	84	3	—	—	—	—	—	—	—
25 - 29	195	131	63	1	—	—	—	—	—	—
30 - 34	302	141	131	27	3	—	—	—	—	—
35 - 39	321	114	119	62	26	—	—	—	—	—
40 - 44	362	96	104	78	52	31	1	—	—	—
45 - 49	452	84	89	93	76	71	36	3	—	—
50 - 54	458	66	81	66	62	60	68	53	2	—
55 - 59	517	28	76	57	80	62	77	111	21	5
60 - 64	420	22	41	57	61	46	46	66	34	47
65 - 69	88	2	7	9	15	6	8	11	7	23
70 & over	10	1	2	2	—	1	2	1	—	1
Unknown	132	124	8	—	—	—	—	—	—	—
<b>Total</b>	<b>3,344</b>	<b>893</b>	<b>724</b>	<b>452</b>	<b>375</b>	<b>277</b>	<b>238</b>	<b>245</b>	<b>64</b>	<b>76</b>

Note: Excludes 867 participants with less than one pension credit.

## Section 3: Certificate of Actuarial Valuation

### Exhibit E: Schedule of Projection of Expected Benefit Payments

(Schedule MB, Line 8b(1))

Plan Year	Expected Annual Benefit Payments
2021	\$211,960,323
2022	214,329,371
2023	216,997,489
2024	219,449,137
2025	221,922,298
2026	223,694,562
2027	225,382,747
2028	226,506,701
2029	226,846,542
2030	226,434,585

This assumes the following:

- No additional benefits will be accrued.
- Experience is in line with valuation assumptions.
- No new entrants are covered by the Plan.



## Section 3: Certificate of Actuarial Valuation

### Exhibit K: Statement of Actuarial Assumptions, Methods and Models

(Schedule MB, Line 6)

<b>Mortality Rates</b>	<p><i>Non-annuitant:</i> RP-2006 Blue Collar Employee Mortality Table with generational projection using Scale MP-2019 from 2006</p> <p><i>Healthy annuitant:</i> RP-2006 Blue Collar Healthy Annuitant Mortality Table with generational projection using Scale MP-2019 from 2006</p> <p><i>Disabled annuitant:</i> RP-2006 Disabled Retiree Mortality Table with generational projection using Scale MP-2019 from 2006</p> <p>The underlying tables with the generational projection to the age of the participants as of the measurement date reasonably reflect the mortality experience of the Plan as of the measurement date. These mortality tables were then adjusted to future years using the generational projection to reflect mortality improvement between the measurement date and these years.</p> <p>The mortality rates were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of deaths and the projected number based on the prior year's assumption over recent years.</p>
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Annuitant Mortality Rates	Rate (%) <sup>1</sup>				
	Age	Healthy		Disabled	
		Male	Female	Male	Female
55	0.64	0.42	2.49	1.50	
60	0.89	0.66	2.81	1.95	
65	1.45	1.06	3.63	2.53	
70	2.38	1.70	4.88	3.43	
75	3.89	2.75	6.70	4.91	
80	6.38	4.54	9.43	7.26	
85	10.51	7.80	13.71	10.85	
90	17.31	13.38	20.46	15.86	

<sup>1</sup> Mortality rates shown for base table.

## Section 3: Certificate of Actuarial Valuation

### Termination Rates

Age	Rate (%)				
	Mortality <sup>1</sup>		Disability	Withdrawal <sup>2</sup>	
	Male	Female		Less than 10 Years of Service	10 or More Years of Service
20	0.07	0.02	0.05	15	10
25	0.07	0.02	0.05	15	10
30	0.06	0.02	0.05	15	10
35	0.07	0.03	0.06	15	10
40	0.10	0.05	0.09	15	10
45	0.16	0.09	0.18	15	10
50	0.26	0.13	0.40	15	10
55	0.38	0.19	0.85	15	10
60	0.64	0.31	1.74	15	10

<sup>1</sup> Mortality rates shown are for base table.

<sup>2</sup> Withdrawal rates are cut out at early retirement age.

The termination rates and disability rates were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of terminations and disability retirements by age and the projected number based on the prior year's assumption over recent years.

### Retirement Rates for Actives

Age	Annual Retirement Rates
55 – 59	1%
60 – 61	5%
62	25%
63 – 64	15%
65 – 69	30%
70 or older	100%

The retirement rates were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of retirements by age and the projected number based on the prior year's assumption over recent years.

### Description of Weighted Average Retirement Age

Age 65, determined as follows: The weighted average retirement age for each participant is calculated as the sum of the product of each potential current or future retirement age times the probability of surviving from current age to that age and then retiring at that age, assuming no other decrements. The overall weighted retirement age is the average of the individual retirement ages based on all the active participants included in the January 1, 2021 actuarial valuation.



## Section 3: Certificate of Actuarial Valuation

### Retirement Rates for Inactive Vested Participants

Age	Annual Retirement Rates
55 – 61	5%
62	15%
63 – 64	7%
65	40%
66	20%
67	10%
68 – 69	5%
70 or older	100%

The retirement rates for inactive vested participants were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of retirements by age and the projected number based on the prior year's assumption over recent years.

### Future Benefit Accruals

One pension credit per year.

The future benefit accruals were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the assumed and actual benefit accruals over recent years.

### Unknown Data for Participants

Same as those exhibited by participants with similar known characteristics. If not specified, participants are assumed to be male.

### Definition of Active Participants

Active participants are defined as those with at least 510 hours in the most recent plan year and who have accumulated at least one pension credit, excluding those who have retired as of the valuation date.

### Percent Married

Active participants are defined as those with at least 510 hours in the most recent plan year and who have accumulated at least one pension credit, excluding those who have retired as of the valuation date.

### Age of Spouse

Females three years younger than males.

### Benefit Election

60% of participants are assumed to elect the single life annuity form of payment and 40% of participants are assumed to elect the 50% joint and survivor form of payment.

The benefit elections were based on historical and current demographic data, adjusted to reflect the plan design, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the assumed and the actual option election patterns over recent years.

### Delayed Retirement Factors

Active participants assumed to work enough hours each month to not qualify for delayed retirement adjustment. Inactive vested participants who are assumed to commence receipt of benefits after attaining normal retirement age qualify for delayed retirement increases, but not beyond age 70.



## Section 3: Certificate of Actuarial Valuation

<b>Net Investment Return</b>	6.50% The net investment return assumption is a long-term estimate derived from historical data, current and recent market expectations, and professional judgment. As part of the analysis, a building block approach was used that reflects inflation expectations and anticipated risk premiums for each of the portfolio's asset classes well as the Plan's target asset allocation.
<b>Annual Administrative Expenses</b>	\$8,200,000 for the year beginning January 1, 2021 (equivalent to \$7,926,304 payable at the beginning of the year) The annual administrative expenses were based on historical and current data, estimated future experience and professional judgment.
<b>Actuarial Value of Assets</b>	The market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five – year period. The actuarial value is further adjusted, if necessary, to be within 20% of the market value.
<b>Actuarial Cost Method</b>	Unit Credit Actuarial Cost Method. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are allocated by service.
<b>Benefits Valued</b>	Unless otherwise indicated, includes all benefits summarized in Exhibit L.
<b>Current Liability Assumptions</b>	<i>Interest:</i> 2.43%, within the permissible range prescribed under IRC Section 431(c)(6)(E) <i>Mortality:</i> Mortality prescribed under IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1(a)(2): RP-2006 employee and annuitant mortality tables, projected forward generationally using scale MP-2019 (previously, the MP-2018 scale was used).
<b>Estimated Rate of Investment Return</b>	<i>On actuarial value of assets (Schedule MB, line 6g):</i> 9.3%, for the Plan Year ending December 31, 2020 <i>On current (market) value of assets (Schedule MB, line 6h):</i> 11.4%, for the Plan Year ending December 31, 2020
<b>FSA Contribution Timing (Schedule MB, line 3a)</b>	Unless otherwise noted, contributions are paid periodically throughout the year pursuant to collective bargaining agreements. The interest credited in the FSA is therefore assumed to be equivalent to a July 15 contribution date.
<b>Actuarial Models</b>	Segal valuation results are based on proprietary actuarial modeling software. The actuarial valuation models generate a comprehensive set of liability and cost calculations that are prepared to meet regulatory, legislative and client requirements. Deterministic cost projections are based on a proprietary forecasting model. Our Actuarial Technology and Systems unit, comprised of both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility and user control. The client team programs the assumptions and the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible Enrolled Actuary.

## Section 3: Certificate of Actuarial Valuation

**Justification for  
Change in Actuarial  
Assumptions  
(Schedule MB, line 11)**

For purposes of determining current liability, the current liability interest rate was changed from 2.95% to 2.43% due to a change in the permissible range and recognizing that any rate within the permissible range satisfies the requirements of IRC Section 431(c)(6)(E) and the mortality tables and mortality improvement scales were changed in accordance with IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1.

Based on past experience and future expectations, the following actuarial assumptions were changed as of January 1, 2021:

Annual administrative expenses, previously \$8,000,000.





**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

**2021**

**This Form is Open to Public  
Inspection**

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

▶ **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.

<b>A</b> Name of plan PACE INDUSTRY UNION-MANAGEMENT PENSION FUND	<b>B</b> Three-digit plan number (PN) ▶	001
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF BOARD OF TRUSTEES PACE INDUSTRY UNION-MANAGEMENT PF	<b>D</b> Employer Identification Number (EIN) 11-6166763	

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

**1a** Enter the valuation date: Month 01 Day 01 Year 2021

**b** Assets

(1) Current value of assets.....	<b>1b(1)</b>	1,646,837,605
(2) Actuarial value of assets for funding standard account.....	<b>1b(2)</b>	1,554,996,149

<b>c</b> (1) Accrued liability for plan using immediate gain methods.....	<b>1c(1)</b>	2,874,253,340
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(2) Information for plans using spread gain methods:

(a) Unfunded liability for methods with bases.....	<b>1c(2)(a)</b>	
--	-----------------	--

(b) Accrued liability under entry age normal method.....	<b>1c(2)(b)</b>	
--	-----------------	--

(c) Normal cost under entry age normal method.....	<b>1c(2)(c)</b>	
--	-----------------	--

(3) Accrued liability under unit credit cost method.....	<b>1c(3)</b>	2,874,253,340
--	--------------	---------------

**d** Information on current liabilities of the plan:

(1) Amount excluded from current liability attributable to pre-participation service (see instructions).....	<b>1d(1)</b>	
--	--------------	--

(2) "RPA '94" information:

(a) Current liability.....	<b>1d(2)(a)</b>	4,863,335,261
----------------------------	-----------------	---------------

(b) Expected increase in current liability due to benefits accruing during the plan year.....	<b>1d(2)(b)</b>	16,910,736
---	-----------------	------------

(c) Expected release from "RPA '94" current liability for the plan year.....	<b>1d(2)(c)</b>	212,197,994
--	-----------------	-------------

(3) Expected plan disbursements for the plan year.....	<b>1d(3)</b>	220,397,994
--	--------------	-------------

**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.

<b>SIGN HERE</b> Susan L. Boyle <i>SB</i>	09/26/2022
---	------------

Signature of actuary

Date

SUSAN L. BOYLE, FSA, FCA, MAAA

2006862

Type or print name of actuary

Most recent enrollment number

SEGAL

212-251-5000

Firm name

Telephone number (including area code)

333 WEST 34TH STREET  
NEW YORK NY 10001-2402

Address of the firm

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.**

**Schedule MB (Form 5500) 2021  
v. 201209**



**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?.....  Yes  No

**l** If line k is "Yes," was the change made pursuant to Revenue Procedure 2000-40 or other automatic approval? .....  Yes  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:**

<b>a</b> Interest rate for "RPA '94" current liability.....	<b>6a</b>	2.43 %	
<b>b</b> Rates specified in insurance or annuity contracts.....	Pre-retirement		Post-retirement
	<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
<b>c</b> Mortality table code for valuation purposes:			
<b>(1)</b> Males .....	<b>6c(1)</b>	A	A
<b>(2)</b> Females .....	<b>6c(2)</b>	A	A
<b>d</b> Valuation liability interest rate .....	<b>6d</b>	6.50 %	6.50 %
<b>e</b> Expense loading .....	<b>6e</b>	124.0 % <input type="checkbox"/> N/A	% <input checked="" type="checkbox"/> N/A
<b>f</b> Salary scale.....	<b>6f</b>	% <input checked="" type="checkbox"/> N/A	
<b>g</b> Estimated investment return on actuarial value of assets for year ending on the valuation date.....	<b>6g</b>		9.3 %
<b>h</b> Estimated investment return on current value of assets for year ending on the valuation date .....	<b>6h</b>		11.4 %

**7 New amortization bases established in the current plan year:**

(1) Type of base	(2) Initial balance	(3) Amortization Charge/Credit
1	- 54,085,314	- 5,401,055

**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.....  Yes  No

**b(2)** Is the plan required to provide a Schedule of Active Participant Data? (See the instructions.) If "Yes," attach a schedule.....  Yes  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? .....  Yes  No

**d** If line c is "Yes," provide the following additional information:

<b>(1)</b> Was an extension granted automatic approval under section 431(d)(1) of the Code? .....		<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>(2)</b> If line 8d(1) is "Yes," enter the number of years by which the amortization period was extended .....	<b>8d(2)</b>	<span style="border: 1px solid black; padding: 0 20px;"> </span>
<b>(3)</b> 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
<b>(4)</b> 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)).....	<b>8d(4)</b>	<span style="border: 1px solid black; padding: 0 20px;"> </span>
<b>(5)</b> If line 8d(3) is "Yes," enter the date of the ruling letter approving the extension .....	<b>8d(5)</b>	<span style="border: 1px solid black; padding: 0 20px;"> </span>
<b>(6)</b> 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**

<b>9 Funding standard account statement for this plan year:</b>			
<b>Charges to funding standard account:</b>			
<b>a</b> Prior year funding deficiency, if any .....	<b>9a</b>		609,511,179
<b>b</b> Employer's normal cost for plan year as of valuation date.....	<b>9b</b>		14,317,143
<b>c</b> 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 .....	<b>9c(1)</b>	998,256,826	177,347,833
(2) Funding waivers .....	<b>9c(2)</b>	0	0
(3) Certain bases for which the amortization period has been extended .....	<b>9c(3)</b>	0	0
<b>d</b> Interest as applicable on lines 9a, 9b, and 9c.....	<b>9d</b>		52,076,450
<b>e</b> Total charges. Add lines 9a through 9d.....	<b>9e</b>		853,252,605
<b>Credits to funding standard account:</b>			
<b>f</b> Prior year credit balance, if any.....	<b>9f</b>		0
<b>g</b> Employer contributions. Total from column (b) of line 3.....	<b>9g</b>		71,470,210
<b>h</b> Amortization credits as of valuation date.....		Outstanding balance	
	<b>9h</b>	288,510,814	46,293,104
<b>i</b> Interest as applicable to end of plan year on lines 9f, 9g, and 9h .....	<b>9i</b>		5,138,268
<b>j</b> Full funding limitation (FFL) and credits:			
(1) ERISA FFL (accrued liability FFL).....	<b>9j(1)</b>	1,420,256,666	
(2) "RPA '94" override (90% current liability FFL) .....	<b>9j(2)</b>	2,877,500,179	
(3) FFL credit .....	<b>9j(3)</b>		0
<b>k</b> (1) Waived funding deficiency .....	<b>9k(1)</b>		0
(2) Other credits .....	<b>9k(2)</b>		0
<b>l</b> Total credits. Add lines 9f through 9i, 9j(3), 9k(1), and 9k(2) .....	<b>9l</b>		122,901,582
<b>m</b> Credit balance: If line 9l is greater than line 9e, enter the difference .....	<b>9m</b>		
<b>n</b> Funding deficiency: If line 9e is greater than line 9l, enter the difference.....	<b>9n</b>		730,351,023
<b>9o</b> Current year's accumulated reconciliation account:			
(1) Due to waived funding deficiency accumulated prior to the 2021 plan year .....	<b>9o(1)</b>		
(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 .....	<b>9o(2)(a)</b>		0
(b) Reconciliation amount (line 9c(3) balance minus line 9o(2)(a)).....	<b>9o(2)(b)</b>		0
(3) Total as of valuation date .....	<b>9o(3)</b>		0
<b>10</b> Contribution necessary to avoid an accumulated funding deficiency. (See instructions.).....	<b>10</b>		730,351,023
<b>11</b> Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions.....			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No



PACE Industry Union-Management Pension Fund  
EIN No. 11-6166763

Schedule R, Line 13d - Collective Bargaining Agreement Expiration Dates

EmployerName	EIN	Date Collective Bargaining Agreement Expires
Huhtamaki Americas Inc	98-0338708	9/10/2024 1/31/2024 6/16/2024 4/17/2022

## Section 3: Certificate of Actuarial Valuation

### Exhibit L: Summary of Plan Provisions

(Schedule MB, Line 6)

This exhibit summarizes the major provisions of the Plan included in the valuation. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions.

<b>Plan Year</b>	January 1 through December 31
<b>Pension Credit Year</b>	January 1 through December 31
<b>Plan Status</b>	Ongoing plan
<b>Regular Pension</b>	<ul style="list-style-type: none"><li>• <i>Age Requirement:</i> 65</li><li>• <i>Service Requirement:</i> 5 pension credits or years of vesting service</li><li>• <i>Amount:</i> Accrual rates are based on contribution rates and differ by employer. Accrued benefits as of December 31, 2010 based on the accrual rate as of December 31, 2010. Effective January 1, 2011, future benefits earned will be based on the contribution rate(s) in effect for the plan year in which the benefit is accrued.</li></ul>
<b>Early Retirement</b>	<ul style="list-style-type: none"><li>• <i>Age Requirement:</i> 55</li><li>• <i>Service Requirement:</i> 10 pension credits or years of vesting service for Programs A through F; 5 years for Program G</li><li>• <i>Amount:</i> Regular pension accrued, reduced by 1/2 of 1% for each month the participant is younger than age 65.</li></ul>
<b>Disability</b>	<ul style="list-style-type: none"><li>• <i>Age Requirement:</i> None</li><li>• <i>Service Requirement:</i> 10 pension credits for Programs A, B, C and G. 5 years of vesting service for Programs D, E and F</li><li>• <i>Amount:</i> Regular pension accrued for Programs A through F. For Program G, early retirement amount plus 10%, not reduced below age 55 and not greater than the benefit payable at age 65.</li></ul>
<b>Vesting</b>	<ul style="list-style-type: none"><li>• <i>Age Requirement:</i> None</li><li>• <i>Service Requirement:</i> Five years of vesting service or pension credit.</li><li>• <i>Amount:</i> Regular pension accrued payable at Normal Retirement Age, or early retirement amount payable beginning at age 55, based on plan in effect when last active</li><li>• <i>Normal Retirement Age:</i> 65, or if later, the participant's age on the fifth anniversary of date of participation</li></ul>

## Section 3: Certificate of Actuarial Valuation

<b>Spouse's Pre-Retirement Death Benefit</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Service Requirement:</i> Five years of Vesting Service or 6 years of Pension Credit.</li> <li>• <i>Amount:</i> 50% of the benefit participant would have received had he or she retired the day before death and elected the joint and survivor option.</li> <li>• <i>Charge for Coverage:</i> None</li> </ul>															
<b>Post-Retirement Death Benefit</b>	<p>If married, pension benefits are paid in the form of a 50% Husband-and-Wife annuity unless this form is rejected by the participant and spouse. If not rejected, the benefit amount otherwise payable is reduced to reflect the 50% Husband and Wife coverage.</p> <p>If rejected, or if not married, benefits are payable for the life of the employee without reduction, or in any other available optional form elected by the employee in an actuarially equivalent amount.</p>															
<b>Optional Forms of Benefits</b>	<p>75% or 100% Husband and Wife option under Programs A through F.</p> <p>50%, 75% or 100% Husband and Wife with popup option under Programs A through F</p> <p>50%, 75% or 100% Joint and Survivor option under Programs A through F.</p> <p>75% or 100% Joint and Survivor option for married participants under Program G.</p>															
<b>Pension Credit</b>	<table> <tr> <td>Less than 510 hours</td> <td>=</td> <td>0 year of pension credit</td> </tr> <tr> <td>510 – 1,019 hours</td> <td>=</td> <td>¼ year of pension credit</td> </tr> <tr> <td>1,020 – 1,529 hours</td> <td>=</td> <td>½ year of pension credit</td> </tr> <tr> <td>1,530 – 2,039 hours</td> <td>=</td> <td>¾ year of pension credit</td> </tr> <tr> <td>2,040 or more hours</td> <td>=</td> <td>1 year of pension credit</td> </tr> </table>	Less than 510 hours	=	0 year of pension credit	510 – 1,019 hours	=	¼ year of pension credit	1,020 – 1,529 hours	=	½ year of pension credit	1,530 – 2,039 hours	=	¾ year of pension credit	2,040 or more hours	=	1 year of pension credit
Less than 510 hours	=	0 year of pension credit														
510 – 1,019 hours	=	¼ year of pension credit														
1,020 – 1,529 hours	=	½ year of pension credit														
1,530 – 2,039 hours	=	¾ year of pension credit														
2,040 or more hours	=	1 year of pension credit														
<b>Vesting Credit</b>	One year of vesting service for each calendar year during the contribution period in which the employee works 1,000 hours or more.															
<b>Contribution Rate</b>	Varies by employers. The average contribution rate as of January 1, 2021 is \$1.6825 per hour.															
<b>Changes in Plan Provisions</b>	There were no changes in plan provisions reflected in this actuarial valuation.															



## Exhibit V Solvency Projection

The table below presents the projected Market Value of Assets for the Plan Years beginning January 1, 2020 through 2033.

	Year Beginning January 1,						
	2020	2021	2022	2023	2024	2025	2026
1. Market Value at beginning of year	\$1,579,161,376	\$1,648,616,482	\$1,574,381,431	\$1,491,947,070	\$1,398,677,752	\$1,297,429,123	\$1,186,311,972
2. Contributions	12,550,981	12,039,738	11,679,711	11,330,273	10,991,424	10,663,163	10,341,962
3. Withdrawal liability payments <sup>1</sup>	102,690,143	47,270,893	47,046,823	44,904,530	42,953,874	42,422,744	41,500,494
4. Benefit payments	209,463,910	211,023,608	214,235,376	217,664,382	221,092,881	223,942,305	226,681,827
5. Administrative expenses	9,360,025	8,200,000	8,405,000	8,615,125	8,830,503	9,051,266	9,277,548
6. Interest earnings	<u>173,037,917</u>	<u>85,677,926</u>	<u>81,479,481</u>	<u>76,775,386</u>	<u>74,729,457</u>	<u>68,790,513</u>	<u>62,277,287</u>
7. Market Value at end of year: (1)+(2)+(3)-(4)-(5)+(6)	\$1,648,616,482	\$1,574,381,431	\$1,491,947,070	\$1,398,677,752	\$1,297,429,123	\$1,186,311,972	\$1,064,472,340
	2027	2028	2029	2030	2031	2032	2033
1. Market Value at beginning of year	\$1,064,472,340	\$932,777,616	\$791,424,505	\$642,393,430	\$483,616,887	\$315,368,155	\$137,467,393
2. Contributions	10,031,351	9,731,328	9,438,364	9,155,990	8,880,675	8,615,949	8,358,282
3. Withdrawal liability payments	41,426,979	41,421,446	41,421,446	40,965,356	40,322,540	39,208,804	38,757,596
4. Benefit payments	228,831,941	230,314,176	231,004,813	230,799,745	229,578,670	227,516,863	224,346,535
5. Administrative expenses	9,509,487	9,747,224	9,990,905	10,240,678	10,496,695	10,759,112	11,028,090
6. Interest earnings	<u>55,188,374</u>	<u>47,555,515</u>	<u>41,104,833</u>	<u>32,142,534</u>	<u>22,623,418</u>	<u>12,550,460</u>	<u>0</u>
7. Market Value at end of year: (1)+(2)+(3)-(4)-(5)+(6)	\$932,777,616	\$791,424,505	\$642,393,430	\$483,616,887	\$315,368,155	\$137,467,393	\$0

<sup>1</sup>Includes funding deficiency payments and other income for 2020

## Actuarial Status Certification under IRC Section 432

### Documentation Regarding Progress Under Rehabilitation Plan (Schedule MB, line 4c)

This certification notifies the IRS that the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan, based on the annual standards of the rehabilitation plan.

The Rehabilitation Plan states that the Fund will make adequate progress, to the extent reasonable based on financial markets activity and other relevant factors, toward enabling the Fund to forestall insolvency past 2028. Currently, a projected insolvency during 2033 meets this standard.



## Section 3: Certificate of Actuarial Valuation

### Exhibit L: Summary of Plan Provisions

(Schedule MB, Line 6)

This exhibit summarizes the major provisions of the Plan included in the valuation. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions.

<b>Plan Year</b>	January 1 through December 31
<b>Pension Credit Year</b>	January 1 through December 31
<b>Plan Status</b>	Ongoing plan
<b>Regular Pension</b>	<ul style="list-style-type: none"><li>• <i>Age Requirement:</i> 65</li><li>• <i>Service Requirement:</i> 5 pension credits or years of vesting service</li><li>• <i>Amount:</i> Accrual rates are based on contribution rates and differ by employer. Accrued benefits as of December 31, 2010 based on the accrual rate as of December 31, 2010. Effective January 1, 2011, future benefits earned will be based on the contribution rate(s) in effect for the plan year in which the benefit is accrued.</li></ul>
<b>Early Retirement</b>	<ul style="list-style-type: none"><li>• <i>Age Requirement:</i> 55</li><li>• <i>Service Requirement:</i> 10 pension credits or years of vesting service for Programs A through F; 5 years for Program G</li><li>• <i>Amount:</i> Regular pension accrued, reduced by 1/2 of 1% for each month the participant is younger than age 65.</li></ul>
<b>Disability</b>	<ul style="list-style-type: none"><li>• <i>Age Requirement:</i> None</li><li>• <i>Service Requirement:</i> 10 pension credits for Programs A, B, C and G. 5 years of vesting service for Programs D, E and F</li><li>• <i>Amount:</i> Regular pension accrued for Programs A through F. For Program G, early retirement amount plus 10%, not reduced below age 55 and not greater than the benefit payable at age 65.</li></ul>
<b>Vesting</b>	<ul style="list-style-type: none"><li>• <i>Age Requirement:</i> None</li><li>• <i>Service Requirement:</i> Five years of vesting service or pension credit.</li><li>• <i>Amount:</i> Regular pension accrued payable at Normal Retirement Age, or early retirement amount payable beginning at age 55, based on plan in effect when last active</li><li>• <i>Normal Retirement Age:</i> 65, or if later, the participant's age on the fifth anniversary of date of participation</li></ul>

## Section 3: Certificate of Actuarial Valuation

<b>Spouse's Pre-Retirement Death Benefit</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Service Requirement:</i> Five years of Vesting Service or 6 years of Pension Credit.</li> <li>• <i>Amount:</i> 50% of the benefit participant would have received had he or she retired the day before death and elected the joint and survivor option.</li> <li>• <i>Charge for Coverage:</i> None</li> </ul>
<b>Post-Retirement Death Benefit</b>	<p>If married, pension benefits are paid in the form of a 50% Husband-and-Wife annuity unless this form is rejected by the participant and spouse. If not rejected, the benefit amount otherwise payable is reduced to reflect the 50% Husband and Wife coverage.</p> <p>If rejected, or if not married, benefits are payable for the life of the employee without reduction, or in any other available optional form elected by the employee in an actuarially equivalent amount.</p>
<b>Optional Forms of Benefits</b>	<p>75% or 100% Husband and Wife option under Programs A through F.</p> <p>50%, 75% or 100% Husband and Wife with popup option under Programs A through F</p> <p>50%, 75% or 100% Joint and Survivor option under Programs A through F.</p> <p>75% or 100% Joint and Survivor option for married participants under Program G.</p>
<b>Pension Credit</b>	<p>Less than 510 hours = 0 year of pension credit</p> <p>510 – 1,019 hours = ¼ year of pension credit</p> <p>1,020 – 1,529 hours = ½ year of pension credit</p> <p>1,530 – 2,039 hours = ¾ year of pension credit</p> <p>2,040 or more hours = 1 year of pension credit</p>
<b>Vesting Credit</b>	One year of vesting service for each calendar year during the contribution period in which the employee works 1,000 hours or more.
<b>Contribution Rate</b>	Varies by employers. The average contribution rate as of January 1, 2021 is \$1.6825 per hour.
<b>Changes in Plan Provisions</b>	There were no changes in plan provisions reflected in this actuarial valuation.

**Schedule H, Line 4i**  
**Schedule of Assets (Held At End of Year)**

Name of Plan:

► PACE Industry Union-Management Pension Fund

Employer Identification Number: ► 11-6166763

For plan year (beginning/ending): ► 01/01/2021-12/31/2021

Plan number: ► 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	Kopernik	Kopernik Global	30,527,106	50,801,412
	Pacific Funds	Pacific Funds	15,409,115	16,019,402
	First Eagle	First Eagle Global	95,886,279	107,658,263
	Vanguard	Vanguard S/T Tips	76,271,559	77,274,150
	Vanguard	Total Bond Index	395,596,124	388,871,853
	Nomura	High Yield Bond	6,064,230	6,199,636
	State Street	SSGA EAFE Index Fun	83,107,536	105,356,139
	Payden & Rygel	Payden&Rygel EM Markets	31,769,699	33,223,789
	State Street	SSGA Global LG-MID NR Index	27,290,835	37,857,807
	State Street	SSGA US REIT Index	64,654,666	88,742,201
	State Street	SSGA Barclays US TIPS Index	13,133,750	14,817,390
	State Street	SSGA Russell 3000	150,045,988	213,438,317
	State Street	SSGA Russell 1000	36,098,971	45,609,945
	State Street	SSGA MSCI Emerging	58,663,841	57,090,448
	36 South	36 South	18,465,184	20,794,603
	Alliance Bernstein	Alliance Bernstein	61,869,539	84,881,351
	Alpstone	Global Macro Fund	23,000,000	21,679,472
	First Eagle	LP	51,000,000	51,574,114
	Lombard	1798 Bear Convexity Fund	16,500,000	16,304,224
	WCM	WCM Global Growth	64,995,000	119,926,239
	BH-DG	BH-DG Stem	24,022,770	28,840,527
	Sculptor	Sculptor	29,000,000	38,942,591





March 31, 2021

Internal Revenue Service  
Employee Plans Compliance Unit  
Group 7602 (TEGE:EP:EPCU)  
230 S. Dearborn Street  
Room 1700 - 17th Floor  
Chicago, IL 60604

To Whom It May Concern:

As required by ERISA Section 305 and the Internal Revenue Code (IRC) Section 432, we have completed the actuarial status certification as of January 1, 2021 for the following plan:

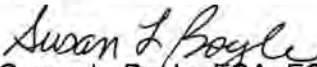
Name of Plan: PACE Industry Union-Management Pension Fund  
Plan number: EIN 11-6166763 / PN 001  
Plan sponsor: Board of Trustees, PACE Industry Union-Management Pension Fund  
Address: 1101 Kermit Drive, Suite 800, Nashville, TN 37217  
Phone number: 1.800.474.8673

As of January 1, 2021, the Plan is in critical and declining status. This certification also notifies the IRS that the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan, based on the annual standards of the rehabilitation plan.

If you have any questions on the attached certification, you may contact me at the following:

Segal  
333 West 34th Street, 3rd Floor  
New York, NY 10001-2402  
Phone number: 212.251.5000

Sincerely,

  
Susan L. Boyle, ESA, FCA, MAAA  
Senior Vice President and Actuary  
Enrolled Actuary No. 20-06862

# Actuarial status certification as of January 1, 2021 under IRC Section 432

March 31, 2021

## Illustration Supporting Actuarial Certification of Status (Schedule MB, line 4b)

This is to certify that Segal has prepared an actuarial status certification under Internal Revenue Code Section 432 for the PACE Industry Union-Management Pension Fund as of January 1, 2021 in accordance with generally accepted actuarial principles and practices. It has been prepared at the request of the Board of Trustees to assist in administering the Fund and meeting filing and compliance requirements under federal law. This certification may not otherwise be copied or reproduced in any form without the consent of the Board of Trustees and may only be provided to other parties in its entirety.


The measurements shown in this actuarial certification may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); differences in statutory interpretation and changes in plan provisions or applicable law.

This certification is based on the January 1, 2020 actuarial valuation, dated February 1, 2021. This certification reflects the changes in the law made by the Multiemployer Pension Reform Act of 2014 (MPRA). Additional assumptions required for the projections (including those under MPRA), and sources of financial information used are summarized in Exhibit VI.

Segal does not practice law and, therefore, cannot and does not provide legal advice. Any statutory interpretation on which this certification is based reflects Segal's understanding as an actuarial firm.

This certification was based on the assumption that the Plan was qualified as a multiemployer plan for the year.

I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of my knowledge, the information supplied in this actuarial certification is complete and accurate. As required by IRC Section 432(b)(3)(B)(iii), the projected industry activity is based on information provided by the plan sponsor. In addition, as allowed by IRC Section 432(b)(3)(B), in my opinion, the contributions used for Insolvency Projections are reasonable. In my opinion, the projections are based on reasonable actuarial estimates, assumptions and methods that (other than projected industry activity and contributions as otherwise specified) offer my best estimate of anticipated experience under the Plan.



**Susan L. Boyle, FSA, FCA, MAAA**

<b>EA#</b>	20-06862
<b>Title</b>	Senior Vice President and Actuary



### **Certificate Contents**

<b>Exhibit I</b>	Status Determination as of January 1, 2021
<b>Exhibit II</b>	Summary of Actuarial Valuation Projections
<b>Exhibit III</b>	Funding Standard Account Projection
<b>Exhibit IV</b>	Funding Standard Account – Projected Bases Assumed Established After January 1, 2020
<b>Exhibit V</b>	Solvency Projection
<b>Exhibit VI</b>	Actuarial Assumptions and Methodology

# Actuarial Status Certification under IRC Section 432

## Exhibit I

### Status Determination as of January 1, 2021

Status	Condition	Component Result	Final Result
<b>Critical Status:</b>			
<b>I. Initial critical status tests:</b>			
C1.	A funding deficiency is projected in four years?	Yes	Yes
C2.	(a) A funding deficiency is projected in five years,	Yes	
	(b) AND the present value of vested benefits for non-actives is more than present value of vested benefits for actives,	Yes	
	(c) AND the normal cost plus interest on unfunded actuarial accrued liability (unit credit basis) is greater than contributions for current year?	Yes	Yes
C3.	(a) A funding deficiency is projected in five years,	Yes	
	(b) AND the funded percentage is less than 65%?	Yes	Yes
C4.	(a) The funded percentage is less than 65%,	Yes	
	(b) AND the present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over seven years?	No	No
C5.	The present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over five years?	No	No
<b>II. In Critical Status? (If any of C1-C5 is Yes, then Yes)</b>			<b>Yes</b>
<b>VI. Determination of critical and declining status:</b>			
C6.	(a) Any of (C1) through (C5) are Yes?	Yes	Yes
	(b) AND EITHER Insolvency is projected within 15 years using assumptions described in Exhibit VI.B?	Yes	Yes
	(c) OR		
	(i) The ratio of inactives to actives is at least 2 to 1,	Yes	
	(ii) AND insolvency is projected within 20 years using assumptions described in Exhibit VI.B?	Yes	Yes
	(d) OR		
	(i) The funded percentage is less than 80%,	Yes	
	(ii) AND insolvency is projected within 20 years using assumptions described in Exhibit VI.B?	Yes	Yes
<b>In Critical and Declining Status?</b>			<b>Yes</b>

## Actuarial Status Certification under IRC Section 432

### Documentation Regarding Progress Under Rehabilitation Plan (Schedule MB, line 4c)

This certification notifies the IRS that the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan, based on the annual standards of the rehabilitation plan.

The Rehabilitation Plan states that the Fund will make adequate progress, to the extent reasonable based on financial markets activity and other relevant factors, toward enabling the Fund to forestall insolvency past 2028. Currently, a projected insolvency during 2033 meets this standard.



## Exhibit II

### Summary of Actuarial Valuation Projections

The actuarial factors as of January 1, 2021 (based on projections from the January 1, 2020 valuation certificate):

<b>I. Financial Information</b>			
1.	Market value of assets		\$1,648,616,482
2.	Actuarial value of assets		1,557,318,406
3.	Reasonably anticipated contributions		
a.	Upcoming year		12,039,738
b.	Present value for the next five years		48,718,338
c.	Present value for the next seven years		62,664,741
4.	Reasonably anticipated withdrawal liability payments		47,270,893
5.	Projected benefit payments		211,023,608
6.	Projected administrative expenses (beginning of year)		7,926,304
<b>II. Liabilities</b>			
1.	Present value of vested benefits for active participants		136,689,806
2.	Present value of vested benefits for non-active participants		2,745,239,914
3.	Total unit credit accrued liability		2,888,430,576
4.	Present value of payments	<b>Benefit Payments</b>	<b>Administrative Expenses</b>
a.	Next five years	\$934,308,544	\$36,764,235
b.	Next seven years	1,247,570,419	49,609,371
5.	Unit credit normal cost plus expenses		14,588,945
6.	Ratio of inactive participants to active participants		17.1558
<b>III. Funded Percentage (I.2)/(II.3)</b>			53.9%
<b>IV. Funding Standard Account</b>			
1.	Credit Balance/(funding deficiency) as of the end of prior year		(\$609,992,274)
2.	Years to projected funding deficiency		0
<b>V. Years to Projected Insolvency</b>			13

### Exhibit III Funding Standard Account Projection

The table below presents the Funding Standard Account Projection for the Plan Years beginning January 1.

	Year Beginning January 1,					
	2020	2021	2022	2023	2024	2025
1. Credit balance (BOY)	(\$550,883,410)	(\$609,992,274)	(\$744,884,338)	(\$877,154,056)	(\$1,016,565,375)	(\$1,123,073,284)
2. Interest on (1)	(35,807,422)	(39,649,498)	(48,417,482)	(57,015,014)	(66,076,749)	(72,999,763)
3. Normal cost	6,854,992	6,662,640	6,475,686	6,293,978	6,117,369	5,945,716
4. Administrative expenses	7,732,980	7,926,305	8,124,463	8,327,575	8,535,764	8,749,158
5. Net amortization charges	117,150,507	132,190,548	120,919,411	117,121,581	75,472,292	78,381,555
6. Interest on (3), (4) and (5)	8,563,001	9,540,667	8,808,771	8,563,304	5,858,153	6,049,968
7. Expected contributions	113,615,249	59,310,631	58,726,534	56,234,803	53,945,298	53,085,907
8. Interest on (7)	<u>3,384,789</u>	<u>1,766,963</u>	<u>1,749,561</u>	<u>1,675,329</u>	<u>1,607,120</u>	<u>1,581,517</u>
9. Credit balance (EOY): (1) + (2) - (3) - (4) - (5) - (6) + (7) + (8)	(\$609,992,274)	(\$744,884,338)	(\$877,154,056)	(\$1,016,565,375)	(\$1,123,073,284)	(\$1,240,532,020)
	2026	2027	2028	2029	2030	
1. Credit balance (BOY)	(\$1,240,532,020)	(\$1,362,830,420)	(\$1,475,344,446)	(\$1,572,346,792)	(\$1,676,161,027)	
2. Interest on (1)	(80,634,581)	(88,583,977)	(95,897,389)	(102,202,541)	(108,950,467)	
3. Normal cost	5,778,879	5,616,724	5,459,119	5,305,936	5,157,051	
4. Administrative expenses	8,967,887	9,192,084	9,421,886	9,657,433	9,898,869	
5. Net amortization charges	74,502,762	57,417,867	35,618,203	35,728,370	34,434,165	
6. Interest on (3), (4) and (5)	5,801,219	4,694,734	3,282,449	3,294,963	3,216,856	
7. Expected contributions	51,842,456	51,458,330	51,152,774	50,859,810	50,121,346	
8. Interest on (7)	<u>1,544,473</u>	<u>1,533,030</u>	<u>1,523,926</u>	<u>1,515,199</u>	<u>1,493,198</u>	
9. Credit balance (EOY): (1) + (2) - (3) - (4) - (5) - (6) + (7) + (8)	(\$1,362,830,420)	(\$1,475,344,446)	(\$1,572,346,792)	(\$1,676,161,027)	(\$1,786,203,890)	



## Exhibit IV

### Funding Standard Account – Projected Bases Assumed Established after January 1, 2020

#### Schedule of Funding Standard Account Bases

Type of Base	Date Established	Base Established	Amortization Period	Amortization Payment
Actuarial gain	1/1/2021	(\$42,711,431)	15	(\$4,265,239)
Actuarial gain	1/1/2022	(37,693,016)	15	(3,764,091)
Actuarial gain	1/1/2023	(5,746,689)	15	(573,874)
Actuarial gain	1/1/2024	(46,488,945)	15	(4,642,468)
Actuarial gain	1/1/2025	(15,891,879)	15	(1,586,991)



## Exhibit V Solvency Projection

The table below presents the projected Market Value of Assets for the Plan Years beginning January 1, 2020 through 2033.

	Year Beginning January 1,						
	2020	2021	2022	2023	2024	2025	2026
1. Market Value at beginning of year	\$1,579,161,376	\$1,648,616,482	\$1,574,381,431	\$1,491,947,070	\$1,398,677,752	\$1,297,429,123	\$1,186,311,972
2. Contributions	12,550,981	12,039,738	11,679,711	11,330,273	10,991,424	10,663,163	10,341,962
3. Withdrawal liability payments <sup>1</sup>	102,690,143	47,270,893	47,046,823	44,904,530	42,953,874	42,422,744	41,500,494
4. Benefit payments	209,463,910	211,023,608	214,235,376	217,664,382	221,092,881	223,942,305	226,681,827
5. Administrative expenses	9,360,025	8,200,000	8,405,000	8,615,125	8,830,503	9,051,266	9,277,548
6. Interest earnings	<u>173,037,917</u>	<u>85,677,926</u>	<u>81,479,481</u>	<u>76,775,386</u>	<u>74,729,457</u>	<u>68,790,513</u>	<u>62,277,287</u>
7. Market Value at end of year: (1)+(2)+(3)-(4)-(5)+(6)	\$1,648,616,482	\$1,574,381,431	\$1,491,947,070	\$1,398,677,752	\$1,297,429,123	\$1,186,311,972	\$1,064,472,340
	2027	2028	2029	2030	2031	2032	2033
1. Market Value at beginning of year	\$1,064,472,340	\$932,777,616	\$791,424,505	\$642,393,430	\$483,616,887	\$315,368,155	\$137,467,393
2. Contributions	10,031,351	9,731,328	9,438,364	9,155,990	8,880,675	8,615,949	8,358,282
3. Withdrawal liability payments	41,426,979	41,421,446	41,421,446	40,965,356	40,322,540	39,208,804	38,757,596
4. Benefit payments	228,831,941	230,314,176	231,004,813	230,799,745	229,578,670	227,516,863	224,346,535
5. Administrative expenses	9,509,487	9,747,224	9,990,905	10,240,678	10,496,695	10,759,112	11,028,090
6. Interest earnings	<u>55,188,374</u>	<u>47,555,515</u>	<u>41,104,833</u>	<u>32,142,534</u>	<u>22,623,418</u>	<u>12,550,460</u>	<u>0</u>
7. Market Value at end of year: (1)+(2)+(3)-(4)-(5)+(6)	\$932,777,616	\$791,424,505	\$642,393,430	\$483,616,887	\$315,368,155	\$137,467,393	\$0

<sup>1</sup>Includes funding deficiency payments and other income for 2020

## Exhibit VI

### Actuarial Assumptions and Methodology

The actuarial assumptions and plan of benefits are as used in the January 1, 2020 actuarial valuation certificate, dated February 1, 2021, except as specifically described below. We also assumed that experience would emerge as projected, except as described below. The calculations are based on a current understanding of the requirements of ERISA Section 305 and IRC Section 432.

#### A. Actuarial Assumptions and Plan Provisions except as Modified by Section B

<b>Asset Information:</b>	<p>The financial information as of December 31, 2020 was based on an unaudited financial statement provided by the Fund Administrator.</p> <p>For projections after that date, the assumed administrative expenses were increased by 2.5% per year and the benefit payments were projected based on the January 1, 2020 actuarial valuation. The projected net investment return was assumed to be 6.5% of the average market value of assets for the 2021 - 2030 Plan Years. Any resulting investment gains or losses due to the operation of the asset valuation method are amortized over 15 years in the Funding Standard Account.</p>
<b>Projected Industry Activity:</b>	<p>As required by Internal Revenue Code Section 432, assumptions with respect to projected industry activity are based on information provided by the plan sponsor. Based on this information, the number of active participants is assumed to decline based on known employer withdrawals and by 3% per year thereafter and, on the average, contributions will be made for each active for 2,200 hours each year.</p> <p>In addition to projections of industry activity directly linked to the level of ongoing employment, these determinations also project the following contribution amounts derived from withdrawal liability assessments, as shown in Exhibit V.</p>
<b>Future Normal Costs:</b>	<p>Based on the assumed industry activity and the unit credit cost method, we have assumed that the Normal Cost will increase by 0.2% per year due to projected mortality improvement. Total normal cost is also adjusted in accordance with the industry activity assumption.</p>

#### B. Assumptions for Insolvency Projections

Assumptions for this purpose are the same as shown in Section A with the following exceptions:

For projections after December 31, 2020, the projected net investment return was assumed to be 5.50% of the average market value of assets for 2021-2023, 5.75% for 2024-2028, and 6.00% for 2029-2033.



## SCHEDULE MB, LINE 3 – WITHDRAWAL LIABILITY AMOUNTS

Month in 2021	Withdrawal Liability Payments
January	\$3,323,124.11
February	4,566,538.89
March	3,989,181.82
April	4,120,676.71
May	2,892,869.95
June	8,049,531.25
July	4,083,636.35
August	3,219,734.04
September	4,650,580.83
October	2,479,296.49
November	2,315,076.69
December	8,157,176.21
Total	\$51,847,423.34

## Section 3: Certificate of Actuarial Valuation

### Schedule of FSA Bases (Charges) (Schedule MB, Line 9c)

Type of Base	Date Established	Outstanding Balance	Years Remaining	Amortization Amount
Plan amendment	01/01/1992	\$1,268,637	1	\$1,268,637
Plan amendment	01/01/1993	3,981,980	2	2,053,660
Plan amendment	01/01/1994	6,172,866	3	2,188,473
Plan amendment	01/01/1995	3,654,729	4	1,001,714
Plan amendment	01/01/1996	4,473,073	5	1,010,682
Plan amendment	01/01/1997	10,484,870	6	2,033,654
Assumption change	01/01/1998	10,597,313	7	1,814,294
Plan amendment	01/01/1998	53,337,966	7	9,131,629
Plan amendment	01/01/1999	45,510,029	8	7,018,257
Plan amendment	01/01/2000	37,361,131	9	5,270,482
Plan amendment	01/01/2001	28,395,566	10	3,708,879
OCAW/PACE UIPF merger - combined and offset bases	01/01/2002	6,238,402	1	6,238,402
Assumption change	01/01/2002	7,047,767	11	860,656
Plan amendment	01/01/2002	21,417,218	11	2,615,418
Plan amendment	01/01/2003	32,439,254	12	3,733,352
Plan amendment	01/01/2004	14,773,587	13	1,613,061
Plan amendment	01/01/2005	19,172,340	14	1,997,172
Assumption change	01/01/2006	5,520,527	15	551,290
Plan amendment	01/01/2007	7,494,691	16	720,458
Plan amendment	01/01/2008	2,269,175	2	1,170,301
Plan amendment	01/01/2009	2,488,695	3	882,320
Actuarial loss	01/01/2009	95,720,847	3	33,936,024
Plan amendment	01/01/2010	1,984,926	4	544,043

## Section 3: Certificate of Actuarial Valuation

Type of Base	Date Established	Outstanding Balance	Years Remaining	Amortization Amount
Assumption change	01/01/2011	30,187,035	5	6,820,698
Actuarial loss	01/01/2011	50,512,701	5	11,413,240
Assumption change	01/01/2012	9,419,050	6	1,826,927
Actuarial loss	01/01/2012	68,180,321	6	13,224,313
Actuarial loss	01/01/2013	63,396,862	7	10,853,743
Assumption change	01/01/2016	145,665,913	10	19,026,114
Actuarial loss	01/01/2019	15,515,786	13	1,694,099
Assumption change	01/01/2019	191,662,370	13	20,926,752
Actuarial loss	01/01/2020	1,911,199	14	199,089
<b>Total</b>		<b>\$998,256,826</b>		<b>\$177,347,833</b>



## Section 3: Certificate of Actuarial Valuation

### Schedule of FSA Bases (Credits) (Schedule MB, Line 9h)

Type of Base	Date Established	Outstanding Balance	Years Remaining	Amortization Amount
Actuarial gain	01/01/2010	\$22,044,120	4	\$6,042,008
Plan amendment	01/01/2011	68,006,049	5	15,365,825
Actuarial gain	01/01/2014	46,224,430	8	7,128,428
Actuarial gain	01/01/2015	28,186,817	9	3,976,274
Actuarial gain	01/01/2016	4,003,449	10	522,909
Actuarial gain	01/01/2017	10,433,217	11	1,274,079
Assumption change	01/01/2017	27,313,343	11	3,335,439
Actuarial gain	01/01/2018	28,214,075	12	3,247,087
Actuarial gain	01/01/2021	54,085,314	15	5,401,055
<b>Total</b>		<b>\$288,510,814</b>		<b>\$46,293,104</b>

## Section 3: Certificate of Actuarial Valuation

**Justification for  
Change in Actuarial  
Assumptions  
(Schedule MB, line 11)**

For purposes of determining current liability, the current liability interest rate was changed from 2.95% to 2.43% due to a change in the permissible range and recognizing that any rate within the permissible range satisfies the requirements of IRC Section 431(c)(6)(E) and the mortality tables and mortality improvement scales were changed in accordance with IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1.

Based on past experience and future expectations, the following actuarial assumptions were changed as of January 1, 2021:

Annual administrative expenses, previously \$8,000,000.



**PACE INDUSTRY UNION-MANAGEMENT PENSION FUND**

**EIN 11-6166763, PLAN NO. 001**

**SCHEDULE R, SUMMARY OF REHABILITATION PLAN/UPDATE OF REHABILITATION PLAN**

Under the Employee Retirement Income Security Act (“ERISA”) as amended by the Pension Protection Act of 2006 (“PPA”), on March 31, 2010, the actuary of the PACE Industry Union-Management Pension Fund (“Fund”) certified the Fund to be in Critical Status for the Plan Year beginning January 1, 2010. As a result of this Critical Status certification the Fund’s Board of Trustees adopted a Rehabilitation Plan on July 19, 2010, based on Fund information as of January 1, 2010 and on reasonable assumptions about how the Fund’s assets and liabilities are expected to change in the coming years, particularly as a result of changes in the Fund’s investment returns. The Fund’s Rehabilitation Period is from January 1, 2013 through December 31, 2022. The Rehabilitation Plan has been updated annually and otherwise modified from time to time.

The Fund’s Board of Trustees considered alternative contribution increases and benefit reductions for emerging from critical status by the end of the Rehabilitation Period. The Fund’s actuary determined that based on the plan of benefits in effect on January 1, 2010, for the Fund to emerge from critical status by the end of the Rehabilitation Period, employer contribution rates would have to be increased by 24% annually for each of the ten years following 2010, ultimately increasing to a rate that is more than 859% of the current contribution rate. The Fund’s actuary also reviewed several scenarios involving changes to the benefit plan and determined that even with a 50% reduction in future benefit accruals, ten annual increases in employer contribution rates of approximately 20% per year would be needed for the Fund to emerge from critical status by the end of the Rehabilitation Period.

The Trustees concluded, based in part on analysis by an independent economic consultant and previous experience with smaller contribution increases and benefit reductions that had been implemented by the Fund, that it was not reasonable to expect that the employers and Union would agree upon the contribution increases or benefit reductions needed to emerge from critical status or similar measures, and that the likely outcome of collectively bargaining over these types of alternatives would be negotiated withdrawals from the Fund.

After reviewing these possible scenarios the Trustees determined that, based on reasonable actuarial assumptions, and upon exhaustion of all reasonable measures, the Fund cannot reasonably be expected to emerge from critical status. Therefore, the Trustees adopted a Rehabilitation Plan described under Section 305(e)(3)(A)(ii) that consists of reasonable measures to forestall the date of the Fund’s possible insolvency. Under the Rehabilitation Plan, contributions generally increase by 10% following the expiration of an employer’s CBA that was in effect on the date the Rehabilitation Plan was provided to the bargaining parties and then increase again by an additional 5% effective January 1, 2016.

The Rehabilitation Plan includes the following benefit reductions:

- Elimination of Disability Pensions for Participants who have not received a Disability Award from the Social Security Administration;
- Elimination of Service Pensions;
- Elimination of Post-Retirement Payment Guarantees;
- Elimination of subsidized “Pop-Up” benefit;
- Elimination of pre-retirement death benefits for single Participants;
- Reduction of subsidized early retirement benefit;
- Future benefit accruals determined based on contribution rate in effect for year of accrual, rather than rate in effect on last day of participation;
- Increase in number of hours of service required to earn pension credit;
- Elimination of pension credit for periods of absence due to disability;
- Elimination of partial years of vesting service; and
- For purposes of calculating a participant’s pension accrual in a given plan year, an increase in the number of hours of service that a participant must be credited with at a higher contribution rate in a plan year for that higher contribution rate to be treated as the participant’s average hourly contribution rate.

Under the Rehabilitation Plan, in the event an Employer withdraws during a Plan Year when the Fund has an accumulated funding deficiency, as determined under Section 304 of ERISA, the Employer shall be responsible for its pro rata share of such deficiency in addition to any withdrawal liability determined under Section 4211 of ERISA. The pro rata share is determined by multiplying the accumulated funding deficiency and subsequent changes in that accumulated funding deficiency that arose in any Plan Year prior to the year in which the Employer withdraws, by the ratio of the withdrawn Employer’s contributions made to the Fund to the total Employer contributions received by the Fund, in each applicable Plan Year prior to the Plan Year of withdrawal.

Under the Rehabilitation Plan, if a CBA providing for contributions to the Plan in accordance with the Rehabilitation Plan schedule expires while the Plan is still in critical status and the bargaining parties fail to adopt a contribution schedule with terms consistent with the updated Rehabilitation Plan and its schedules, then the contribution schedule under the expired CBA, as updated and in effect on the date the CBA expires, is implemented 180 days after the date on which the CBA expires.

The Rehabilitation Plan was most recently updated based on the January 1, 2021 valuation to provide that there is no change to the Rehabilitation Plan.

## **PACE Industry Union-Management Pension Fund**

Application for Special Financial Assistance | Death Audit Statement

EIN 11-6166763

# **Death Audit Statement**

The PACE Industry Union-Management Pension Fund (PIUMPF) uses PBI Research Service (PBI) for continuous monitoring death audits. Each month PIUMPF sends PBI data files of the participant census to monitor. The files include all payees, terminated vested participants, and active participants. Therefore, the participant census for SFA purposes was included in the data files PBI monitors.

PBI continuously monitors participants on the data files for deaths. Each week, PBI sends PIUMPF a report with matching hits. Upon receipt of each weekly report, PIUMPF reviews and updates its records.

PIUMPF's census for SFA purposes includes the payees, terminated vested, and active participants as of the plan year ending 12/31/2020. To show that monitoring was completed on the census for SFA purposes, included is a copy of the last weekly report issued before the end of the 2020 plan year and a copy of the first weekly report issued after the beginning of the 2021 plan year.

In addition, to confirm that all participants were alive as of the census date, the census data file was compared against reported deaths prior to January 1, 2021 from PBI. As a result, 86 participants were removed from the census data files used for SFA purposes, and 5 beneficiaries were added.



# USW Benefit Funds

Account: REDACTED

Report Date: 01/03/2021  
Download Date: 02/01/2023  
Download User: PByrd@uswbenefitfunds.com

## PBI Category Codes

Code	Name	Description	Suggested Action
0	Validated Obituary	An obituary match that has been validated via User that confirms the obituary information is a match to the participant	This obituary match has been validated. You may want to obtain a death certificate or locate a beneficiary.
1	SoftSearch Match	A death record match by Name and Date of Birth. Notice the different SSNs.	Carefully investigate each name and correct your records when necessary. In rare cases, twins may be identified here. Last name & DOB match and name is very close (Harry & Larry).
2	Correct Match	A death record match by SSN and Name. The probability of a correct match is extremely high.	Verify the death information. You may want to obtain a death certificate or locate a beneficiary.
3	Last Name Match	A death record match by SSN and Last Name.	Review your records. Confirm if your record has the correct SSN or if it is a spouse's SSN. In some cases, the death record is listed under a wrong SSN.
4	First Name Match	A death record match on SSN and First Name.	Review your records to ensure the death record applies to your participant. You may want to obtain a death certificate or locate a beneficiary.
5	Incorrect SSN	Your record may contain an incorrect SSN based on the Death record match. Do not assume your participant is deceased without further investigation.	Review your records for data entry errors or confirm the SSN with your participant (Correct your record if necessary). PBI's SSN retrieval service can find correct or missing SSNs.
6	Insufficient Client Record	A death record match by SSN only. Your record has insufficient or missing data or is not in a compatible format to verify the accuracy of the match.	Additional data is needed to determine the death record pertains to your participant.
7	Invalid SSN	Your record may contain a SSN that is invalid, has not yet been issued by the SSA or was issued after 6/25/2011.	Review your records for data entry errors or confirm the SSN with your participant (Correct your record if necessary).
9	Unvalidated Obituary	Your record matches one or more obituaries by a combination of First Name/Nickname, Last Name, DOB, Age at Death, City and/or State at death.	Use internal data or PBI's Research Center tool to determine if the obituary is for your participant. If the obituary is for your participant, mark the Death Audit Result as "Valid" (this will move the match to a category 0).



USW Benefit Funds

Account: Redacted

Report Date: 01/03/2021  
Download Date: 02/01/2023  
Download User: PByrd@uswbenefitfunds.com

Report Record Count: 137

CC	PBI DOD	PBI City	PBI State	Source
2				SSA
2				STA
2				SSA
2				SSA
2				SSA
2				SSA
2				SSA
2				SSA
2				STA
1				SSA
2				SSA
4				SSA
2				SSA
2				SSA
2				SSA
2				SSA
2				SSA
2				STA
2				SSA
2				SSA
2				STA
2				STA
2				SSA
9				OBT
9				OBT















**USW Benefit Funds**

Account: **Redacted**

Report Date: 01/03/2021  
Download Date: 02/01/2023  
Download User: PByrd@uswbenefitfunds.com

Report Record Count: 137

CC	PBI DOD	PBI City	PBI State	Source
9				OBT
9				OBT
9				OBT
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9				OBT
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9				OBT

**Redacted**



# USW Benefit Funds

Account: [REDACTED]

Report Date: 12/27/2020  
Download Date: 02/01/2023  
Download User: PByrd@uswbenefitfunds.com

## PBI Category Codes

Code	Name	Description	Suggested Action
0	Validated Obituary	An obituary match that has been validated via User that confirms the obituary information is a match to the participant	This obituary match has been validated. You may want to obtain a death certificate or locate a beneficiary.
1	SoftSearch Match	A death record match by Name and Date of Birth. Notice the different SSNs.	Carefully investigate each name and correct your records when necessary. In rare cases, twins may be identified here. Last name & DOB match and name is very close (Harry & Larry).
2	Correct Match	A death record match by SSN and Name. The probability of a correct match is extremely high.	Verify the death information. You may want to obtain a death certificate or locate a beneficiary.
3	Last Name Match	A death record match by SSN and Last Name.	Review your records. Confirm if your record has the correct SSN or if it is a spouse's SSN. In some cases, the death record is listed under a wrong SSN.
4	First Name Match	A death record match on SSN and First Name.	Review your records to ensure the death record applies to your participant. You may want to obtain a death certificate or locate a beneficiary.
5	Incorrect SSN	Your record may contain an incorrect SSN based on the Death record match. Do not assume your participant is deceased without further investigation.	Review your records for data entry errors or confirm the SSN with your participant (Correct your record if necessary). PBI's SSN retrieval service can find correct or missing SSNs.
6	Insufficient Client Record	A death record match by SSN only. Your record has insufficient or missing data or is not in a compatible format to verify the accuracy of the match.	Additional data is needed to determine the death record pertains to your participant.
7	Invalid SSN	Your record may contain a SSN that is invalid, has not yet been issued by the SSA or was issued after 6/25/2011.	Review your records for data entry errors or confirm the SSN with your participant (Correct your record if necessary).
9	Unvalidated Obituary	Your record matches one or more obituaries by a combination of First Name/Nickname, Last Name, DOB, Age at Death, City and/or State at death.	Use internal data or PBI's Research Center tool to determine if the obituary is for your participant. If the obituary is for your participant, mark the Death Audit Result as "Valid" (this will move the match to a category 0).









USW Benefit Funds

Account: **Redacted**

Report Date: 12/27/2020  
Download Date: 02/01/2023  
Download User: PByrd@uswbenefitfunds.com

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PBI DOD	PBI City	PBI State	Source
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# USW Benefit Funds

Account: Redacted

Report Date: 12/27/2020  
Download Date: 02/01/2023  
Download User: PByrd@uswbenefitfunds.com

Report Record Count: 128

CC  
9  
9  
9

Redacted

PBI DOD	PBI City	PBI State	Source
			OBT
			OBT
			OBT

## RE: SFA Application - Death Audit Question

Bode Erika <Bode.Erika@pbgc.gov>

Thu 2/16/2023 6:52 AM

To: Charles Knight <CKnight@uswbenefitfunds.com>

Cc: Greenhill Melissa <Greenhill.Melissa@pbgc.gov>; Marcelin Rossi <Marcelin.Rossi@pbgc.gov>; Hernandez-Cruz Olga <Hernandez-Cruz.Olga@pbgc.gov>

The e-mail below is from an external source. Please do not open attachments or click links unless the info was requested by you or especially if it is from an unknown or suspicious origin.

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Good morning,

Thank you for contacting PBGC. Below are our thoughts on the best way to document your process in your SFA application, to likely avoid multiple clarifying questions during the review process.

1. If the weekly death audits do not align exactly with the SFA census date, please provide a copy of the report that was provided directly before and directly after the census date. For example, if this is a calendar year plan, provide the reports for the last week in December and first week in January. We need confirmation that the death audit was performed on the census data used to develop the SFA amount.
2. Provide a statement confirming the data that PBI matches against their death databases. For example, does PBI have access to an administrative database from which they know who is active/terminated vested/in payment in the PACE plan at any given week? Are they continually running a death audit against the last year's participant census data file?
3. Certify that:
  - a) All known deaths that occurred before the SFA census data date have been reflected in the census data used for SFA purposes (i.e. removed from the census data, replaced with a survivor, etc.)
  - b) All known deaths after the census data date were not removed from the census data except for "missing" terminated vested participants who are past their normal retirement date. If any "missing" terminated vesteds who are past their normal retirement date are determined to be deceased, then they should be removed from the census data even if their death occurred after the census data date.

Please feel free to contact me directly if you have additional questions.

Best regards,

Erika B. Bode, CEBS  
Manager, Special Financial Assistance Division  
Plan Compliance Department  
Pension Benefit Guaranty Corporation  
445 12th Street, SW  
Washington, DC 20024  
(202) 229-6365 office  
(202) 701-9845 cell  
[bode.erika@pbgc.gov](mailto:bode.erika@pbgc.gov)

---

**From:** Charles Knight <CKnight@uswbenefitfunds.com>

**Sent:** Wednesday, February 15, 2023 1:08 PM

**To:** Multiemployer Program <Multiemployerprogram.Multiemployerprogram@pbgc.gov>

**Subject:** SFA Application - Death Audit Question

CAUTION: This email originated from outside of the PBGC organization and was not from another government agency. DO NOT click links or open attachments unless you recognize and/or trust the sender. Contact the Service Desk with questions or concerns.

Good afternoon,

I am contacting you on behalf of the PACE Industry Union-Management Pension Fund, a priority 6 plan. We have a question with respect to the Death Audit requirements under Section B(9) of the SFA filing instructions. For our death audit, we use PBI for continuous monitoring of our participant population. Each week PBI provides a report of any deaths found. For the purposes of the application, how would PBGC prefer we document this type of continuous monitoring death audit? Do we need to provide a redacted copy of each weekly report received beginning from the date of the census data we are using for SFA purposes to present? Or, do we need to provide a narrative explaining the nature of the continuous monitoring with perhaps a copy of one of the weekly reports as an example? Or, is there another preferred method?

Thank you for any clarification you can provide.



**Chuck Knight**  
Executive Director

Phone: (615) 315-0292  
Fax: (615) 315-0293  
1101 Kermit Dr., Suite 800  
Nashville, TN 37217  
[www.uswbenefitfunds.com](http://www.uswbenefitfunds.com)

---

Information provided is not meant to be a substitute for the full text of the Plan document. If there are differences between information provided and the Plan document, the Plan document will govern.

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INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: JAN 18 2017

Employer Identification Number:  
11-6166763

DLN:  
17007044054015

BOARD OF TRUSTEES OF THE PACE  
INDUSTRY UNION-MANAGEMENT PENSION  
3320 PERIMETER HILL DR  
NASHVILLE, TN 37211-4123

Person to Contact:  
SAMUEL B HODGES

ID# [REDACTED]

Contact Telephone Number:  
(513) 263-4623

Plan Name:  
PACE INDUSTRY UNION-MANAGEMENT  
PENSION PLAN  
Plan Number: 001

Dear Applicant:

Based on the information you provided, we are issuing this favorable determination letter for your plan listed above. However, our favorable determination only applies to the status of your plan under the Internal Revenue Code and is not a determination on the effect of other federal or local statutes. To use this letter as proof of the plan's status, you must keep this letter, the application forms, and all correspondence with us about your application.

Your determination letter does not apply to any qualification changes that become effective, any guidance issued, or any statutes enacted after the dates specified in the Cumulative List of Changes in Plan Requirements (the Cumulative List) for the cycle you submitted your application under, unless the new item was identified in the Cumulative List.

Your plan's continued qualification in its present form will depend on its effect in operation (Section 1.401-1(b)(3) of the Income Tax Regulations). We may review the status of the plan in operation periodically.

You can find more information on favorable determination letters in Publication 794, Favorable Determination Letter, including:

- The significance and scope of reliance on this letter,
- The effect of any elective determination request in your application materials,
- The reporting requirements for qualified plans, and
- Examples of the effect of a plan's operation on its qualified status.

You can get a copy of Publication 794 by visiting our website at [www.irs.gov/formspubs](http://www.irs.gov/formspubs) or by calling 1-800-TAX-FORM (1-800-829-3676) to request a copy.

This letter considered the 2014 Cumulative List of Changes in Plan Qualification Requirements.

This determination letter applies to the amendments dated on

Letter 5274



BOARD OF TRUSTEES OF THE PACE

9/13/16 & 1/30/15.

This determination letter also applies to the amendments dated on 11/2014 & 11/14/13.

This determination letter also applies to the amendments dated on 6/6/13.

This letter 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. 104-199, 110 Stat. 2419 (DOMA) or U.S. v. Windsor, 133 S. Ct 2675 (2013), which invalidated that section.

This determination letter expresses no opinion as to the federal tax consequences of the replacement, or proposed replacement, of any joint and survivor, single life or other annuity being paid with a lump sum payment or other accelerated form of distribution.

If you submitted a Form 2848, Power of Attorney and Declaration of Representative, or Form 8821, Tax Information Authorization, with your application and asked us to send your authorized representative or appointee copies of written communications, we will send a copy of this letter to him or her.

If you have any questions, you can contact the person listed at the top of this letter.

Sincerely,

A handwritten signature in cursive script that reads "Karen D. Truss".

Karen D. Truss  
Director, EP Rulings & Agreements

**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.

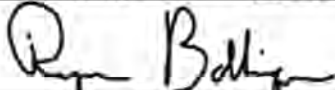
**AGENCY INFORMATION**

FEDERAL PROGRAM AGENCY PENSION BENEFIT GUARANTEE CORPORATION		
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 PACE INDUSTRY UNION-MANAGEMENT PENSION FUND	SSN NO. OR TAXPAYER ID NO. 11-6166763
ADDRESS 1101 KERMIT DRIVE SUITE 800  NASHVILLE, TN 37217	
CONTACT PERSON NAME: CAROLYN ADAMS-ROSSIGNOL	TELEPHONE NUMBER: ( 615 ) 333.5796

**FINANCIAL INSTITUTION INFORMATION**

NAME: US BANK	
ADDRESS: 505 N 7th Street  Saint Louis, MO 63101	
ACH COORDINATOR NAME: Dana Weh	TELEPHONE NUMBER: ( 314 ) 418-1729
NINE-DIGIT ROUTING TRANSIT NUMBER: <u>  0  </u> <u>  9  </u> <u>  1  </u> <u>  0  </u> <u>  0  </u> <u>  0  </u> <u>  2  </u> <u>  2  </u>	
DEPOSITOR ACCOUNT TITLE: Institutional Trust - St. Louis	
DEPOSITOR ACCOUNT NUMBER: [REDACTED]	LOCKBOX NUMBER:
TYPE OF ACCOUNT: <input type="checkbox"/> CHECKING <input type="checkbox"/> SAVINGS <input type="checkbox"/> LOCKBOX	
SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL: (Could be the same as ACH Coordinator) 	TELEPHONE NUMBER: ( 314 ) 418-2921

AUTHORIZED FOR LOCAL REPRODUCTION

SF 3881 (Rev. 2/2003)  
Prescribed by Department of Treasury  
31 U S C 3322; 31 CFR 210

### **Instructions for Completing SF 3881 Form**

Make three copies of form after completing. Copy 1 is the Agency Copy; copy 2 is the Payee/Company Copy; and copy 3 is the Financial Institution Copy.

1. Agency Information Section - Federal agency prints or types the name and address of the Federal program agency originating the vendor/miscellaneous payment, agency identifier, agency location code, contact person name and telephone number of the agency. Also, the appropriate box for ACH format is checked.
2. Payee/Company Information Section - Payee prints or types the name of the payee/company and address that will receive ACH vendor/miscellaneous payments, social security or taxpayer ID number, and contact person name and telephone number of the payee/company. Payee also verifies depositor account number, account title, and type of account entered by your financial institution in the Financial Institution Information Section.
3. Financial Institution Information Section - Financial institution prints or types the name and address of the payee/company's financial institution who will receive the ACH payment, ACH coordinator name and telephone number, nine-digit routing transit number, depositor (payee/company) account title and account number. Also, the box for type of account is checked, and the signature, title, and telephone number of the appropriate financial institution official are included.

### **Burden Estimate Statement**

The estimated average burden associated with this collection of information is 15 minutes per respondent or recordkeeper, depending on individual circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Bureau of the Fiscal Service, Forms Management Officer, Parkersburg, WV 26106-1328. THIS ADDRESS SHOULD ONLY BE USED FOR COMMENTS AND/OR SUGGESTIONS CONCERNING THE AMOUNT OF TIME SPENT COLLECTING THE DATA. DO NOT SEND THE COMPLETED PAPERWORK TO THE ADDRESS ABOVE FOR PROCESSING.

P.O. Box 1800  
 Saint Paul, Minnesota 55101-0800

360 MG 4850 S Y ST01

Account Number:

Statement Period:

 Dec 1, 2022  
 through  
 Dec 31, 2022

Page 1 of 6


 000267150 00 SP 106481634262296 S  
 PACE INDUSTRY UNION MANAGEMENT  
 PENSION FUND  
 ADMINISTRATION ACCOUNT  
 1101 KERMIT DR STE 800  
 NASHVILLE TN 37217-5111

**To Contact U.S. Bank**
**Commercial Customer**
**Service:** 800-377-3053

**U.S. Bank accepts Relay Calls**
**Internet:** [usbank.com](http://usbank.com)
**INFORMATION YOU SHOULD KNOW**

 Effective November 14, 2022, the *Your Deposit Account Agreement* disclosure will include update(s) and may affect your rights.

**Primary updates in your revised *Your Deposit Account Agreement* document for all accounts:**

- Update to move **Special Provisions for Third-Party Accounts** section to a subsection under the addition of **FDIC Part 370 Record-Keeping** section.
- Addition of **FDIC Part 370 Record-Keeping** section: Added language under FDIC Part 370 that additional information may be needed to accurately calculate FDIC insurance coverage.

 Beginning November 14, 2022, a copy of this disclosure will be available online at [usbank.com](http://usbank.com), by calling 800-USBANKS (872-2657) or at your local U.S. Bank branch.

If you have any questions, you can call us at U.S. Bank 24-Hour Banking at 800-USBANKS (872-2657). We accept relay calls. Our bankers are also available to help at your local branch via appointment.

**ANALYZED CHECKING**

U.S. Bank National Association

**Account Summary**
**Member FDIC**  
 Account Number:

	# Items		
Beginning Balance on Dec 1		\$	20,679,447.52
Other Deposits	76		19,936,360.43
Other Withdrawals	50		18,496,868.72-
Checks Paid	7		9,807.59-
<b>Ending Balance on Dec 31, 2022</b>		<b>\$</b>	<b>22,109,131.64</b>

**Other Deposits**

Date	Description of Transaction	Ref Number	Amount
Dec 1	Electronic Settlement REF [REDACTED] From PACE IND UNION SETTLEMENTACH ITEMS		\$ 75.00
Dec 1	Electronic Funds Transfer Cost Sharing From Account [REDACTED]		20,095.00
Dec 1	Wire Credit REF [REDACTED] ORG=NEW-INDY JPMCHASE NYC CONTAINERBOARD LLC 1 PATRIOT PL		51,686.62
Dec 1	Electronic Deposit REF=[REDACTED] From HOFFMASTER GROUP		152,034.75
Dec 1	Wire Credit REF [REDACTED] ORG=MYLAN INC WIRE CITIBANK OF NEW YO ACCOUNT 1000 MYLAN BOULEVARD		323,499.82
Dec 2	Wholesale Lockbox Deposit Location/Ser# [REDACTED]		3,326.75
Dec 2	Consolidated Image Check Deposit 1 Items 0000000000		4,945.31
Dec 5	Wholesale Lockbox Deposit Location/Ser# [REDACTED]		1,184.04
Dec 5	Electronic Deposit REF=[REDACTED] From WISE BUSINESS FO CORP PAY PIUMPF		4,791.67
Dec 5	ZBA Credit From Account [REDACTED]		6,481.08
Dec 5	Wholesale Lockbox Deposit Location/Ser# [REDACTED]		15,955.58
Dec 6	Wholesale Lockbox Deposit Location/Ser# [REDACTED]		8,811.40
Dec 7	Wholesale Lockbox Deposit Location/Ser# [REDACTED]		580.93



**BALANCE YOUR ACCOUNT**

To keep track of all your transactions, you should balance your account every month. Please examine this statement immediately. We will assume that the balance and transactions shown are correct unless you notify us of an error.

**Outstanding Deposits**

DATE	AMOUNT
<b>TOTAL</b>	<b>\$</b>

**Outstanding Withdrawals**

DATE	AMOUNT
<b>TOTAL</b>	<b>\$</b>

- List any deposits that do not appear on your statement in the Outstanding Deposits section at the left. Record the total.
- Check off in your checkbook register all checks, withdrawals (including Debit Card and ATM) and automatic payments that appear on your statement. Withdrawals that are NOT checked off should be recorded in the Outstanding Withdrawals section at the left. Record the total.
- Enter the ending balance shown on this statement. \$ \_\_\_\_\_
- Enter the total deposits recorded in the Outstanding Deposits section. \$ \_\_\_\_\_
- Total lines 3 and 4. \$ \_\_\_\_\_
- Enter the total withdrawals recorded in the Outstanding Withdrawals section. \$ \_\_\_\_\_
- Subtract line 6 from line 5. This is your balance. \$ \_\_\_\_\_
- Enter in your register and subtract from your register balance any checks, withdrawals or other debits (including fees, if any) that appear on your statement but have not been recorded in your register.
- Enter in your register and add to your register balance any deposits or other credits (including interest, if any) that appear in your statement but have not been recorded in your register.
- The balance in your register should be the same as the balance shown in #7. If it does not match, review and check all figures used, and check the addition and subtraction in your register. If necessary, review and balance your statement from the previous month.

**IMPORTANT DISCLOSURES TO OUR CONSUMER CUSTOMERS****In Case of Errors or Questions About Your Checking, Savings, ATM, Debit Card, ACH, Bill Pay and Other Electronic Transfers**

If you think your statement or receipt is wrong or if you need more information about a transfer on the statement or receipt, we must hear from you no later than 60 days\* after we sent you the FIRST statement on which the error or problem appeared. Telephone us at the number listed on the front of this statement or write to us at U.S. Bank, EP-MN-WS5D, 60 Livingston Ave., St. Paul, MN 55107.

- Tell us your name and account number.
- Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe there is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, we may take up to 45 days to investigate your complaint. For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account.

\*Please note: Paper draft and paper check claims must be disputed within 30 days per Your Deposit Account Agreement.

**IMPORTANT DISCLOSURES TO OUR BUSINESS CUSTOMERS**

Errors related to any transaction on a business account will be governed by any agreement between us and/or all applicable rules and regulations governing such transactions, including the rules of the National Automated Clearing House Association (NACHA Rules) as may be amended from time to time. If you think this statement is wrong, please telephone us at the number listed on the front of this statement immediately.

**CONSUMER BILLING RIGHTS SUMMARY REGARDING YOUR RESERVE LINE****What To Do If You Think You Find A Mistake on Your Statement**

If you think there is an error on your statement, write to us at:  
U.S. Bank, P.O. Box 3528, Oshkosh, WI 54903-3528.

In your letter, give us the following information:

- Account information:** Your name and account number.
- Dollar Amount:** The dollar amount of the suspected error.
- Description of problem:** If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us within 60 days after the error appeared on your statement.

You must notify us of any potential errors *in writing*. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

While we investigate whether or not there has been an error, the following are true:

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount. But, if we determine that we made a mistake, you will not have to pay the amount in question or any interest or other fees related to that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

**Reserve Line Balance Computation Method:** To determine your **Balance Subject to Interest Rate**, use the dates and balances provided in the Reserve Line Balance Summary section. The date next to the first Balance Subject to Interest is day one for that balance and is applicable up to (but not including) the date of the next balance (if there is one). We multiply the Balance Subject to Interest by the number of days it is applicable and add them up to get the same number of days in the billing cycle. We then divide the result by the number of billing days in the cycle. This is your **Balance Subject to Interest Rate**. Any unpaid interest charges and unpaid fees are not included in the Balance Subject to Interest. The **\*\*\*INTEREST CHARGE\*\*\*** begins from the date of each advance.

**REPORTS TO AND FROM CREDIT BUREAUS FOR RESERVE LINES**

We may report information about your account to credit bureaus. Late payments, missed payments or other defaults on your account may be reflected in your credit report.

**CONSUMER REPORT DISPUTES**

We may report information about account activity on consumer and small business deposit accounts and consumer reserve lines to Consumer Reporting Agencies (CRA). As a result, this may prevent you from obtaining services at other financial institutions. If you believe we have inaccurately reported information to a CRA, you may submit a dispute by calling 844.824.8230 or by writing to: U.S. Bank Attn: Consumer Bureau Dispute Handling (CBDH), P.O. Box 3447, Oshkosh, WI 54903-3447. In order for us to assist you with your dispute, you must provide: your name, address and phone number; the account number; the specific information you are disputing; the explanation of why it is incorrect; and any supporting documentation (e.g., affidavit of identity theft), if applicable.







PACE INDUSTRY UNION MANAGEMENT  
 PENSION FUND  
 ADMINISTRATION ACCOUNT  
 1101 KERMIT DR STE 800  
 NASHVILLE TN 37217-5111

Account Number: [REDACTED]

Statement Period:

Dec 1, 2022  
 through  
 Dec 31, 2022



**ANALYZED CHECKING**

**(CONTINUED)**

U.S. Bank National Association

Account Number [REDACTED]

**Other Deposits (continued)**

Date	Description of Transaction	Ref Number	Amount
Dec 7	Consolidated Image Check	Deposit 1 Items 0000000000	1,262.55
Dec 7	Electronic Deposit	From LANDAAL PACKAGIN REF=[REDACTED] CASH DISB	4,019.21
Dec 7	ZBA Credit	From Account [REDACTED]	15,153.69
Dec 8	Wholesale Lockbox Deposit	Location/Ser# [REDACTED]	5,631.93
Dec 8	Electronic Funds Transfer	From Account [REDACTED]	15,148.92
	Cost Sharing: AP	1-3Q adjust	
Dec 9	Electronic Deposit	From LANDAAL PACKAGIN REF=[REDACTED] DISB	4,895.29
Dec 9	Wholesale Lockbox Deposit	Location/Ser# [REDACTED]	12,638.39
Dec 9	Electronic Deposit	From INTERTAPE POLYMR REF=[REDACTED] INTERTAP [REDACTED]	16,520.98
Dec 9	Electronic Deposit	From CLEARWATER PAPER REF=[REDACTED] EDI PYMNTS [REDACTED]	400,273.20
Dec 12	Consolidated Image Check	Deposit 1 Items 0000000000	705.58
Dec 12	Electronic Deposit	From ESSITY PROF [REDACTED] REF=[REDACTED]	23,501.99
Dec 12	Wholesale Lockbox Deposit	Location/Ser# [REDACTED]	43,529.90
Dec 13	Wholesale Lockbox Deposit	Location/Ser# [REDACTED]	29,247.47
Dec 13	Electronic Deposit	From HUHTAMAK REF=[REDACTED] PAYMENTS [REDACTED]	153,048.83
Dec 14	Electronic Deposit	From KINDER MORGAN AP REF=[REDACTED] AP PAYMENTKMI [REDACTED]	16,266.03
Dec 14	Consolidated Image Check	Deposit 1 Items 0000000000	16,569.70
Dec 14	Electronic Deposit	From CROWLEY [REDACTED] REF=[REDACTED] EDI PAYMNT [REDACTED]	30,222.37
Dec 14	Wholesale Lockbox Deposit	Location/Ser# [REDACTED]	737,901.36
Dec 15	Electronic Deposit	From OHMSTEDE LTD REF=[REDACTED] OHMSTEDE LAPORTE PENSION	3,509.49
Dec 15	Wire Credit [REDACTED]	JOHNSON BK RACINE [REDACTED] ORG=R SABEE COMPANY LLC 1718 W 8TH ST	5,425.00
Dec 15	Electronic Deposit	From Niacet Corporati REF=[REDACTED] CASH DISB PIUMPF	15,394.67
Dec 15	Electronic Deposit	From HUHTAMAK REF=[REDACTED] PAYMENTS [REDACTED]	20,180.95
Dec 15	Electronic Deposit	From INTERNATIONAL PA REF=[REDACTED] TRADE PAY	32,090.31
Dec 15	Electronic Deposit	From HUHTAMAK REF=[REDACTED]	68,170.64
Dec 15	Electronic Deposit	From DOMTAR INC REF=[REDACTED] PAYMENTS [REDACTED]	307,679.41
Dec 16	Electronic Deposit	From THENEWYORKTIMES REF=[REDACTED] Payment [REDACTED]	7,370.89
Dec 16	ZBA Credit	From Account [REDACTED]	21,010.00
Dec 16	Electronic Deposit	From DEUFOL SUNMAN REF=[REDACTED] VENDORS5	33,531.74
Dec 19	ZBA Credit	From Account [REDACTED]	721.75
Dec 19	Consolidated Image Check	Deposit 1 Items 0000000000	1,689.00
Dec 19	Wire Credit [REDACTED]	BK AMER NYC [REDACTED] ORG=VELSICOL CHEMICAL 10400 WEST HIGGINS ROAD X	12,344.63
Dec 20	Wholesale Lockbox Deposit	Location/Ser# [REDACTED]	1,972.01





**ANALYZED CHECKING**

**(CONTINUED)**

U.S. Bank National Association

Account Number [REDACTED]

**Other Deposits (continued)**

Date	Description of Transaction	Ref Number	Amount
Dec 20	Electronic Deposit REF=[REDACTED] From GRAHAM PACKAGING AP		11,186.53
Dec 20	Electronic Funds Transfer Cost Sharing From Account [REDACTED]		41,500.00
Dec 21	Consolidated Image Check Deposit 1 Items 0000000000		2,919.24
Dec 21	ZBA Credit From Account [REDACTED]		17,248.20
Dec 21	Electronic Deposit REF=[REDACTED] From INLAND EMPIRE PA AP PAYMENT		41,495.37
Dec 22	Check 3960 Location/Ser# [REDACTED]		4,860.00
Dec 22	Wire Credit REF [REDACTED] ORG=SWANSON INDUSTRIES CITIZENS BK NA PRO INC ACCOUNTS PAYABLE		5,346.63
Dec 22	Electronic Funds Transfer Cost Sharing: Trx From Account [REDACTED] 1-3Q AP		13,839.79
Dec 22	Wholesale Lockbox Deposit Location/Ser# [REDACTED]		17,672.75
Dec 23	Electronic Deposit REF=[REDACTED] From DEUFOL SUNMAN VENDORS5		33,531.74
Dec 23	Wholesale Lockbox Deposit Location/Ser# [REDACTED]		33,840.58
Dec 23	Electronic Deposit REF=[REDACTED] From MULTIPACKAGING S VENDOR		44,893.37
Dec 23	Electronic Deposit REF=[REDACTED] From The Smead Manufa DIRECT PAY		49,739.08
Dec 23	Electronic Deposit REF=[REDACTED] From INTERNATIONAL PA TRADE PAY		164,738.43
Dec 27	Wholesale Lockbox Deposit Location/Ser# [REDACTED]		300.00
Dec 27	Wire Credit REF [REDACTED] ORG=TAVENS CONTAINER INC KEYBANK CLEVELAND 22475 AURORA RD		2,553.09
Dec 27	Wire Credit REF [REDACTED] ORG=SOLVAY FINANCE JPMCHASE NYC (AMERICA) LLC SFA, LLC DISBU		4,854.86
Dec 27	Electronic Deposit REF=[REDACTED] From Greif Inc - Fina PAYMENTS		6,688.81
Dec 27	Electronic Deposit REF=[REDACTED] From PACTIISO PAYMENTS		84,150.00
Dec 27	Wire Credit REF [REDACTED] ORG=GEORGIA-PACIFIC JPMCHASE NYC FINANCIAL MANAGEMEN LLC		1,183,352.58
Dec 28	Consolidated Image Check Deposit 1 Items 0000000000		5,025.55
Dec 28	Electronic Deposit REF=[REDACTED] From ROARING S - CASH DISB 130		13,373.75
Dec 28	Wholesale Lockbox Deposit Location/Ser# [REDACTED]		34,258.64
Dec 28	Wire Credit INTERNAL ORG=PACE INDUSTRY US BANK UNION-MANAGEMENT PENSION FUND		13,800,000.00
Dec 29	Wire Credit REF [REDACTED] ORG=JORDAN INDUSTRIES NORTHERN CHGO INTERNATIONAL LLC 875 N M		9,537.19
Dec 29	Wire Credit REF [REDACTED] ORG=RAND-WHITNEY SANTANDER BANK, N. CONTAINER LLC 1 AGRAND ST		13,584.43
Dec 29	Wire Credit REF [REDACTED] ORG=EVERGREEN MASTER BK AMER NYC CONCENTRATION ACC CH		1,015,850.00
Dec 30	Wire Credit REF [REDACTED] ORG=OX PAPERBOARD PNC PITT MICHIGAN LLC 22260 HAGGERTY R		17,480.34
Dec 30	Wholesale Lockbox Deposit Location/Ser# [REDACTED]		135,909.08
Dec 30	Electronic Deposit REF=[REDACTED] From HOFFMASTER GROUP CORP PAY		152,034.75





PACE INDUSTRY UNION MANAGEMENT  
 PENSION FUND  
 ADMINISTRATION ACCOUNT  
 1101 KERMIT DR STE 800  
 NASHVILLE TN 37217-5111

Account Number: [REDACTED]

Statement Period:

Dec 1, 2022

through

Dec 31, 2022



(CONTINUED)

Account Number [REDACTED]

**ANALYZED CHECKING**

U.S. Bank National Association

**Other Deposits (continued)**

Date	Description of Transaction	Ref Number	Amount
Dec 30	Wire Credit REF [REDACTED] ORG=MYLAN INC WIRE	CITIBANK OF NEW YO [REDACTED] ACCOUNT 1000 MYLAN BOULEVARD	323,499.82

**Total Other Deposits** \$ **19,936,360.43**

**Other Withdrawals**

Date	Description of Transaction	Ref Number	Amount
Dec 1	Electronic Withdrawal REF= [REDACTED]	To IRS	\$ 172.00-
Dec 1	Electronic Settlement REF= [REDACTED]	From PACE IND UNION SETTLEMENTACH ITEMS	654.90-
Dec 1	Electronic Funds Transfer PIUMPF Monthly	To Account [REDACTED] contribution	3,900.00-
Dec 1	Electronic Withdrawal REF= [REDACTED]	To IRS	602,716.82-
Dec 1	ZBA Transfer	To Account [REDACTED]	17,185,576.50-
Dec 2	Electronic Funds Transfer Q Admin Fees: [REDACTED] /	To Account [REDACTED]	487.50-
Dec 2	Electronic Withdrawal REF= [REDACTED]	To IRS	642.99-
Dec 2	ZBA Transfer	To Account [REDACTED]	847.92-
Dec 2	Electronic Withdrawal REF= [REDACTED]	To Olymbec Investme RENTAL [REDACTED]	16,809.90-
Dec 2	Electronic Settlement REF= [REDACTED]	From PACE IND UNION SETTLEMENTACH ITEMS	19,149.71-
Dec 5	Electronic Withdrawal REF= [REDACTED]	To SUN LIFE CANADA PAYMENTREC [REDACTED]	1,755.67-
Dec 6	ZBA Transfer	To Account [REDACTED]	3,692.83-
Dec 6	Electronic Withdrawal REF= [REDACTED]	To DELTA DENTAL TN DIRECT DEBT [REDACTED]	5,537.71-
Dec 8	ZBA Transfer	To Account [REDACTED]	45,152.81-
Dec 9	Electronic Withdrawal REF= [REDACTED]	To IRS	875.32-
Dec 9	ZBA Transfer	To Account [REDACTED]	2,069.67-
Dec 12	Electronic Withdrawal REF= [REDACTED]	To PLIC-SBD INSUR CLM PACT [REDACTED]	1,011.52-
Dec 12	ZBA Transfer	To Account [REDACTED]	4,313.28-
Dec 13	ZBA Transfer	To Account [REDACTED]	4,461.61-
Dec 14	ZBA Transfer	To Account [REDACTED]	646.00-
Dec 14	Analysis Service Charge		5,795.38-
Dec 14	Electronic Withdrawal REF= [REDACTED]	To DPS OFFSETS PAYROLL [REDACTED]	114,654.25-
Dec 15	Electronic Funds Transfer # [REDACTED] 2021/2022 PR	To Account [REDACTED] audit followup	862.09-
Dec 15	Electronic Funds Transfer Semi-monthly payroll	To Account [REDACTED] for # [REDACTED]	2,387.30-
Dec 15	Electronic Funds Transfer # [REDACTED] 2021/2022 PR	To Account [REDACTED] audit followup	9,152.97-
Dec 15	Electronic Funds Transfer CONO [REDACTED]	To Account [REDACTED]	12,640.44-
Dec 15	Electronic Settlement REF= [REDACTED]	From PACE IND UNION SETTLEMENTACH ITEMS	14,716.40-
Dec 15	ZBA Transfer	To Account [REDACTED]	31,262.73-
Dec 15	Electronic Withdrawal REF= [REDACTED]	To SHWF SHWF [REDACTED]	94,588.89-
Dec 16	Electronic Withdrawal REF= [REDACTED]	To IRS	417.61-





PACE INDUSTRY UNION MANAGEMENT  
PENSION FUND  
ADMINISTRATION ACCOUNT  
1101 KERMIT DR STE 800  
NASHVILLE TN 37217-5111

Account Number: [REDACTED]

Statement Period:

Dec 1, 2022  
through  
Dec 31, 2022

**ANALYZED CHECKING**

**(CONTINUED)**

U.S. Bank National Association

Account Number [REDACTED]

**Other Withdrawals (continued)**

Date	Description of Transaction	Ref Number	Amount
Dec 16	Electronic Withdrawal To IRS REF=[REDACTED]	[REDACTED]	1,120.96-
Dec 16	Electronic Withdrawal To LEASE DIRECT REF=[REDACTED]	[REDACTED]	1,408.01-
Dec 19	Electronic Withdrawal To CARDMEMBER SERV REF=[REDACTED]	[REDACTED]	16,295.16-
Dec 20	ZBA Transfer To Account [REDACTED]	[REDACTED]	18,967.99-
Dec 21	Electronic Withdrawal To IRS REF=[REDACTED]	[REDACTED]	1,222.43-
Dec 22	Electronic Withdrawal To [REDACTED] REF=[REDACTED]	[REDACTED]	1.95-
Dec 22	ZBA Transfer To Account [REDACTED]	[REDACTED]	5,967.72-
Dec 22	Electronic Withdrawal To CHUBB-CI REF=[REDACTED]	[REDACTED]	8,907.00-
Dec 23	ZBA Transfer To Account [REDACTED]	[REDACTED]	16,518.00-
Dec 27	ZBA Transfer To Account [REDACTED]	[REDACTED]	8,607.34-
Dec 28	ZBA Transfer To Account [REDACTED]	[REDACTED]	447.55-
Dec 28	Electronic Funds Transfer To Account [REDACTED] HRA repay: [REDACTED]	[REDACTED]	3,074.43-
Dec 28	Electronic Withdrawal To Accident Fund REF=[REDACTED]	[REDACTED]	4,078.00-
Dec 28	Electronic Funds Transfer To Account [REDACTED] Dec 22 Payment [REDACTED]	[REDACTED]	8,000.00-
Dec 29	ZBA Transfer To Account [REDACTED]	[REDACTED]	923.00-
Dec 29	Electronic Settlement From PACE IND UNION REF=[REDACTED]	[REDACTED]	80,676.17-
Dec 29	Electronic Withdrawal To DPS REF=[REDACTED]	[REDACTED]	117,978.14-
Dec 30	ZBA Transfer To Account [REDACTED]	[REDACTED]	954.61-
Dec 30	Electronic Funds Transfer To Account [REDACTED] Semi-monthly payroll for # [REDACTED]	[REDACTED]	2,248.48-
Dec 30	Electronic Funds Transfer To Account [REDACTED] CONO [REDACTED]	[REDACTED]	12,519.06-
<b>Total Other Withdrawals</b>			<b>\$ 18,496,868.72-</b>

**Checks Presented Conventionally**

Check	Date	Ref Number	Amount	Check	Date	Ref Number	Amount
3960	Dec 21	[REDACTED]	4,860.00	3976	Dec 29	[REDACTED]	875.00
3969*	Dec 8	[REDACTED]	278.75	3987*	Dec 22	[REDACTED]	299.00
3971*	Dec 21	[REDACTED]	1,200.47	3988	Dec 29	[REDACTED]	2,269.37
3975*	Dec 16	[REDACTED]	25.00				

\* Gap in check sequence

**Conventional Checks Paid (7) \$ 9,807.59-**

**Balance Summary**

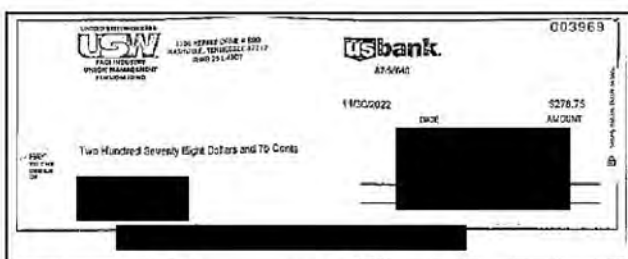
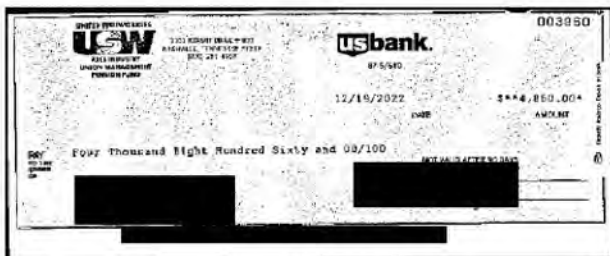
Date	Ending Balance	Date	Ending Balance	Date	Ending Balance
Dec 1	3,433,818.49	Dec 12	3,920,551.30	Dec 21	5,212,561.20
Dec 2	3,404,152.53	Dec 13	4,098,385.99	Dec 22	5,239,104.70
Dec 5	3,430,809.23	Dec 14	4,778,249.82	Dec 23	5,549,329.90
Dec 6	3,430,390.09	Dec 15	5,065,089.47	Dec 27	6,822,621.90
Dec 7	3,451,406.47	Dec 16	5,124,030.52	Dec 28	20,659,679.86
Dec 8	3,426,755.76	Dec 19	5,122,490.74	Dec 29	21,495,929.80
Dec 9	3,858,138.63	Dec 20	5,158,181.29	Dec 30	22,109,131.64

Balances only appear for days reflecting change.





IMAGES FOR YOUR ANALYZED CHECKING ACCOUNT



\* Gap in check sequence

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**Statement of Value and Activity**

01-Dec-22 - 31-Dec-22

**Kohinoor Series (Cayman) Fund  
(ISIN: KYG530971046)**

PACE Industry Union Management Pension Plan  
1101 Kermit Drive  
Suite 800  
Nashville  
TN 37217  
USA

Account ID: [REDACTED]  
Account Name: PACE Industry Union Management Pension Plan  
Currency: United States Dollar

Attention: Account Contact  
Fax Number:  
Email: pacedata@meketafm.com

**For Your Information**

Your Statement of Value and Activity has been designed to keep you up-to-date on the activity in your account. It provides you with a summary of your account balance and history of your transactions during the period.

**Your Portfolio Value**

		Shares	NAV per Share	Market Value
Opening Market Value at	01-Dec-22	18,715.895958	986.949	18,471,634.80
Add: Contributions		0.000000		0.00
Less: Withdrawals		( 4,072.585372 )		( 4,002,134.53 )
Increase / Decrease in Market Value During Period				( 36,482.27 )
Closing Value of Shares at	31-Dec-22	14,643.310586	985.639	14,433,018.00
Closing Value of Equalization Factor				0.00
Closing Value of Contingent Redemption				( 58,365.31 )
Closing Market Value at	31-Dec-22		981.653	14,374,652.69

**Your Transaction Activity**

Transaction Date	Activity Description	Contract Number	Gross Consideration	Share Amount	Price Per Share	Net Consideration	Equalization Factor
01-Dec-22	Redemption	[REDACTED]	4,002,134.53	4,072.585372	986.949	4,000,000.00	0.00

**Pool Total**

Beginning Market Value	Change in Net Asset Value	Ending Market Value
485,453,588.27	(2,159,013.80)	483,294,574.46

Affirmation: I affirm that to the best of my knowledge, all information contained in this statement is true, accurate and complete.



Jamie Evans,  
Chief Operating Officer, 36 South Capital Advisors LLP  
Kohinoor Series (Cayman) Fund



**ALLIANCEBERNSTEIN**

Account Number

■■■■■■■■■■

Period Ending  
12/30/2022

Last Statement  
11/30/2022

PAGE INDUSTRY UNION  
MANAGEMENT PENSION FUND  
1101 KERMIT DRIVE, SUITE 800  
NASHVILLE TN 37217-5111

**IMPORTANT NOTICES AND DISCLOSURES**

The following notices are included in your statement. Please review all notices carefully.

- Annual Trading Order

**Explanations of Terms** can be found on the other side of this page.

Additional important disclosures are found on the last page.



## EXPLANATIONS

### TRANSACTION NOTES

<p>A The price shown represents the average price per share for this trade. Further details are available upon request.</p> <p>B This was a client directed (unsolicited) trade.</p> <p>C We make a market in this stock but never act in a principal capacity for discretionary accounts.</p> <p>D This trade was executed by a third party. Sanford C. Bernstein and Co., LLC ("SCB") did not act as the executing broker. Further details upon request.</p> <p>E This trade was the result of a client request to raise cash or for the payment of fees pursuant to the client's account agreement.</p> <p>F This trade was done in order to rebalance the account in line with the target allocation.</p>	<p>G This was a discretionary tax trade.</p> <p>H This was a client directed (unsolicited) tax trade.</p> <p>I Transaction made pursuant to a registration statement.</p> <p>J One or more of the transactions reflected on this confirmation was executed by a third party broker dealer, not by SCB. Details are available upon request.</p> <p>K This security has traded more than 7 lots. Please refer to Bernstein.com or contact your financial advisor for more specific lot details.</p> <p>L Due to system deadlines, lot details were not available. Please refer to Bernstein.com or contact your financial advisor for more specific lot details.</p> <p>M The trade of this security has relieved identified multiple lots. Please refer to the Capital Gains report on Bernstein.com or contact your financial advisor for more specific lot details.</p>
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<p>ACAT Automated customer account transfer system</p> <p>ACCR INT Interest purchased or sold</p> <p>ADJUST Adjustment to your account of a previous entry</p> <p>AI Accrued income interest and dividend</p> <p>A/O Transaction processed as of a prior date</p> <p>CHECK Check issued or received as per your instructions</p> <p>CIL Cash in lieu of fractional shares</p> <p>DELIVERED Securities delivered to you or to your designated agent as per your instruction</p> <p>DIS Stock Dividend received or charged</p>	<p>DIVIDEND Dividend credited or charged to your account. Rec Record date. Date customer must own stock in order to receive dividend</p> <p>EXCHANGE Securities received and delivered as a result of an exchange, tender, or redemption</p> <p>EXPIRED Securities that have passed their fixed date of expiration</p> <p>INTEREST Interest earned on credit balances in your account. Interest charged on debit balance in your account. Interest earned on fixed income securities</p>	<p>JOURNAL Journal entry</p> <p>MKT Mark to market on securities sold short</p> <p>RECEIVED Securities received into your account</p> <p>REDEEMED Redemption of matured securities</p> <p>TRANSFER Securities transferred and shipped to you or your designated agent as per your instructions</p> <p>WIRE Electronic funds transfer processed through the Federal Reserve System</p> <p>WH Tax withheld</p> <p>PRINCIPAL Periodic Principal Paydown</p>
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### TRANSACTIONS—IMPORTANT EXPLANATIONS AND DISCLOSURES

#### M—MARKET

1. New York Stock Exchange (NYSE)
2. NYSE Amex
3. U.S. Registered Exchanges (Names on Request)
4. Mutual Funds
5. Other
6. NASDAQ Exchange and/or Other Markets / Exchanges
7. Underwriting
8. U.S. Registered Exchanges and/or Other Markets (Names on Request)

#### C—CAPACITY IN WHICH WE HAVE ACTED

Unless otherwise disclosed, SCB does not charge commissions on transactions for advisory clients.

- 1.8. As your agent. We charged you a commission. Details regarding each execution are available upon request.
2. As agent for you and as agent for another party. We charged a commission to you and possibly to the other party for whom we acted as agent. Details regarding each execution, including the capacity in which we acted and the identity of the other party for whom we acted as agent, are available upon request.
3. As principal and/or riskless principal. We charged you a commission equivalent. Details regarding each execution are available upon request.
4. Partly as your agent, partly as principal and/or riskless principal. We charged you a commission and a commission equivalent. Details regarding each execution, including the capacity in which we acted, are available upon request.
5. Partly as your agent, partly as agent for another party, partly as principal and/or riskless principal. We charged a commission and commission equivalent to you and possibly a commission to the other party for whom we acted as agent. Details regarding each execution, including the capacity in which we acted and the identity of the other party for whom we acted as agent, are available upon request.

#### MARKET 7—CAPACITY 7

This purchase by you is a part of a special offering or underwriting. The offerer is paying us a transaction fee and no transaction charge is being charged by us to you. A Prospectus on the security named is enclosed, or is being mailed to you under separate cover. Such Prospectus contains the only authorized information on the basis of which the security has been offered.

Unless you advise us promptly to the contrary, we shall assume a copy of such Prospectus has been received by you.

#### TRADE DATES VS. SETTLEMENT DATES

Cash received or paid and securities received or delivered are shown as of the date of each such transaction. Purchases and sales of securities, however, are shown as of the contract settlement date which is normally the second business day after the date of execution (trade date). Accordingly, purchases or sales made near the date of this statement may not appear on this statement even though you may have received a trade confirmation. This trade will appear on your next monthly statement.

#### ASSET ALLOCATION—IMPORTANT EXPLANATIONS

##### CASH

The closing cash balance (except short account balances) is reported here. A debit balance is preceded by a ( ) and a credit balance is not preceded by any notation.

##### SHORT ACCOUNT

Cost refers to the total proceeds of all short sales including mark to markets. The net value of the Short Account is calculated as the short account cost less the current market value of the securities sold short. The specific quantity, description and price of each security sold short are shown in the Holdings section of the statement.

### INCOME SUMMARY—IMPORTANT EXPLANATIONS

Dividends paid from the municipal bond portfolios of the Sanford C. Bernstein Fund, Inc., are reported under the category Municipal Bond Fund Dividends. The actual percentage of these dividends exempt from federal and state taxes will be reported after year end. Dividends paid from the taxable bond portfolios of the Sanford C. Bernstein Fund, Inc. and the Sanford C. Bernstein Fund II, Inc., are reported under the category Taxable Bond Fund Dividends.

### CAPITAL GAINS SUMMARY—IMPORTANT EXPLANATIONS

The net short term and long term capital gains for taxable accounts for the current month and year to date are included. For Section 1256 options contracts, the values reflected include realized (closed contracts) and unrealized (open contracts) gains and losses. Any securities sold where no cost basis was provided will appear in the line titled Zero Cost Basis. Please contact your Financial Advisor for the specific details on these sales. This information is preliminary; a final capital gains report will be issued at year end.

### HOLDINGS—IMPORTANT EXPLANATIONS

#### 1. DESCRIPTION

Security positions are grouped separately by stocks and bonds and shown with the appropriate quantity of shares or principal amount of bonds.

#### 2. MARKET VALUE

This amount represents the value of the security position based on appraisals obtained from various quotation services. The appraisals are based on the closing prices, bond yields or the mean bid and ask on the last day of the statement period. Because of the nature of the data provided by the quotation services, we cannot guarantee the accuracy of such prices including assessing or reviewing security valuation of unmanaged assets. The valuation does not necessarily reflect prices at which each position could have been sold or, if short, covered on the valuation date, particularly in the case of infrequently traded securities. Accrued interest is calculated on fixed income securities through the last day of the statement. For CDs, accrued interest is calculated through the last Thursday of the month. The amount is shown directly below the market value of each fixed income security and is followed by the designation AI.

#### 3. ESTIMATED ANNUAL INCOME & ESTIMATED YIELD

Estimated Annual Income (EAI) and Estimated Yield (EY) are estimates. For stocks and fund shares, Rate refers to the estimated annual dividend payment per share. For bonds, Rate and EY refer to the coupon rate. For CDs, Rate and EY refer to the interest rate. Amount refers to the EAI, calculated by multiplying, for stocks and funds, the number of shares owned times the estimated annual dividend payment per share, and, for bonds, the par value of bonds owned times the coupon rate and, for CDs, the principal value of the CD times the interest rate on an annualized basis. The total EAI is the sum of all EAI amounts, excluding interest paid on cash balances (credit interest). The total Rate equals the total EAI divided by the market value of the securities. EAI does not reflect the amount of income already earned, and EY does not reflect yield already earned. The actual annual income and yield may be lower or higher than the EAI and EY.

The EAI and EY for certain types of securities could include a return of principal or capital gains, in which case EAI and EY will be higher than the actual amounts. EY reflects only the income which may be generated by an investment and does not reflect changes in its price, which may fluctuate.



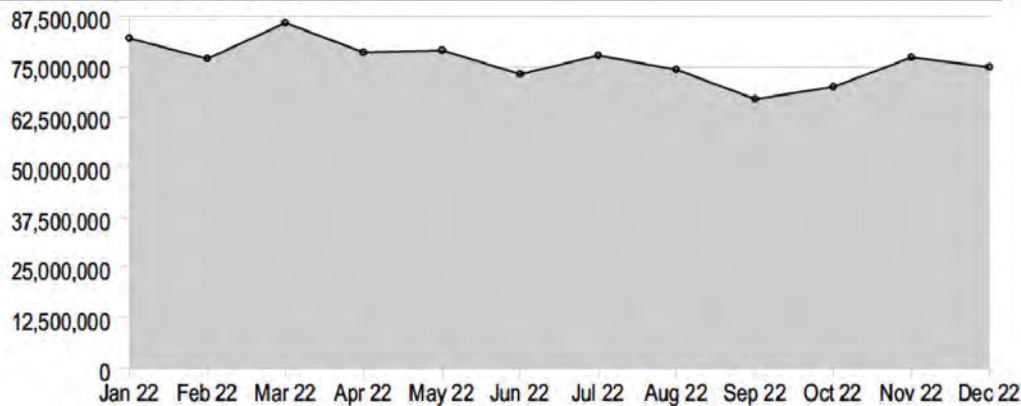


**ALLIANCEBERNSTEIN**

**ASSET ALLOCATION**

Allocation Category	Value on 11/30/2022	%	Value on 12/30/2022	%	Change	%
International Equity	77,388,833.74	100.0	74,962,547.18	100.0	-2,426,286.56	-3.1
<b>Total Account Value</b>	<b>77,388,833.74</b>	<b>100.0</b>	<b>74,962,547.18</b>	<b>100.0</b>	<b>-2,426,286.56</b>	<b>-3.1</b>

**MARKET VALUE OVER TIME**



**MARKET VALUE RECONCILIATION**

Beginning Balance as of 11/30/2022	77,388,833.74
Cash Flow	0.00
Income	0.00
Other	0.00
Change in Market Value	-2,426,286.56
<b>Ending Balance as of 12/30/2022</b>	<b>74,962,547.18</b>





**ALLIANCEBERNSTEIN®**

Period Ending: 12/30/2022  
PACE INDUSTRY UNION  
Account: [REDACTED]

**INCOME SUMMARY**

	Current Month	Year To Date
Credit Interest	0.00	192.88
<b>Total Income</b>	<b>0.00</b>	<b>192.88</b>

**HOLDINGS**

Quantity	Description	Price	Market Value	Total Cost <sup>[1]</sup>	Unrealized Gain/Loss <sup>[1]</sup>	Est. Annual Income Rate/Yield	Amount
<b>International Equity</b>							
<b>Global Equity</b>							
2,757,770.578	AB GLOBAL CORE EQUITY DBT U	27.18	74,962,547.18	--	--	\$0.00	0

<sup>[1]</sup>Total Cost and Total Unrealized Gain/Loss do not include Alternative Investments, Hedge Funds, Private Equity Funds, DBTs or any other investment that issues a K 1.





**ALLIANCEBERNSTEIN®**

[www.AllianceBernstein.com](http://www.AllianceBernstein.com)

**Period Ending:** 12/30/2022

**PACE INDUSTRY UNION**

**Account:** [REDACTED]

## Important Notices

### ANNUAL TRADING ORDER NOTICE

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The Securities and Exchange Commission requires us to prepare a report detailing where our clients' trading orders are executed each calendar quarter (the New York Stock Exchange, for example, would be listed in the report). The report for the most recent quarter may be viewed at [www.bernstein.com](http://www.bernstein.com) by clicking on the link entitled "Reports pursuant to SEC Rules 605 and 606" or at [www.bernsteinresearch.com](http://www.bernsteinresearch.com) by clicking on the link entitled "Reports pursuant to SEC Rules 605 and 606 of Sanford C. Bernstein & Co., LLC." It may also be obtained by contacting your Bernstein Advisor. Additionally, upon your request, we can give you specific information, such as where and at what time a particular trade was executed, for any trade in your account over the past six months.

## IMPORTANT DISCLOSURES

### INTEREST PAID ON YOUR CREDIT BALANCES

Credit balances of cash left with Sanford C. Bernstein & Co., LLC, for investment earn interest. The monthly rate is based on the average of the 90 day and the 180 day Treasury bill rates for the preceding ninety days. Monthly and year to date credit interest is shown in the Income Summary section of the statement.

Any free credit balance appearing in this statement represents funds payable upon demand. Such funds are not segregated and may be used in the operation of the business of Sanford C. Bernstein & Co., LLC.

### INTEREST CHARGES

Interest is charged on the net debit balance of your margin account. Interest charged appears on your statement and indicates the rate and period for which it is calculated. The formula for figuring such charges is as follows:

Average daily debit balance x interest rate + 365 x number of days for which charged = interest charge.

It is possible that the applicable margin interest rate may change without notice. The floating rate will be based on commercially recognized interest rates, set at the discretion of Sanford C. Bernstein & Co., LLC. Monthly and year to date margin interest are shown in the Income Summary section of the statement.

Upon any increase or decrease in the prevailing broker's call rate or prime rate, the annual rate of interest may be changed without notice by the same amount. Any increase in the annual rate of interest charged for any other reason will be preceded by at least 30 days written notice.

### OPTIONS

Commissions and other charges with respect to options transactions have been included in trade confirmations previously sent to you unless they were discretionary transactions and you elected not to receive such confirmations. A summary of this information will be made available upon request.

Exercise assignment notices for option contracts are allocated among all our clients' short positions (both discretionary and non discretionary) in accordance with the date of the transaction that established the short position. Positions that were established earliest will be assigned first ("first in, first out").

### SIPC COVERAGE

Clients' accounts that are custodied at Sanford C. Bernstein & Co., LLC, are protected by SIPC (Securities Investors Protection Corp.) coverage. Interests in limited partnerships or other securities that are not registered with the SEC, however, are not protected by SIPC. In the event of a SIPC liquidation, SIPC protection covers \$500,000 worth of assets held for each individual or organization, of which \$250,000 may be cash. In addition, if there were a SIPC liquidation, for each individual or organization, we have \$49,500,000 of insurance for securities, that are protected by SIPC with a commercial insurer, totaling in aggregate \$50,000,000 (of which \$1,500,000 may be in cash) or such lesser amount as is actually the account value. The maximum amount payable to all Sanford C. Bernstein & Co., LLC clients in aggregate is \$1 billion. Additional information regarding SIPC protection is available at [www.sipc.org](http://www.sipc.org). For information regarding the excess SIPC insurance policy and other protections afforded your Bernstein account, please contact your Bernstein Advisor.

### SECURITIES LENDING

Sanford C. Bernstein & Co., LLC may receive and retain compensation for any lending of the securities in your account. Payments received for cash dividends on loaned securities may not qualify as dividend income and may be taxed at a less favorable ordinary income rate. Should we choose to lend securities we will attempt to manage the lending process to minimize such tax outcomes.

### BROKER FINANCIAL STATEMENTS

The latest annual (audited) or semi annual (unaudited) financial statement of Sanford C. Bernstein & Co., LLC, is available for your personal inspection at our office. A copy will be sent to you upon request.

### AGENCY CROSS TRANSACTION NOTICE

For advisory clients: In certain cases, securities bought or sold for your advisory account may be combined with securities of other advisory clients on the same side of a cross transaction. The source and amount of all remuneration that has been or will be received by us in connection with this transaction will be furnished upon written request. **Authority to engage in cross transactions on behalf of investment advisory clients may be revoked at any time upon written notice to us or your Financial Advisor.**

### OTHER IMPORTANT INFORMATION

Transactions are subject to provisions of existing agreements; to rules, regulations, customs, rulings, and interpretations of the exchange or market and its clearinghouse, if any, on which the transactions are effected; and to federal and state regulations. Miscellaneous fees, where applicable, are for insurance and processing securities.

The following information is available upon written request: the time of the transaction, the name of the other broker dealer or other party with whom the transactions were executed and, if we also acted as broker for the person from whom you purchased or to whom you sold the security, the name of that person and the amount of remuneration received by us from that person.

As market maker, we or our affiliate may have acted as principal, may have had a long or short position in the security and may have profited or lost in connection with this transaction.

SCB may receive liquidity rebates for posting client orders on certain market centers such as Nasdaq or Electronic Communications Networks (ECNs). Such market centers also charge market participants for removing liquidity from their markets. These extra costs are not passed along to the client; SCB does not route orders to particular market centers based on these rebates or payments.

The securities described herein are or may be hypothecated under circumstances that will permit the commingling thereof with securities of others; such commingling, however, if any, ceases upon payment by you for the securities described herein in the amount indicated on the reverse side hereof.

For trades in certain mutual funds and unregistered funds managed by its affiliates, SCB acts as agent for the fund and the shareholder without transaction charges.

### OTHER IMPORTANT INFORMATION (CONTINUED)

These funds include the Sanford C. Bernstein Fund (Private Client Classes) Inc., the Sanford C. Bernstein Fund II, Inc., the AllianceBernstein Real Estate Investment Institutional Fund, each Series of the Sanford C. Bernstein & Co. Delaware Business Trust, and AllianceBernstein's hedge funds. For trades in AB sponsored Exchange Traded funds, SCB only acts as an agent for the shareholder and does not earn transaction charges.

For debt securities: call/redemption features not specified on the front of this confirmation may exist. Such features could affect yield, return, and maturity. Additional information with respect to the effect of a call/redemption on yield, return, and maturity is available upon request.

For mortgage backed or other asset backed securities that are continuously subject to prepayment, the actual yield of such securities may vary according to the rate at which the underlying receivables or other financial assets are prepaid. Information concerning the factors that affect the yield of such securities (including estimated yield, weighted average life, and the underlying prepayment assumptions) will be furnished upon written request.

Please promptly advise us in writing of any change in your investment objectives or financial situation, or if you wish to impose any reasonable restrictions on the management of your account or to modify existing restrictions.

This statement should be retained for income tax purposes and also because it contains information that may be needed to enable you to verify interest charges on subsequent statements. If this statement is not in accordance with your records, please notify Client Reporting at (914) 993 2313 immediately. It is also recommended that any oral communication be reconfirmed in writing to protect your rights, including rights under the Securities Investor Protection Act (SIPA).

An investor brochure that includes information describing the FINRA Regulation Public Disclosure Program is available through the FINRA Regulation Public Disclosure Program Hotline at (800) 289 9999 or the FINRA Regulation Website at [www.finra.org](http://www.finra.org)

For information regarding Sanford C. Bernstein & Co., LLC's regulatory disclosures for institutional clients, go to [www.bernsteinresearch.com/CMSObjectBR/Disclosures%20SCB LLC.pdf](http://www.bernsteinresearch.com/CMSObjectBR/Disclosures%20SCB%20LLC.pdf) or to the SCB LLC Disclosures link on the bottom of the page at [www.Bernsteinresearch.com](http://www.Bernsteinresearch.com)

**FEE CREDITS:** Fee credits shown on your statement have not been included in any tax reporting to the IRS. Your Financial Advisor can provide details of the nature of the credits. Please consult your tax advisor as to the proper treatment of these amounts.

**ADJ VS ERROR:** Adjustments for errors represent reimbursements for expenses that you have paid or for errors made in your account. Your Financial Advisor can provide details of the nature of the credits. Please consult your tax advisor as to the proper treatment of these amounts.

### HK IRD STAMP DUTY OFFICE

We confirm that the stamp duty imprinted herein has been/will be paid through the Stock Exchange of Hong Kong Ltd. Where the consideration is in a foreign currency, the stamp duty paid/to be paid will be based on the Hong Kong dollar equivalent of the consideration at the rate of exchange prescribed by the Stamp Duty Ordinance (Cap 117).

## Capital Account Statement

PACE INDUSTRY UNION MANAGEMENT PENSION FUND

**Run Date:** 01/23/2023  
**Period Start Date:** 11/30/2022  
**Period End Date:** 12/31/2022  
**Share Partner Class ID:** [REDACTED]  
**Investor ID:** [REDACTED]  
**Account ID:** [REDACTED]  
**Investment Profile ID:** [REDACTED]  
**Currency:** USD

**Account Description:** PACE INDUSTRY UNION MANAGEMENT PENSION FUND

### EM XC DIRECT PORTFOLIO CLASS A SUPPLEMENT (FOUNDERS CLASS)

	December	Year to Date
<b>Beginning Equity</b>	10,448,946.32	-
Capital Additions	-	9,750,000.00
Capital Withdrawals	-	-
Net Profit/(Loss)	(466,024.51)	232,921.81
<b>Ending Equity</b>	<u>9,982,921.81</u>	<u>9,982,921.81</u>
Net Rate of Return for the Period	(4.46%)	2.39%

Net results reflect the deduction of all operational expenses (including brokerage commissions), management fees and potential profit allocation to the General Partner.

**Note: All trade orders must be submitted in writing. In the event of non-receipt of confirmation within 72 hours, please contact Citco immediately.**

The information on this statement is being provided solely for the benefit of the investor to whom this statement is addressed and is not intended to be relied upon by any third party. If you are not the intended recipient, please delete and destroy all copies in your possession and notify the sender that you have received this statement in error. This is not an offer to sell any securities or a solicitation to buy any securities. The information provided in this statement is unaudited. Such information may vary from the final year-end audited information.

For more information or further inquiries, please contact the Sub-Administrator, Citco (Canada) Inc. Tel: (1-416) 969 6700. Fax: (1-416) 966 0925. Email: [lrtr@citco.com](mailto:lrtr@citco.com).

PACE Industry Union Management Pension Fund

Date : Jan-09-2023  
 Valuation Date : Dec-31-2022  
 Fund Code : ALPSTONEOFF/AUSDINV  
 SubEntity ID : ██████████  
 Currency : USD

**Alpstone Global Macro Fund - Class A**

**FUND INVESTMENT SUMMARY**

Period	Opening Value	Additions To Capital	Reductions To Capital	Profit/(Loss)	Closing Value
1-Dec-22 - 31-Dec-22	18,540,319.92	0.00	0.00	54,264.17	18,594,584.09

**SERIES SUMMARY**

	Opening Value	Opening Shares	Opening Nav Per Share	Net Capital Activity	Profit/(Loss)	Closing Shares	Closing Nav Per Share	Closing Value
<b>Series004 2021</b>								
	7,999,300.17	7,760.360	1,030.789827	0.00	23,379.29	7,760.360	1,033.802482	8,022,679.46
<b>Series007 2021</b>								
	10,541,019.75	10,120.000	1,041.602742	0.00	30,884.88	10,120.000	1,044.654608	10,571,904.63

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Performance data and other information contained herein is unaudited. Information contained in this report is subject to the most recently issued policies and procedures of the administrator and to the quality, timeliness, and completeness of the transaction and data information received by, as well as the pricing, curve and data procedures provided to the administrator by the fund, the fund's custodian(s), prime broker(s), clearer(s), its investment manager(s) and or any third party data provider.

For more information or any inquiries, please contact Investor Services

t: +353 1 514 9620 | f: +1 914 729 9523 | Alpstone.Ir@sscinc.com

# **Affirmation Required by Commodity Exchange Act, Regulation Section 4.7(b)(3)**

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**Alpstone Global Macro Fund - Class A - Series004 2021**

**PACE Industry Union Management Pension Fund**

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Aggregate Net Asset Value of the Fund in USD as of November 30, 2022 :	413,656,562.38
Aggregate Net Asset Value of the Fund in USD as of December 31, 2022 :	413,811,900.54
Change in Aggregate Net Asset Value in USD for the Month :	155,338.16
Subscriptions and Redemptions included in such change in USD :	(1,100,000.00)
Aggregate Net Asset Value of Class A - Series004 2021 in USD as of December 31, 2022 :	38,926,123.74
NAV per Share of Class A - Series004 2021 in USD as of December 31, 2022 :	1,033.802482
Closing Shares of the Investor as of December 31, 2022 :	7,760.360

The undersigned, on behalf of the Commodity Pool Operator of Alpstone Global Macro Fund, affirms that, to the best of their knowledge and belief, the information contained herein is accurate and complete.

By : 

Name : Melanie Owen (Jersey) and David Alexandre Dahan (Suisse)

Title : Head of Investor Relations (Melanie Owen) / Chief Risk Officer (David Alexandre Dahan)

Name of commodity pool operator : Alpstone Capital (Jersey) Limited / Alpstone Capital (Suisse) SA

Name of commodity pool : Alpstone Global Macro Fund

Dated as of : January 9, 2023



**Affirmation Required by  
Commodity Exchange Act, Regulation Section 4.7(b)(3)**

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**Alpstone Global Macro Fund - Class A - Series007 2021**

**PACE Industry Union Management Pension Fund**

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Aggregate Net Asset Value of the Fund in USD as of November 30, 2022 :	413,656,562.38
Aggregate Net Asset Value of the Fund in USD as of December 31, 2022 :	413,811,900.54
Change in Aggregate Net Asset Value in USD for the Month :	155,338.16
Subscriptions and Redemptions included in such change in USD :	(1,100,000.00)
Aggregate Net Asset Value of Class A - Series007 2021 in USD as of December 31, 2022 :	42,016,008.32
NAV per Share of Class A - Series007 2021 in USD as of December 31, 2022 :	1,044.654608
Closing Shares of the Investor as of December 31, 2022 :	10,120.000

The undersigned, on behalf of the Commodity Pool Operator of Alpstone Global Macro Fund, affirms that, to the best of their knowledge and belief, the information contained herein is accurate and complete.

By : 

Name : Melanie Owen (Jersey) and David Alexandre Dahan (Suisse)

Title : Head of Investor Relations (Melanie Owen) / Chief Risk Officer (David Alexandre Dahan)

Name of commodity pool operator : Alpstone Capital (Jersey) Limited / Alpstone Capital (Suisse) SA

Name of commodity pool : Alpstone Global Macro Fund

Dated as of : January 9, 2023

# SEI Trust Company

1 Freedom Valley Drive  
Oaks, PA 19456

PACE INDUSTRY UNION - MANAGEMENT  
PENSION FUND  
1101 KERMIT DR STE 800  
NASHVILLE TN 37217-5111

## MONTHLY STATEMENT

Page 1 of 2

December 1, 2022 - December 31, 2022

### Trustee

SEI TRUST  
1 FREEDOM VALLEY DR  
OAKS PA 19456-9989

### Investor Services

1-800-858-7233

**Total Market Value \$82,641,469.96**

### PORTFOLIO ACTIVITY SUMMARY

	This Period	Year to Date
Beginning Market Value	\$87,584,876.58	\$0.00
Additions	\$0.00	\$86,000,000.00
Withdrawals	\$0.00	\$0.00
Change in Market Value	-\$4,943,406.62	-\$3,358,530.04
Ending Market Value	\$82,641,469.96	\$82,641,469.96

### PORTFOLIO SUMMARY

Fund	Ending Shares	Share Price	Market Value
ARTISAN GLOBAL OPPORTUNITIES TRUST TIER 5	2,792,885.095	\$29.59	\$82,641,469.96
Total Portfolio			\$82,641,469.96

### PERFORMANCE OF YOUR INVESTMENTS

Fund	This Quarter Month	Quarter To Date	Year To Date	Year ----Annualized Returns----	1 Year	3 Year	5 Year	Inception To Date	Inception Date
ARTISAN GLOBAL OPPORTUNITIES TRUST TIER 5	-5.64%	4.37%	-4.39%	n/a	n/a	n/a	-4.39%	09/01/22	

Performance is calculated using a currency-weighted Modified Dietz method, an industry accepted approach that considers the timing of cash flows into and out of this account. The account's return may differ from the Fund's return due to the impact of cash flows during the period. If fund expenses are paid from the fund assets, the performance figures will include expenses collected from the fund; consult the fund's fee schedule for details on fund expenses. Other approaches to calculating performance could yield different results. Total returns are annualized for periods over one year and cumulative for periods of one year or less. Past performance does not guarantee future results. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost.

1 Freedom Valley Drive  
Oaks, PA 19456

December 1, 2022 - December 31, 2022

**ACCOUNT ACTIVITY**

ARTISAN GLOBAL OPPORTUNITIES TRUST TIER 5

**Summary**

Beginning Market Value	\$87,584,876.58
Additional Investments	\$0.00
Reductions & Redemptions	\$0.00
Net Investment Amount	\$0.00
Change in Market Value	-\$4,943,406.62
Ending Market Value	\$82,641,469.96

**Transactions this Period**

Trade Transaction Date Description	Transaction Dollar Amount	Share Price	Shares this Transaction	Shares Owned
BALANCE FORWARD	\$87,584,876.58			2,792,885.095
NO TRANSACTIONS THIS PERIOD.				
MARKET VALUE as of 12/31/22	\$82,641,469.96	\$29.59		2,792,885.095

The collective investment trust is managed by SEI Trust Company, the trustee, based on the investment advice of the investment adviser to the trust.

## SERVICE DIRECTORY

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**TO PURCHASE**      **By telephone:** Contact the SEI Institutional Transfer Agent by calling 1-800-858-7233.

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**TO EXCHANGE**      **By telephone:** Contact the SEI Institutional Transfer Agent by calling 1-800-858-7233.

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**TO REDEEM**      **By telephone:** Contact the SEI Institutional Transfer Agent by calling 1-800-858-7233.

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**Please review all the information on this statement to ensure that we properly acted on your instructions. If you find any errors or omissions on this statement, please contact SEI Trust Company Attention: Collective Investment Trust, in writing within 30 days of your receipt of this statement.**

**SEI CIT Units:**

- Are NOT insured by the FDIC or any other government agency.
- Are NOT obligations of any bank or other financial institution.
- Are NOT sponsored or guaranteed by any bank or other financial institution.
- Involve investment risk, including possible loss of principal.



## BH-DG Systematic Trading ERISA Fund Limited - Class X

SHAREHOLDER ACCOUNT STATEMENT AT 12/30/2022

Fund NAV at 12/30/2022: 160.1734

Account Number: [REDACTED]

PACE Industry Union Management Pension Fund

Telephone:

Fax:

### Shareholder Summary

	Shares	USD Value
Beginning Balance	88,082.9598	14,088,454.73
Capital Invested	-	-
Capital Withdrawn	-	-
Net Income/(Loss)		20,094.36
Equalisation Balance*		0.00
Total Ending Balance	<u>88,082.9598</u>	<u>14,108,549.09</u>
Percent return for Month		0.14%
Percent return for Year***		32.94%
Management Fee for Month		10,641.66
Management Fee for Year		199,804.38
Accrued Incentive Fee for Month		-
Accrued Incentive Fee for Year		-
Crystallised Incentive Fee**		-
New Issues Income/(Loss) For Month		-
New Issues Income/(Loss) For Year		-

### Fund Summary (USD)

Beginning Balance	400,549,445.49
Change in Assets	588,701.58
Total Ending Balance	401,138,147.07

### Important Notices:

100% of your holding is classified as benefit plan assets for the purposes of determining whether 25% of more of the fund's assets are held by benefit plan investors purposes for ERISA

\*BH-DG Systematic Trading ERISA Fund Limited is an equalisation fund. The total performance adjustment reported in your statement, if positive represents the potential accrued equalisation as of that month. If the adjustment is negative it represents the possible contingent redemption payable to the Investment manager as a performance fee as of that month. This figure will be subject to change depending on the performance of the fund and will continue to fluctuate until the end of the calculation period or a crystallising event occurs. Please contact IFS if you have any further questions.

\*\* This Fee is from the crystallisation at the beginning of the month.

\*\*\*The Rate of Return detailed on the statement is the overall Class YTD Rate of Return.

State Street Fund Services (Ireland) Limited

State Street Client Services on behalf of BH-DG Systematic Trading ERISA Fund, Ltd.

Tel: +353 1 776 9927 • Fax: +353 1 776 0832 • Email: bhdgta@statestreet.com



**BH-DG Systematic Trading ERISA Fund Limited**  
**Supplement to the Shareholder's Account Statement (unaudited)**  
**Class X Investor**  
**December 30, 2022**

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Summary Fund Information (Dollar amounts in thousands)

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Total Fund net asset value at September 30, 2022	\$	454,049
Change in net asset value during the period	\$	<u>(52,911)</u>
Total Fund net asset value at December 30, 2022	\$	<u>401,138</u>
Net asset value of Class X at December 30, 2022:	\$	<u>312,691</u>

The total value of your interest in the fund as of December 30, 2022 is reflected on the attached Shareholder's Account Statement as Investment Value.

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Affirmation of the Commodity Pool Operator

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To the best of my knowledge and belief, the information contained in the attached Summary of Investor's Activity and this Supplement thereto is accurate and complete as of the date hereof.

Umar Aziz  
Chief Operating Officer  
DG Partners LLP

DG Partners LLP is the manager and Commodity Pool Operator of BH-DG Systematic Trading ERISA Fund Limited. DG Partners LLP operates under an exemption pursuant to CFTC Regulation 4.7.



# HEDGESERV

## First Eagle Institutional Gold Fund, LP

ACCOUNT STATEMENT FOR THE MONTH ENDED DECEMBER 31, 2022

UNAUDITED

Page 1 of 2

### PACE Industry Union-Management Pension Fund

1101 Kermit Drive  
Suite 800  
Nashville, TN 37217  
United States

Investor ID: [REDACTED]

#### INVESTOR SUMMARY

	Opening NAV Per Unit	Opening Units	Unit Activity	Ending Units	Ending NAV Per Unit
Class F - New Issue Eligible	972.65	51,389.262	0.000	51,389.262	998.28
				<b>Month to Date</b>	<b>Year to Date</b>
Net Opening Capital				49,983,514.98	51,574,113.64
Contributions				0.00	0.00
Withdrawals				0.00	0.00
Exchanges / Transfers				0.00	0.00
Net Income / (Loss)				1,317,589.10	(273,009.56)
Net Ending Capital				<u>51,301,104.08</u>	<u>51,301,104.08</u>

#### NET INCOME / (LOSS) SUMMARY

	Month to Date	Year to Date
Trading Profit & Loss	1,338,580.36	(23,514.69)
Management Fees	(19,390.07)	(225,043.32)
Other Expenses	(1,601.19)	(24,451.55)
Net Income / (Loss)	<u>1,317,589.10</u>	<u>(273,009.56)</u>

#### INVESTOR PERFORMANCE

	Month to Date	Year to Date
Investor Performance	2.64%	(0.53%)

#### YTD TRANSACTIONS (USD)

Effective Date	Transaction Type	Units	NAV per Unit	Amount
<i>There are no transactions.</i>				

HEDGESERV

Enquiries should be directed to Investor Services at:  
HedgeServ  
Tel: (646) 472 8605  
Fax: (646) 459 9157  
Email: FEIMInvestors@hedgeserv.com

# HEDGESERV

## First Eagle Institutional Gold Fund, LP

ACCOUNT STATEMENT FOR THE MONTH ENDED DECEMBER 31, 2022

UNAUDITED

Page 2 of 2

### PACE Industry Union-Management Pension Fund

#### Disclosure Notes

- Investor performance is net of all fees.
- Year to Date change is based upon Calendar Year which ends on December 31st.
- All values are in USD.
- Other Expenses are net of expense reimbursement.
- This information is not intended to be used for tax reporting or planning.
- The information on this statement is being provided solely for the benefit of the investor to whom this statement is addressed and is not intended to be relied upon by any third party. If you are not the intended recipient, please delete and destroy all copies in your possession and notify the sender that you have received this statement in error. This is not an offer to sell any securities or a solicitation to buy any securities. The information provided in this statement is unaudited. Such information may vary from the final year-end audited information.

HEDGESERV

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HedgeServ  
Tel: (646) 472 8605  
Fax: (646) 459 9157  
Email: FEIMInvestors@hedgeserv.com

# HEDGESERV

## First Eagle Global Equity Fund, LP

ACCOUNT STATEMENT FOR THE MONTH ENDED DECEMBER 31, 2022

UNAUDITED

Page 1 of 1

### PACE Industry Union-Management Pension Fund

1101 Kermit Drive  
Suite 800  
Nashville, TN 37217  
United States

Investor ID : XXXXXXXXXX

#### INVESTOR SUMMARY

	Opening NAV Per Unit	Opening Units	Unit Activity	Ending Units	Ending NAV Per Unit
First Eagle Global Equity Fund, LP Founders Units – New Issue Eligible	1,142.62	88,669.510	(10,939.765)	77,729.745	1,123.05
				<b>Month to Date</b>	<b>Year to Date</b>
Net Opening Capital				101,315,604.68	0.00
Contributions				0.00	88,669,509.92
Withdrawals				(12,500,000.00)	(12,500,000.00)
Exchanges / Transfers				0.00	0.00
Net Income / (Loss)				(1,521,544.93)	11,124,549.83
Net Ending Capital				<u>87,294,059.75</u>	<u>87,294,059.75</u>

#### NET INCOME / (LOSS) SUMMARY

	Month to Date	Year to Date
Trading Profit & Loss	(1,478,611.54)	11,263,489.57
Management Fees	(40,022.65)	(129,520.09)
Other Expenses	(2,910.74)	(9,419.65)
Net Income / (Loss)	<u>(1,521,544.93)</u>	<u>11,124,549.83</u>

#### INVESTOR PERFORMANCE

	Month to Date	Year to Date
Investor Performance	(1.71%)	12.30%

#### Disclosure Notes

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# HEDGESERV

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HedgeServ  
Tel: (646) 472 8605  
Fax: (646) 459 9157  
Email: FEIMInvestors@hedgeserv.com

# SEI Trust Company

## MONTHLY STATEMENT

Page 1 of 2

SEI Trust Company  
1 Freedom Valley Drive  
Oaks, PA 19456

December 1, 2022 - December 31, 2022

### Trustee

SEI TRUST  
1 FREEDOM VALLEY DR  
OAKS PA 19456-9989

PACE INDUSTRY UNION - MANAGEMENT  
PENSION FUND  
1101 KERMIT DR STE 800  
NASHVILLE TN 37217-5111

### Investor Services

1-800-858-7233

**Total Market Value \$25,837,816.71**

### PORTFOLIO ACTIVITY SUMMARY

	This Period	Year to Date
Beginning Market Value	\$26,257,418.98	\$50,801,412.37
Additions	\$0.00	\$0.00
Withdrawals	\$0.00	\$20,000,000.00
Change in Market Value	-\$419,602.27	-\$4,963,595.66
Ending Market Value	\$25,837,816.71	\$25,837,816.71

### PORTFOLIO SUMMARY

Fund	Ending Shares	Share Price	Market Value
KOPERNIK GLOBAL ALL-CAP CIT CL 2	1,613,854.885	\$16.01	\$25,837,816.71
Total Portfolio			\$25,837,816.71

### PERFORMANCE OF YOUR INVESTMENTS

Fund	This Month	Quarter To Date	Year To Date	Year ---- Annualized Returns ---- 1 Year	3 Year	5 Year	Inception To Date	Inception Date
KOPERNIK GLOBAL ALL-CAP CIT CL 2	-1.60%	15.33%	-10.12%	-10.12%	16.36%	n/a	14.92%	06/20/19

Performance is calculated using a currency-weighted Modified Dietz method, an industry accepted approach that considers the timing of cash flows into and out of this account. The account's return may differ from the Fund's return due to the impact of cash flows during the period. If fund expenses are paid from the fund assets, the performance figures will include expenses collected from the fund; consult the fund's fee schedule for details on fund expenses. Other approaches to calculating performance could yield different results. Total returns are annualized for periods over one year and cumulative for periods of one year or less. Past performance does not guarantee future results. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost.

SEI Trust Company  
 1 Freedom Valley Drive  
 Oaks, PA 19456

December 1, 2022 - December 31, 2022

**ACCOUNT ACTIVITY**

KOPERNIK GLOBAL ALL-CAP CIT CL 2

**Summary**

Beginning Market Value	\$26,257,418.98
Additional Investments	\$0.00
Reductions & Redemptions	\$0.00
Net Investment Amount	\$0.00
Change in Market Value	-\$419,602.27
Ending Market Value	\$25,837,816.71

**Transactions this Period**

Trade Transaction Date Description	Transaction Dollar Amount	Share Price	Shares this Transaction	Shares Owned
BALANCE FORWARD	\$26,257,418.98			1,613,854.885
NO TRANSACTIONS THIS PERIOD.				
MARKET VALUE as of 12/31/22	\$25,837,816.71	\$16.01		1,613,854.885

The collective investment trust is managed by SEI Trust Company, the trustee, based on the investment advice of the investment adviser to the trust.

## SERVICE DIRECTORY

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**TO PURCHASE**      **By telephone:** Contact the SEI Institutional Transfer Agent by calling 1-800-858-7233.

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**TO EXCHANGE**      **By telephone:** Contact the SEI Institutional Transfer Agent by calling 1-800-858-7233.

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**TO REDEEM**      **By telephone:** Contact the SEI Institutional Transfer Agent by calling 1-800-858-7233.

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- Are NOT sponsored or guaranteed by any bank or other financial institution.
- Involve investment risk, including possible loss of principal.





## Market Value Statement Series

PACE INDUSTRY UNION MANAGEMENT PENSION FUND

Run Date: 01/24/2023  
 Period Start Date: 11/30/2022  
 Period End Date: 12/31/2022  
 Legal Entity ID: [REDACTED]  
 Investor Account ID: [REDACTED]  
 Investment Profile ID: [REDACTED]  
 Currency: USD

Account Description : PACE INDUSTRY UNION MANAGEMENT PENSION FUND

### 1798 BEAR CONVEXITY FUND LTD 1798 BEAR CONVEXITY FD CLASS MKT-1 USD NI

Series ID	Series Description	Opening Value			Activity		Closing Value			Gain/(Loss) for the Period	Period ROR
		Shares	NAV Per Share NAV Date	Market Value	Shares	Amount	Shares	NAV Per Share NAV Date	Market Value		
[REDACTED]	SERIES 1 DECEMBER 2021	16,500.0000	1,065.5856 11/30/2022	17,582,162.40	-	-	16,500.0000	1,059.1667 12/31/2022	17,476,250.55	(105,911.85)	(0.60%)
				<u>17,582,162.40</u>		<u>-</u>			<u>17,476,250.55</u>	<u>(105,911.85)</u>	

**Note: All trade orders must be submitted in writing. In the event of non-receipt of confirmation within 72 hours, please contact Citco immediately.**  
 The information on this statement is being provided solely for the benefit of the investor to whom this statement is addressed and is not intended to be relied upon by any third party. If you are not the intended recipient, please delete and destroy all copies in your possession and notify the sender that you have received this statement in error. This is not an offer to sell any securities or a solicitation to buy any securities. The information provided in this statement is unaudited. Such information may vary from the final year-end audited information.  
 For more information or further inquiries, please contact the Sub-Administrator, Citco (Canada) Inc. Tel: (1-416) 969 6700. Fax: (1-416) 966 0925. Email: [1798IR@citco.com](mailto:1798IR@citco.com).

# Payden & Rygel Emerging Markets Bond CIT - Class MIG

PACE Industry Union Management Pension Fund

5515

Month Ended: December 31, 2022



## Market Value Summary:

	Current Period	Year to Date
Beginning Balance	\$19,887,936.94	\$33,223,788.65
Contributions	\$0.00	\$0.00
Withdrawals	\$0.00	(\$8,000,000.00)
Unrealized Gain Loss	\$197,247.95	(\$5,138,603.76)
Ending Balance	\$20,085,184.89	\$20,085,184.89
Net Change	\$197,247.95	(\$13,138,603.76)

## Unit Value Summary:

	Current Period	Year to Date
Beginning Units	1,571,696.798	2,156,282.728
Unit Purchases from Contributions	0.000	0.000
Unit Sales from Withdrawals	0.000	(584,585.931)
Ending Units	1,571,696.798	1,571,696.798
Period Beginning Unit Value	12.653800	15.407900
Period Ending Unit Value	12.779300	12.779300
Net Change	0.125500	(2.628600)

## Performance Summary:

### PACE Industry Union Management Pension Fund

	MTD	QTD	YTD	One Year	Three Years	Five Years	Inception to Date	Inception Date
Participant Level Performance	0.99%	10.33%	(17.06%)	(17.06%)	(4.53%)	N/A	(3.63%)	10/31/2019

This report has been created and issued by Global Trust Company and provides a summary of the investors holdings in the funds noted above. These funds are established as a series of Payden & Rygel, which are operated and maintained by Global Trust Company. Payden & Rygel serves as the third-party adviser to these funds and has not been involved in the preparation of this report.

Performance for periods greater than one year is annualized. CIT performance is net of the Class's expense ratio; benchmark performance does not reflect investment or administrative fees.

Payden Emerging Market Debt CIT audited financials are available to all clients without charge. Please contact CIT@Payden.com if you would like a copy.



## Prime Property Fund

4th Quarter 2022

## Investor Statistics &amp; Performance\*

## Investment Position As of December 31, 2022

	December 31, 2022	September 30, 2022	June 30, 2022
Market Value	\$43,314,588.05	\$44,974,876.27	\$44,999,990.34
Share Price	\$22,369.39	\$23,467.72	\$23,714.96
Shares	1,936.333	1,916.457	1,897.536
Ownership %	0.12%	0.12%	0.12%

## Dollar-Weighted Rates of Return (IRR) As of December 31, 2022

	Unannualized		Annualized (When Greater Than 12 Months)					Since Inception Jun. 30, 2022
	Current Quarter	Year To Date	1 Year	3 Year	5 Year	10 Year	15 Year	
Investment In Prime Property Fund (1)	-3.69%	-3.75%	N/A	N/A	N/A	N/A	N/A	-3.75%

## Statement of Investment Activity As of December 31, 2022

	Current Quarter	Calendar Year To Date	Since Inception Jun. 30, 2022
Beginning Market Value	\$44,974,876.27	—	—
Contributions	—	45,000,000.00	45,000,000.00
Reinvested Dividends (2)	444,618.02	888,641.44	888,641.44
Redemptions	—	—	—
Transfers	—	—	—
Change In Accounting Principle (3)	—	—	—
Attributable Base Management Fees (4)	(94,447.23)	(188,947.20)	(188,947.20)
Attributable Incentive Management Fees (5)	(33.96)	(24,335.19)	(24,335.19)
Attributable Investment Income (6)	370,944.76	751,678.71	751,678.71
Attributable Capital Appreciation/(Depreciation) (6)	(1,936,751.79)	(2,223,808.27)	(2,223,808.27)
Dividends (2)	(444,618.02)	(888,641.44)	(888,641.44)
Ending Market Value	\$43,314,588.05	\$43,314,588.05	\$43,314,588.05

## Cash Flow Transaction Detail As of December 31, 2022

Transaction Description	Transaction Date	Transaction Dollar Amount	Share Price	# of Shares Transacted	# of Shares Outstanding
Beginning Balance					.000
Contribution	June 30, 2022	45,000,000.00	23,714.96	1,897.536	1,897.536
Dividend (2)	September 30, 2022	(444,023.42)	23,467.72	.000	1,897.536
Reinvested Dividend (2)	September 30, 2022	444,023.42	23,467.72	18.921	1,916.457
Dividend (2)	December 31, 2022	(444,618.02)	22,369.39	.000	1,916.457
Reinvested Dividend (2)	December 31, 2022	444,618.02	22,369.39	19.876	1,936.333

\* Please refer to the endnotes on the following page, including important information in endnotes 7-11.



# Prime Property Fund

4th Quarter 2022

**(1) Dollar-Weighted Rate of Return**

Dollar-weighted rates of return represent the average annual growth rate of all dollars invested which causes the sum of the present values of all cash flows and the end of period Market Value associated with an investment to be zero. These rates of return are presented net of asset management fees. A dollar-weighted return reflects both the timing and magnitude of cash flows to and from the portfolio and as a result, should not be used to measure the performance of the Adviser. Time-weighted returns, which are a measure of the Adviser independent of the timing and magnitude of contributions to, and withdrawals from, the portfolio, are separately reported each quarter and available upon request from your Relationship Manager.

**(2) Dividend/Tax Reporting**

These figures represent dividends on securities reflected by Morgan Stanley Real Estate Advisor, Inc. in book entry form in your account during the calendar year. As required by law, Morgan Stanley Real Estate Advisor, Inc. reports taxable dividends paid directly to you or credited to your account as reinvestments to the Internal Revenue Service. The totals reported are indicated as the year-to-date figures on the last statement for the calendar year. In the case of REITs and Real Estate Limited Partnerships, the Sponsor may reclassify income and return of principal into a different ratio for the prior year. This is for information purposes only: when reporting your taxes please rely exclusively on the 1099-DIV or 1042-S form you will receive at the end of the year. Federal law subjects you to penalties and withholding if you fail to provide us with your Social Security or Tax ID Number.

**(3) Change In Accounting Principle**

Effective January 1, 2008, the Adviser on behalf of the Fund, adopted Accounting Standards Codification 825-10-25 ("ASC 825-10-25"). Election of the fair value option is made on an instrument-by-instrument basis and is irrevocable. The Adviser has elected to record all existing debt at fair value as of January 1, 2008. Although the Fund maintains modest debt balances, consistent with the strategy of a core fund, this practice of recording all existing debt at fair value may increase volatility of the Fund's performance. The adoption of ASC 825-10-25 resulted in an increase to the Fund's NAV of approximately \$143.2 million. The accounting guidance required this adjustment to be made directly to the Fund's NAV as of January 1, 2008. This adjustment and all subsequent adjustments to mark debt to fair value will be reflected in the Fund's appreciation return.

**(4) Attributable Base Management Fees**

The Fund pays the Adviser a "Base Management Fee" equal to 84 basis points per annum of Net Asset Value (as of the beginning of each calendar quarter) payable quarterly in arrears and an Incentive Management Fee described in endnote (5). For informational purposes only, these Fund-level fees have been attributed to the individual investors in the Fund on a pro rata basis during this period. The Shareholders do not have a direct investment management relationship with the Adviser, however, and liability for payment of the Adviser's fees resides solely with the Fund.

**(5) Attributable Incentive Management Fee**

The Fund pays the Adviser an Incentive Management Fee based on Comparable Property Net Operating Growth as calculated in accordance with Amendment No. 5 to the Fund's Operating Agreement. The Incentive Management Fee accrues monthly and is payable annually in arrears. For informational purposes only, these Fund-level fees have been attributed to the individual investors in the Fund on a pro rata basis during this period. The Shareholders do not have a direct investment management relationship with the Adviser, however, and liability for payment of the Adviser's fees resides solely with the Fund.

**(6) Attributable Investment Income; Attributable Capital Appreciation/(Depreciation)**

For informational purposes only, Fund-level Investment Income (gross of Investment Management Fees) and Fund-level Capital Appreciation/(Depreciation) have been attributed to the individual investors in the Fund on a pro rata basis during the periods presented.

**(7) Errors Inquiries**

If you do not understand an entry on your statement or suspect an error, it is essential that you immediately contact the Relationship Manager servicing your account. We will consider your statement correct unless we receive a written inquiry from you about the suspected error within 10 calendar days from the day on which you received your statement. It is your responsibility to review your statement promptly and to seek immediate clarification about entries that you do not understand.



# Prime Property Fund

4th Quarter 2022

**(8) Valuation of Real Estate Assets**

Real Estate valuations have inherent limitations because of the uniqueness of real property assets, the need to project rental income which is inherently unreliable, and the absence of frequent trading. Accordingly, appraised valuations for each of the Fund's assets do not necessarily reflect the price at which an asset will actually trade. The Fund commissions an appraisal of each property on a quarterly basis. This appraisal is generally reported in a limited restricted report format, although it is reported in an expanded summary report format on an annual basis for approximately one third of the Fund's properties (so that each property receives an expanded summary report at least once every three years).

**(9) Past Performance Not an Indicator of Future Results**

The performance data featured represents past performance, which is no guarantee of future results. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your Shares. Current performance may be higher or lower than the performance data quoted.

**(10) Securities Not Government-Guaranteed/Complaint Procedures**

Securities held in your account are neither deposits nor obligations of, nor endorsed or guaranteed by, any bank or other depository institution, nor are they federally insured by the FDIC or any other agency. Customer complaints may be directed to the Relationship Manager servicing your account or mailed to Morgan Stanley Real Estate Advisor, Inc.; 1585 Broadway; 37th Floor; New York, NY 10036; Attention: PRIME Portfolio Manager.

**(11) Statement Not an Offer**

This statement is not an offer to sell or a solicitation of an offer to buy any securities (including interests in the Fund) and is intended solely as an informational communication with existing investors in the Fund. Sales of interests in the Fund are made solely by the confidential offering memorandum related thereto.

# Sculptor Credit Opportunities Overseas Institutional Fund, LP

Statement of Changes in Net Asset Value

(Estimated and Unaudited)

For the Period Ended December 31, 2022 (in USD)

**IFS**

**INTERNATIONAL  
FUND SERVICES.**

A State Street Company

Investor ID: [REDACTED]

Investor Name: PACE Industry Union Management Pension Fund

	<u>MTD</u>	<u>YTD</u>
<b>Beginning Net Balance</b>	37,273,253.11	38,942,590.35
<b>Capital Activity</b>		
Capital Contributions	0.00	0.00
Capital Transfers	0.00	0.00
<b>Estimated Net Performance</b>		
General Gain/(Loss)	390,942.90	(1,325,211.07)
New Issue Gain/(Loss)	0.00	1,475.57
Management Fee	(33,171.13)	(405,164.42)
Incentive Allocation	(71,554.36)	345,780.09
Total Estimated Net Performance	<u>286,217.41</u>	<u>(1,383,119.83)</u>
<b>Net Balance Prior to Withdrawals Activity</b>	<u>37,559,470.52</u>	<u>37,559,470.52</u>
Capital Withdrawals	0.00	0.00
<b>Ending Net Balance at December 31, 2022</b>	<u><u>37,559,470.52</u></u>	<u><u>37,559,470.52</u></u>

## Next Period Capital Activity on January 1, 2023

Capital Contributions	0.00	
Capital Transfers	0.00	
<b>Net Performance*</b>	0.74%	(3.36%)

<b>Contributed Capital</b>	<b>29,000,000.00</b>
<b>Committed Capital</b>	<b>29,000,000.00</b>

\* MTD & YTD Returns above are net of Management and Incentive Fees and calculated based on Gross Assets (Gross Assets = Beginning Net Balance adjusted for Current Period Capital Activity, Prior Period Accrued Incentive Fees and Prepaid Management Fees).

For questions concerning your account please contact:

State Street (Cayman) Trust, Limited

P.O. Box 896 | Heliconia Courtyard, Suite 5203 | 1 Nexus Way, Camana Bay | Grand Cayman KY1-1103 Cayman Islands

Tel: +345-914-8833 / Fax: +345-914-5450

SculptorIS@statestreet.com

**Sculptor Credit Opportunities Overseas Institutional Fund, LP**

**Statement of Changes in Net Asset Value  
(Estimated and Unaudited)**

**For the Period Ended December 31, 2022 (in USD)**

**IFS**

**INTERNATIONAL  
FUND SERVICES.**

A State Street Company

**Investor ID:** [REDACTED]

**Investor Name: PACE Industry Union Management Pension Fund**

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**Sculptor Credit Opportunities Overseas Institutional Fund, LP**

**Statement of Changes in Net Asset Value**

**For the Quarter Ended: December 31, 2022**

<b>Ending NAV as of previous reporting period*</b>	<b>394,515,269</b>
<b>Ending NAV as of current reporting period*</b>	<b>348,698,569</b>
<b>Change in NAV</b>	<b><u>(45,816,700)</u></b>

**I affirm that, to the best of my knowledge and belief, all contained information in this Statement of Changes in Net Asset Value is true, accurate and complete.**

**Sculptor Capital LP, a registered commodity pool operator  
By: Sculptor Capital Holding Corporation, its general partner**

**By:** \_\_\_\_\_

**Name: Scott Ciccone**

**Title: Managing Director and Director of Accounting**

**PURSUANT TO COMMODITY FUTURES TRADING COMMISSION RULE 4.7, SCULPTOR CAPITAL LP HAS CLAIMED AN EXEMPTION ON BEHALF OF SCULPTOR CREDIT OPPORTUNITIES OVERSEAS INSTITUTIONAL FUND, LP FROM CERTAIN REPORTING REQUIREMENTS.**

**Sculptor Credit Opportunities Overseas Institutional Fund, LP**

**\*Net Asset Value reported is calculated in accordance with accounting principles generally accepted in the United States of America and is reported as of the last day of each period (inclusive of estimated redemptions that are effective on the reporting period end date).**

# Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

## **PACE Industry Union-Management Pension Fund**

Meketa Fiduciary Management, LLC

Report ID: [REDACTED] Published: 11 Jan 2023

# Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

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## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Accounting Summary (expressed in USD)

As of 31 Dec 2022

### PACE Industry Union-Management Pension Fund

	<b>Beginning Market Value 01 Dec 2022</b>	<b>Contributions</b>	<b>Withdrawals</b>	<b>Appreciation / Depreciation</b>	<b>Ending Market Value 31 Dec 2022</b>
<b>State Street Russell 1000 Growth Index NL Fund</b>	13,824,881	0	580	(1,058,409)	12,765,892
<b>State Street S&amp;P Global LargeMidCap Natural Resources Index NL Strategy</b>	55,053,679	0	29,000,000	(2,070,872)	23,982,807
<b>State Street U.S. REIT Index NL Strategy</b>	32,971,647	0	6,674	(1,724,138)	31,240,836
<b>State Street U.S. Treasury Inflation Protected Securities (TIPS) Index NL Strategy</b> Termination Date: 28 Dec 2022	13,194,099	0	13,026,604	(167,494)	0
<b>State Street Daily MSCI EAFE NL Strategy</b>	96,451,963	0	6,000,000	130,008	90,581,971
<b>State Street Daily MSCI Emerging Markets Index NL Fund</b>	37,509,570	0	0	(883,592)	36,625,978
<b>State Street Long U.S. Government Bond Index NL Fund</b>	43,895,329	0	0	(928,485)	42,966,844
<b>State Street Russell 1000 Value Index NL Fund</b>	13,942,746	0	0	(563,710)	13,379,036
<b>State Street Russell 3000® Index NL Strategy</b>	208,735,553	0	0	(12,208,315)	196,527,238
<b>Total</b>	<b>515,579,467</b>	<b>0</b>	<b>48,033,858</b>	<b>(19,475,007)</b>	<b>448,070,602</b>

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Performance Summary (expressed in USD)

As of 31 Dec 2022

### PACE Industry Union-Management Pension Fund

	1 Month	3 Months	YTD	1 Year	3 Years	5 Years	Inception
<b>State Street Russell 1000 Growth Index NL Fund</b>							<b>03 Aug 2022</b>
Total Returns	-7.66%	2.19%	N/A	N/A	N/A	N/A	-11.48%
Russell 1000(R) Growth Index	-7.66%	2.20%	N/A	N/A	N/A	N/A	-11.48%
<b>Difference</b>	<b>0.00%</b>	<b>-0.01%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>0.00%</b>
Total Returns (Net)	-7.66%	2.20%	N/A	N/A	N/A	N/A	-11.48%
Russell 1000(R) Growth Index	-7.66%	2.20%	N/A	N/A	N/A	N/A	-11.48%
<b>Difference</b>	<b>0.00%</b>	<b>0.00%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>0.00%</b>
<b>State Street S&amp;P Global LargeMidCap Natural Resources Index NL Strategy</b>							<b>18 Jun 2019</b>
Total Returns	-3.76%	13.84%	15.22%	15.22%	14.19%	N/A	13.76%
S&P Global LargeMidCap Commodity and Resources Index	-3.78%	13.80%	14.72%	14.72%	13.73%	N/A	13.31%
<b>Difference</b>	<b>0.02%</b>	<b>0.04%</b>	<b>0.50%</b>	<b>0.50%</b>	<b>0.46%</b>	<b>N/A</b>	<b>0.45%</b>
Total Returns (Net)	-3.77%	13.81%	15.11%	15.11%	14.08%	N/A	13.65%
S&P Global LargeMidCap Commodity and Resources Index	-3.78%	13.80%	14.72%	14.72%	13.73%	N/A	13.31%
<b>Difference</b>	<b>0.01%</b>	<b>0.01%</b>	<b>0.39%</b>	<b>0.39%</b>	<b>0.35%</b>	<b>N/A</b>	<b>0.34%</b>
<b>State Street U.S. REIT Index NL Strategy</b>							<b>06 Aug 2019</b>
Total Returns	-5.23%	4.74%	-25.95%	-25.95%	-1.38%	N/A	0.48%
Dow Jones U.S. Select REIT Index(SM)	-5.24%	4.76%	-25.96%	-25.96%	-1.37%	N/A	0.49%
<b>Difference</b>	<b>0.01%</b>	<b>-0.02%</b>	<b>0.01%</b>	<b>0.01%</b>	<b>-0.01%</b>	<b>N/A</b>	<b>-0.01%</b>



## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### PACE Industry Union-Management Pension Fund

	1 Month	3 Months	YTD	1 Year	3 Years	5 Years	Inception
Total Returns (Net)	-5.24%	4.72%	-26.00%	-26.00%	-1.45%	N/A	0.40%
Dow Jones U.S. Select REIT Index(SM)	-5.24%	4.76%	-25.96%	-25.96%	-1.37%	N/A	0.49%
<b>Difference</b>	<b>0.00%</b>	<b>-0.04%</b>	<b>-0.04%</b>	<b>-0.04%</b>	<b>-0.08%</b>	<b>N/A</b>	<b>-0.09%</b>
<b>State Street Daily MSCI EAFE NL Strategy</b>							<b>18 Jun 2019</b>
Total Returns	0.03%	17.40%	-14.15%	-14.15%	1.21%	N/A	3.90%
MSCI EAFE(R) Index	0.08%	17.34%	-14.45%	-14.45%	0.87%	N/A	3.58%
<b>Difference</b>	<b>-0.05%</b>	<b>0.06%</b>	<b>0.30%</b>	<b>0.30%</b>	<b>0.34%</b>	<b>N/A</b>	<b>0.32%</b>
Total Returns (Net)	0.03%	17.39%	-14.18%	-14.18%	1.17%	N/A	3.86%
MSCI EAFE(R) Index	0.08%	17.34%	-14.45%	-14.45%	0.87%	N/A	3.58%
<b>Difference</b>	<b>-0.05%</b>	<b>0.05%</b>	<b>0.27%</b>	<b>0.27%</b>	<b>0.30%</b>	<b>N/A</b>	<b>0.28%</b>
<b>State Street Daily MSCI Emerging Markets Index NL Fund</b>							<b>30 Jan 2021</b>
Total Returns	-2.36%	10.27%	-20.11%	-20.11%	N/A	N/A	-13.61%
MSCI Emerging Markets Index	-1.41%	9.70%	-20.09%	-20.09%	N/A	N/A	-13.59%
<b>Difference</b>	<b>-0.95%</b>	<b>0.57%</b>	<b>-0.02%</b>	<b>-0.02%</b>	<b>N/A</b>	<b>N/A</b>	<b>-0.02%</b>
Total Returns (Net)	-2.36%	10.25%	-20.18%	-20.18%	N/A	N/A	-13.67%
MSCI Emerging Markets Index	-1.41%	9.70%	-20.09%	-20.09%	N/A	N/A	-13.59%
<b>Difference</b>	<b>-0.95%</b>	<b>0.55%</b>	<b>-0.09%</b>	<b>-0.09%</b>	<b>N/A</b>	<b>N/A</b>	<b>-0.08%</b>
<b>State Street Long U.S. Government Bond Index NL Fund</b>							<b>01 Apr 2022</b>
Total Returns	-2.12%	-1.02%	N/A	N/A	N/A	N/A	-21.16%
Bloomberg U.S. Long Government Bond Index	-1.69%	-0.59%	N/A	N/A	N/A	N/A	-20.82%
<b>Difference</b>	<b>-0.43%</b>	<b>-0.43%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>-0.34%</b>

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### PACE Industry Union-Management Pension Fund

	1 Month	3 Months	YTD	1 Year	3 Years	5 Years	Inception
Total Returns (Net)	-2.12%	-1.02%	N/A	N/A	N/A	N/A	-21.18%
Bloomberg U.S. Long Government Bond Index	-1.69%	-0.59%	N/A	N/A	N/A	N/A	-20.82%
<b>Difference</b>	<b>-0.43%</b>	<b>-0.43%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>-0.36%</b>
<b>State Street Russell 1000 Value Index NL Fund</b>							<b>30 Jan 2021</b>
Total Returns	-4.04%	12.39%	-7.58%	-7.58%	N/A	N/A	8.41%
Russell 1000(R) Value Index	-4.03%	12.42%	-7.54%	-7.54%	N/A	N/A	8.43%
<b>Difference</b>	<b>-0.01%</b>	<b>-0.03%</b>	<b>-0.04%</b>	<b>-0.04%</b>	<b>N/A</b>	<b>N/A</b>	<b>-0.02%</b>
Total Returns (Net)	-4.05%	12.39%	-7.60%	-7.60%	N/A	N/A	8.39%
Russell 1000(R) Value Index	-4.03%	12.42%	-7.54%	-7.54%	N/A	N/A	8.43%
<b>Difference</b>	<b>-0.02%</b>	<b>-0.03%</b>	<b>-0.06%</b>	<b>-0.06%</b>	<b>N/A</b>	<b>N/A</b>	<b>-0.04%</b>
<b>State Street Russell 3000® Index NL Strategy</b>							<b>18 Jun 2019</b>
Total Returns	-5.85%	7.21%	-19.13%	-19.13%	7.11%	N/A	9.56%
Russell 3000(R) Index	-5.86%	7.18%	-19.21%	-19.21%	7.06%	N/A	9.53%
<b>Difference</b>	<b>0.01%</b>	<b>0.03%</b>	<b>0.08%</b>	<b>0.08%</b>	<b>0.05%</b>	<b>N/A</b>	<b>0.03%</b>
Total Returns (Net)	-5.85%	7.21%	-19.15%	-19.15%	7.09%	N/A	9.54%
Russell 3000(R) Index	-5.86%	7.18%	-19.21%	-19.21%	7.06%	N/A	9.53%
<b>Difference</b>	<b>0.01%</b>	<b>0.03%</b>	<b>0.06%</b>	<b>0.06%</b>	<b>0.03%</b>	<b>N/A</b>	<b>0.01%</b>

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### PACE Industry Union-Management Pension Fund

#### Partial Periods

	MTD	QTD	YTD	Inception
<b>State Street U.S. Treasury Inflation Protected Securities (TIPS) Index NL Strategy</b> Termination Date: 28 Dec 2022				18 Jun 2019
Total Returns	-1.27%	1.77%	-12.05%	1.91%
Bloomberg U.S. Treasury Inflation Protected Securities (TIPS) Index	-1.26%	1.79%	-12.06%	1.91%
<b>Difference</b>	<b>-0.01%</b>	<b>-0.02%</b>	<b>0.01%</b>	<b>0.00%</b>
Total Returns (Net)	-1.27%	1.77%	-12.09%	1.87%
Bloomberg U.S. Treasury Inflation Protected Securities (TIPS) Index	-1.26%	1.79%	-12.06%	1.91%
<b>Difference</b>	<b>-0.01%</b>	<b>-0.02%</b>	<b>-0.03%</b>	<b>-0.04%</b>

*For information regarding performance data, including net performance data, please refer to the section entitled "Important Information" at the end of the report.*

## Global Market Commentary

### 4th Quarter 2022

#### Overview

The global economy decelerated further in the fourth quarter, with inflation showing signs of slowing down in the US and peaking in the eurozone and Japan. However, key central banks continued with their hawkish tone, which further dented market sentiments toward the end of the fourth quarter.

Risk assets rallied in the first two months of the quarter, but this came to a premature end in December as investors worried about weakening economic growth amid continued hawkish messaging by central banks. Ten-year bond yield ended the year at 3.88%, more than doubling over the year, with bonds delivering negative returns. The credit spread tightened over the fourth quarter on improved risk sentiment. Commodities gained, led by industrials, but the US dollar weakened, with the US Dollar Index declining by about 8%. Gold rallied by 9.45% during the fourth quarter, ending the year with a slightly negative return.

For Q4 2022, the estimated earnings decline for the S&P 500 was -2.8%. If -2.8% were the actual decline for the quarter, it will be the first time that the index would report a YoY earnings decline since Q3 2020 (-5.7%). On 30 September, the estimated earnings growth rate for Q4 2022 was 3.7%. Ten sectors were expected to report lower earnings now (compared to September 30) due to downward revisions to EPS estimates. For Q4 2022, 63 S&P 500 companies issued negative, and 34 companies issued positive EPS guidance. The forward 12-month P/E ratio for the S&P 500 was 17.3, which was below the 5-year (18.5) but above the 10-year average (17.1).

In the final month of 2022, 48 countries saw higher interest rates as policy rates were hiked by all major central banks. After four consecutive 75 bp hikes, the US Fed slowed hiking to 50 bp in December but still directed that the rates will remain elevated through 2023. The dot plot indicated that the terminal rate could be 5.1% in this cycle. The Bank of England (BoE) also hiked its policy rate by 50 bp and indicated that inflation peaked.

However, surprises came from the European Central Bank (ECB) and the Bank of Japan (BoJ). The ECB hiked its three key rates by 50 bp each. The interest rate on the main refinancing operations, the marginal lending facility and the deposit facility was increased to 2.50%, 2.75% and 2.00%, respectively. The governing council judged that rates have to rise 'significantly' at a steady pace to reach sufficiently restrictive territory. The Asset Purchase Program holdings will be reduced by €15 billion per month on average until Q2 2023 when the pace of reduction will reassessed. However, principal payments from maturing Pandemic Emergency Purchase Program (PEPP) holdings will be reinvested until end-2024. The second surprise was from the BoJ, which expanded the target band of its Yield Curve Control program by 50 bp on either side of its 0% target.

## Performance and Analysis - PACE Industry Union Management Pension Fund

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Economies continued to weaken as preliminary December manufacturing PMIs in the US, UK, EU, Germany, and China were in contractionary zones at 46.2, 44.7, 47.8, 47.4 and 47.0, respectively. However, national accounts data showed some resilience in economies, notably in the US, where final Q3 GDP data showed that the economy grew by 3.2%, much higher than the 2.6% initial estimation. All in all, monetary tightening was continuing with some relief in the pace of tightening while economic growth remained resilient.

### Global Equities

After three consecutive quarters of negative performance, the last quarter of 2022 ended the year positively for global equities largely due to the equity rallies seen during October and November. However, the sustainability of these gains was in doubt, as the high inflationary environment continued globally, with no end in sight for the Russia-Ukraine war.

The MSCI All Country World Index (MSCI ACWI) posted a positive quarterly return of 9.88% in USD terms, with both developed and emerging markets gaining. Value stocks outperformed Growth by 8.8% during the fourth quarter.

The Chicago Board Options Exchange's CBOE Volatility Index (VIX), which measures expectations of stock market volatility over the next 30 days, declined by 31.5%. However, the VIX index rose by 5.30% during December, indicating potential volatility ahead.

### North American Equities

Riding on the gains of October and November, US equities were mostly higher in Q4, 2022. The S&P 500 Index gained 7.08% (USD) during Q4 2022, while the Dow Jones Industrial Average gained 15.39% (USD). This was seen as a respite after the negative returns seen during the past three quarters. There were some drawdowns seen in US equities during December. The US Fed raised the short-term borrowing rate by 75 bp during November. However, after four consecutive rate hikes of 75 bp during the year, the central bank raised the borrowing rate by 50 bp to a range of 4.25% to 4.50%. The Fed's rate hike policy reflected the cooling year-on-year US CPI during October and November, after the record high achieved in June 2022. During the quarter, there were also signs of downward pressure on housing rent as well as nominal wage growth.

The Q4 2022 S&P 500 earnings estimates saw cuts, primarily driven by rising costs rather than declining sales. The estimated Q4 2022 earnings for S&P 500 declined by 4.7% since September. During the quarter, the energy sector was the leader, with an outperformance of 21.68%, whereas consumer discretionary was a laggard, underperforming by 10.41%. The S&P Global US Manufacturing PMI remained unrevised at 46.2 in December 2022, pointing to a contraction in factory activity.

Mid-cap companies performed slightly better as compared to their larger counterparts during the quarter with the S&P Midcap 400 Index gaining

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10.29%. Small-cap companies also posted positive returns during the quarter, with the Russell 2000 Index gaining 6.23%.

MSCI Canada gained a whopping 18.93% over the quarter in US dollar terms. Information technology (16.66%) and Healthcare (14.12%) were the best performing sectors on the broader Index.

### European Equities

European Equities finished stronger during the last quarter of the year, with MSCI Europe gaining 19.42%, in USD terms, during the quarter. Keeping in line with the Fed's move, the European Central Bank (ECB) also announced a lower-than-expected deposit facility rate hike of 50 bp in December. Additionally, in what was being seen as a positive measure to fight against the soaring energy prices in the region, the EU nations agreed to cap the rising wholesale gas prices if it were to breach €180. This will be implemented from February 2023 onward for a period of 1 year. Spain and France announced aid packages for citizens in the face of soaring inflation.

In the UK, the FTSE All Share Index gained 17.35% in USD terms during the quarter. The BOE raised the interest rates in December, for the ninth consecutive time, to 3.5%. The rate hikes were implemented to fight the exceptionally high UK inflation rate at 10.7%. The rate of increase in UK inflation did ease a bit in November, but it is still well above the 2% target.

MSCI Europe Index returned 19.42% (USD) during the quarter. All sectors showed positive returns, with financials (25.11%) and industrials (23.45%) being the best-performing sectors on the broader Index. Within the region, all countries posted positive returns during the quarter. MSCI Denmark and MSCI Austria were the best performers, returning 31.66% and 31.07%, respectively.

### Asia-Pacific Equities

This quarter's most significant news came from the Asia Pacific - China moving away from its 'zero-Covid' policy and lifting its COVID-19 restrictions after three years. This, of course, meant a spike in COVID-19 cases in the region, but the easing also implied a resurgence of trade from China.

Elsewhere, an unexpected announcement by the BoJ in December to widen the band around the long-term bond yield target surprised the global financial community. Against this announcement, the yen strengthened against the US dollar by nearly 4%. While this was a small yet unexpected step toward a probable policy normalization by BoJ, Japan's manufacturing activity shrank, as per PMI (the au Jibun Bank Flash Japan Manufacturing Purchasing Managers' Index) estimates released in December.

MSCI Pacific Index returned 14.16% (in USD terms) during the quarter. Financials (23.22%) and materials (20.91%) were the best-performing sectors

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on the broader Index. MSCI New Zealand and MSCI Hong Kong were the best-performing countries in the region, gaining 24.51% and 18.21%, respectively. Some of New Zealand's returns stemmed from strong primary industry exports and an increase in tourism activities.

### EM Equities

Emerging market (EM) equities performed positively in Q4. The MSCI Emerging Markets Index, the broad measure of the performance of EM economies, gained 9.79% in USD terms during the quarter. Commodity-producing Latin American and Middle Eastern countries contributed to the positive gains within the broad Index.

Turkey, Poland and Hungary were among the best MSCI Emerging Markets Index performers. Qatar underperformed by a wide margin during the quarter, returning -15.30% in USD terms, while Turkish equities posted a whopping 63.3% return during the quarter. However, Turkey's exceptional performance must be read against the government's unconventional handling of the inflation crisis. With Turkish inflation at 85.5% in 2022, the country's central bank sharply reduced interest rates. Due to the skyrocketing purchasing power and depleting Lira, Turkish citizens had no choice but to rely on the domestic stock market.

### Global Fixed Income

Global bonds (Bloomberg Global Aggregate Bond Index - USD Hedged) ended 4Q22 on a positive note, posting returns of 0.99%. The bond market starting sluggishly in October, returned to strong positives in November and ended December subdued. 4Q 2022 will go down as the most optimistic quarter of the year as inflation peaked across economies and markets estimated that the interest rates will soften and reduce further. Growth though remained a concern as prolonged high-interest rates pushed most economies into recession. Global Aggregate yields remained flat despite a sharp rise in December driven by the Fed's decision to caution investors from expecting 'dovishness' as inflation, despite peaking, remained high. Yields were 3 bp higher QoQ, ending 4Q22 at 3.73%. 2022 remained volatile, and though markets anticipated 2023 to be a better year for fixed income, recessionary trends were expected to affect overall economic growth.

### US Credit

Investment grade (IG) spreads (Bloomberg US Aggregate Corporate Index) witnessed a rally in 4Q22 as inflation peaked and manufacturing facilities opened up in China. The Index saw yields tightening by 29 bp, ending the quarter at 5.42% versus 5.69% in September. Corporate bonds saw demand surging and posted 3.63% trailing returns QoQ. Amongst corporate sectors, in terms of QoQ excess returns, tobacco (+600 bp), metals & mining (+560 bp), oil field services (+450 bp), cable satellite (+413 bp) and refining (+410 bp) were the best-performing sectors. No corporate sectors posted negative quarterly returns, with consumer products (+200 bp), packaging (+193 bp), REITs (+141 bp), construction machinery (+129 bp) and airlines (+119bp) forming the bottom five sectors.



## Performance and Analysis - PACE Industry Union Management Pension Fund

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Despite softening inflation, the Fed was expected to continue to hike rates at a slower pace as the level of inflation continued to remain above its comfort level. Recessionary trends remained persistent as industrial activity continued to slump. The flash composite PMI retracted during all three months of the quarter, falling from 52.0 at the end of September to 46.3 at the end of December. Employment data remained the only positive indicator and continued to remain strong at 263K at the end of November.

Regarding IG bond issuances, 4Q22 saw a dismal US\$222.8 bn (vs 336.5 bn in 3Q22) in gross issuances and net issuances stood at US\$39.3 bn with redemptions at US\$183.5 bn. December's poor display affected issuances, which saw net issuances standing at -US\$49.6 bn. There was an increase in downgrades in December post a decrease in November, with net downgrades at US\$1.5 bn. Overall, Net L12M downgrades moderated to -4.7% at the end of 4Q22.

High-yield (HY) spreads (Bloomberg US HY 2% Issuer Cap Index) tightened by 84 bp to end the quarter at 470 bp over Treasuries. A bond rally drove this during the quarter, induced by anticipation that with peaking inflation, rate hikes will moderate in the near future. All quality bonds ended the year in the negative, with Ca-D (-10.43%) rated bonds posting the best total returns, followed by B (-10.26%), Ba (-10.80%) and Caa (-16.29%).

Amongst corporate sectors, pharmaceuticals (+3.13%), banking (+1.23%), home construction (+0.92%), gaming (+0.83%) and chemicals (+0.80%) were the top-performing at the end of 4Q22. Cable satellite (-2.81%), media entertainment (-2.32%), other financials (-1.66%), brokerage, asset managers, exchanges (-1.21%) and automotive (-1.14%) were among the laggards. Issuance activity remained poor in 4Q22 with higher redemptions (US\$31.95 bn) versus gross issuance of US\$15.48 bn. There were no new defaults in 4Q22. However, there were 9 distressed transactions in bonds totalling US\$4.8 bn. Including distressed transactions, the 12-month trailing US HY default rate increased by 129 bp QoQ to end at 1.65%. (Source: Barclays, BofA-ML, JPM).

### Treasury Inflation-Protected Securities (TIPS)

Market-based inflation expectations for the US, measured by five-year break-evens, increased by 22 bp in 4Q22 to 2.38% as inflation peaked during the quarter. US Treasuries (0.72%) underperformed US TIPS (2.04%) by 132 bp. Even though core inflation fell during the quarter, the Fed's decision to remain cautious as inflation ticked above expectations led to markets anticipating that the hawkishness was there to stay for a while. However, the overall consensus was that the hikes would moderate eventually to a dovish stance.

### Commodities

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Commodities (as measured by the Bloomberg Commodities Total Return Index) added 2.2% in the fourth quarter to post a second straight annual gain. Higher inflation, fraught geopolitical environment and supply risks provided a solid backdrop for commodities, catapulting it into being the best-performing major asset class for each of the past two years. During Q4, industrials and precious metals showed positive returns, offsetting weaker prices in energy. Overall, most major commodity sectors posted robust gains in 2022. Energy was the top sector, agriculture was the second best, while the industrial metals index registered a negative performance.

- The energy sector was down 9.1% for the quarter, as price gains in crude and Brent failed to offset weaker prices for natural gas. Despite losses in Q4, energy was the top-performing sector in 2022, with a 36.2% gain. The West Texas Intermediate crude oil index was up 4.9% in Q4 and 24.9% in 2022. Crude oil prices remained volatile in 2022, climbing on tight supplies amid the Russia-Ukraine conflict, then sliding on weaker demand and worries of recession, but closing the year with a second consecutive annual gain. On the other hand, the Bloomberg Natural Gas Sub-Index fell 36.0% in Q4 but was up 19.4% for the year. The index saw a sharp decline of 33.2% in December, as concerns around warmer weather forecast pushed prices down. In its latest monthly oil-market report, the International Energy Agency (IEA) raised its forecast for an increase in oil demand and warned of the potential for another price increase upon potential disruptions to supply. The IEA increased its projection by 140,000 barrels to 2.3 million barrels a day for 2022. It also stated that a strong demand for gas and oil outweighed weak European and Asian petrochemical deliveries.
- The Industrial metals complex registered solid gains in Q4, up 16.4% with nickel returning over 42%. Copper and aluminum rose 13.1% and 9.8%, respectively, while zinc posted a modest return of 1.7%. Despite starting the year with solid gains, industrial metals posted negative performance for 2022, as prices plummeted amid the pandemic's resurgence in China, slowdown in industrial activity across major economies and a two-decade-high US dollar. The precious metals sub-index rose 13.3% for the quarter as a weaker US dollar and a falling Treasury yield supported gold and silver prices. A strong fourth quarter for both gold and silver pushed the precious metals index into positive territory for the year. Silver prices rose significantly by 26.7%, its largest quarterly percentage rise since September 2020. Gold also posted positive gains of 9.5%. Although gold ended the year with a modest loss, it outperformed stocks and bonds in 2022.
- The agriculture sector posted a modest increase in Q4, ending the year with a gain of 15.6%. The Bloomberg Soybeans Meal Subindex advanced 19.8% for the quarter, lifted by a drought in Argentina and expectations of strong demand from China. Coffee prices, on the other hand, were sharply lower, down 22.3%, amid favorable weather conditions in the main coffee growing regions of southern Brazil. A worsening global economic outlook also put a dent in the demand for the world's most popular drink. Wheat prices also declined, as Russia and Ukraine agreed to extend the Black Sea Initiative. Expected higher production from main producers, particularly Australia, also weighed on the price of wheat.

### Real Estate Investment Trusts (REITs)

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Real estate investment trusts (REITs), as indicated by the FTSE EPRA Nareit Developed Real Estate Index, posted positive returns for the quarter, up 6.8%, while the Dow Jones US Select REIT Index rose 4.8%. REITs rose along with broader markets amid expectations that the pace of policy tightening would slow.

Most property sectors posted strong performances, with retail REITs leading the way. Specialty and data centers and industrial REITs also posted double-digit gains. Self-storage and residential REITs declined during the quarter.

***All performance cited is calculated in U.S. dollars unless otherwise stated.***

Sources: Bloomberg, FactSet, J.P. Morgan, Barclays, Morgan Stanley, Wall Street Journal, Barron's, Nareit, MSCI, and FTSE, as of December 31, 2022.

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Exp. Date: 04/30/2023

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# Fixed Income Commentary

## 4th Quarter 2022

For the bears in 2022, 4Q22 was the rebellious child. While rest of the year reeled under the stress of inflation and rate hikes, 4Q22 brought some positives to the bond market as inflation seems to have finally peaked and the 'hope of a kinder and softer rates' returned. That said, the nature of this rebellious child remained "choppy and uncertain" as the goblin of recession seems to have already been unleashed. While investors absorb the caution from the Fed of its decision not to hurry into dovishness, corporate earnings for certain sectors in the quarter came out strong. In other good news annualized 3Q GDP for the US was confirmed at 3.2% in December, much stronger than the expected 2.9% and unemployment remained stable at 3.7%. New job creations slowed in 4Q22 with November reporting a rise of 263K, the lowest increase since April 2021.

Though bonds have recovered some lost ground during the quarter, overall as inflation levels remain elevated, interest rates continue to remain high. Yields across the spectrum were wider with the exception of the 5y treasury yields which contracted by 9bp to 4.01%. The shorter end 2yr saw yields rise by 15bp in 4Q22 driven primarily by the Fed's caution in December. The 10yr and 30yr widened during the quarter by 4bp and 19bp respectively. Corporate bonds enjoyed some respite during the quarter as the OAS of the Bloomberg US Aggregate Corporate Index tightened by 29 bps (q/q) to 1.30%. Similarly in High Yield the OAS of the Bloomberg US High Yield 2% Issuer Cap Index tightened by 84 bps (q/q) to 4.70%. 4Q22 has been a better quarter for corporates as they recovered from the din that plagued most of 2022.

The Fed continues to consider the level of inflation as concern even though 4Q22 has seen CPI linked inflation peaking and receding. The quarter saw inflation fall from 7.7% yoy in October to 7.1% yoy mid-quarter. The Fed's final rate hike of the year was pared back to 50 bps post four consecutive 75 bps tightening moves. That done, the Fed cautioned that the move must not be considered as a dovish tilt and that the central bank continues to remain concerned about the level of inflation. The policy rate is, expected to continue to climb in the early half of the new year. In terms of geopolitics, the quarter saw an uneasy calm prevail as the war in Ukraine continues to rage with no respite. Fears of a cold winter in Europe too receded and nascent growth found some breathing space during the last three months of 2022.

4Q22 was an aberration in a year which saw volatility due to inflation and geopolitics wreak havoc by providing some respite. Though inflation remains high, the inevitability of rates cooling is expected to bring some normalcy back to the markets. We though, might still have to deal with volatility this time induced by debates on recession.

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Investing involves risk including the risk of loss of principal.

**Past performance is not a guarantee of future results.** Index returns reflect capital gains and losses, income, and the reinvestment of dividends.

Bonds generally present less short-term risk and volatility than stocks, but contain interest rate risk (as interest rates raise, bond prices usually fall); issuer default risk; issuer credit risk; liquidity risk; and inflation risk. These effects are usually pronounced for longer-term securities. Any fixed income security sold or redeemed prior to maturity may be subject to a substantial gain or loss.

Passively managed strategies invest by sampling the index, holding a range of securities that, in the aggregate, approximates the full Index in terms of key risk factors and other characteristics. This may cause the strategy to experience tracking errors relative to performance of the index.

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## Performance and Analysis - PACE Industry Union Management Pension Fund

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# Characteristics and Risk Statistics (expressed in USD)

As of 31 Dec 2022

## PACE Industry Union-Management Pension Fund

State Street Russell 1000 Growth Index NL Fund

Benchmark: Russell 1000(R) Growth Index

Characteristics	Mandate	Benchmark
Annual Dividend Yield (Trailing 12 Months)	1.11	1.11
Estimated 3-5 Year EPS Growth	14.26	14.26
Total Number of Holdings	512	512
Price/Book Ratio	8.22	8.21
Price/Earnings Ratio (Forward 12 Months)	21.43	21.43
Return on Equity (5 Year Average)	28.70	28.67
Weighted Average Market Cap (M)	627,390.15	626,956.28
Median Market Cap (M)	13,951.97	13,951.97
Price/Earnings Ratio (Trailing 12 Months)	24.65	24.65
Price/Cash Flow (Weighted Harmonic Average)	18.49	18.53
Return on Equity (Trailing 12 Months)	48.07	48.03
Price/Sales (Weighted Average)	5.94	5.94

*Portfolio characteristics are calculated using the month end market value of holdings. Averages reflect the market weight of securities in the portfolio. Market data, prices, and dividend estimates for characteristics calculations provided by FactSet Research Systems, Inc. All other portfolio data provided by SSGA. Characteristics are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.*

Risk Statistics	Mandate
Standard Deviation (Annualized 36 Months)	23.46
Beta (Trailing 36 Months)	1.00
Tracking Error (Trailing 36 Months)	0.03
Information Ratio (Trailing 36 Months)	-0.06
Sharpe Ratio (Trailing 36 Months)	1.05

*Returns based risk statistics are calculated using SSGA month end return values and risk free rates when required (such risk free rates may be applicable in place of LIBOR rates used prior to 31 December 2021). Risk statistics are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.*

## Performance and Analysis - PACE Industry Union Management Pension Fund

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Meketa Fiduciary Management, LLC

### Top Holdings (expressed in USD)

As of 31 Dec 2022

#### PACE Industry Union-Management Pension Fund

State Street Russell 1000 Growth Index NL Fund

Benchmark: Russell 1000(R) Growth Index

Security	Mandate	Benchmark	Difference
APPLE INC	11.42%	11.41%	0.01%
MICROSOFT CORP	10.49%	10.48%	0.01%
AMAZON.COM INC	4.36%	4.36%	0.00%
ALPHABET INC-CL A	2.70%	2.70%	0.00%
UNITEDHEALTH GROUP INC	2.64%	2.64%	0.00%
ALPHABET INC-CL C	2.41%	2.41%	0.00%
NVIDIA CORP	2.06%	2.06%	0.00%
Visa Inc	2.00%	2.00%	0.00%
TESLA INC	1.86%	1.86%	0.00%
MASTERCARD INC - A	1.73%	1.73%	0.00%

The mandate percentage is calculated based on the total value of the portfolio excluding cash and derivatives.

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Monthly Sector Contribution to Return (expressed in USD)

Period 01 Dec 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

### State Street Russell 1000 Growth Index NL Fund

Sector	Contribution to Return
Cash & Cash Equivalent	0.00%
Residual*	0.00%
Utilities	-0.02%
Derivatives	-0.04%
Consumer Staples	-0.06%
Telecommunications	-0.06%
Real Estate	-0.06%
Basic Materials	-0.08%
Energy	-0.16%
Financials	-0.18%
Health Care	-0.29%
Industrials	-0.58%
Consumer Discretionary	-2.22%
Technology	-3.90%
<b>Total</b>	<b>-7.66%</b>

\* Residual may arise in a variety of circumstances, including for example, when there are (i) timing differences in accounting for expenses and income, including but not limited to withholding taxes, tax reclaims, dividend income, security lending income and transaction costs, (ii) pricing differences, including but not limited to price type, price source, fair valuation or other special pricing events or (iii) methodology differences between total return and contribution-to-return calculations when significant inflows/outflows occur at the total portfolio and/or sector/country level. The foregoing is not meant to be a complete list of the circumstances under which residual may arise.

Effective September 21, 2020, the Russell Global Sector (RGS) scheme migrated to the new ICB industry structure and broke out "Telecommunications" from "Utilities", "Real Estate" from "Financial Services", and reclassified "Financial Services", "Producer Durables" and "Materials & Processing" as "Financials", "Industrials" and "Basic Materials".

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Quarterly Sector Contribution to Return (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

### State Street Russell 1000 Growth Index NL Fund

Sector	Contribution to Return
Industrials	1.88%
Health Care	1.41%
Consumer Staples	0.57%
Financials	0.27%
Technology	0.25%
Energy	0.17%
Real Estate	0.06%
Basic Materials	0.04%
Telecommunications	0.03%
Cash & Cash Equivalent	0.00%
Derivatives	0.00%
Utilities	0.00%
Residual*	0.00%
Consumer Discretionary	-2.50%
<b>Total</b>	<b>2.20%</b>

\* Residual may arise in a variety of circumstances, including for example, when there are (i) timing differences in accounting for expenses and income, including but not limited to withholding taxes, tax reclaims, dividend income, security lending income and transaction costs, (ii) pricing differences, including but not limited to price type, price source, fair valuation or other special pricing events or (iii) methodology differences between total return and contribution-to-return calculations when significant inflows/outflows occur at the total portfolio and/or sector/country level. The foregoing is not meant to be a complete list of the circumstances under which residual may arise.

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**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

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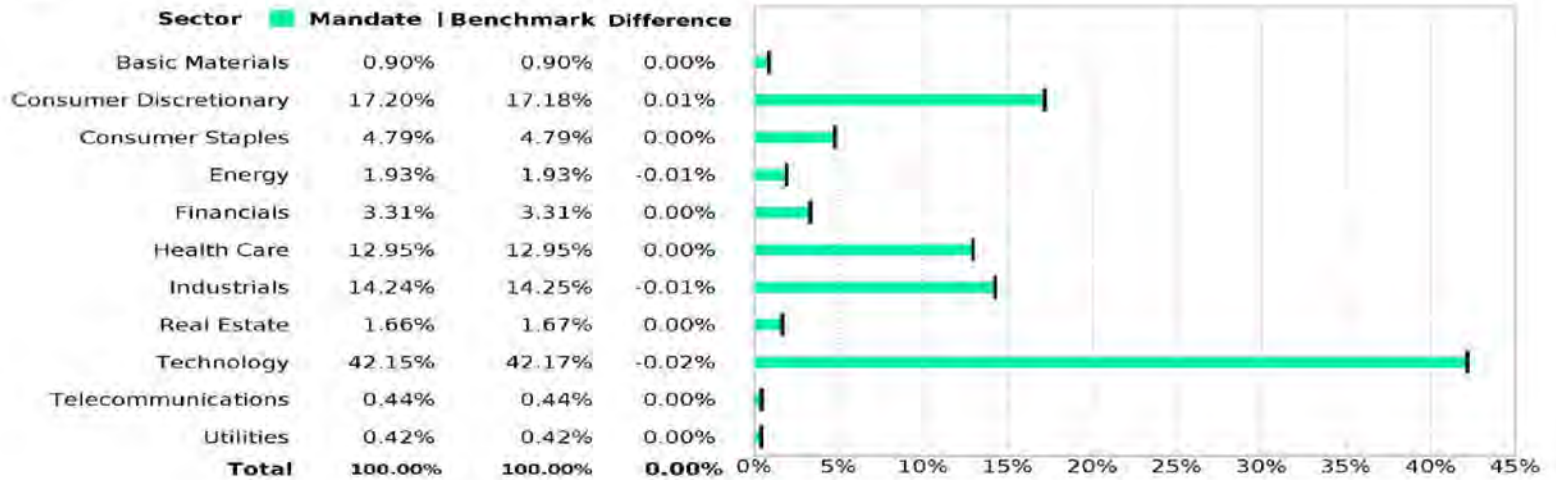
**Sector Weights** (expressed in USD)

As of 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Russell 1000 Growth Index NL Fund

Benchmark: Russell 1000 Growth Index



The mandate percentage is calculated based on the total value of the portfolio excluding cash and derivatives. Effective September 21, 2020, the Russell Global Sector (RGS) scheme migrated to the new ICB industry structure and broke out "Telecommunications" from "Utilities", "Real Estate" from "Financial Services", and reclassified "Financial Services", "Producer Durables" and "Materials & Processing" as "Financials", "Industrials" and "Basic Materials".

**Performance and Analysis - PACE Industry Union Management Pension Fund**

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**Monthly Sector Returns** (expressed in USD)

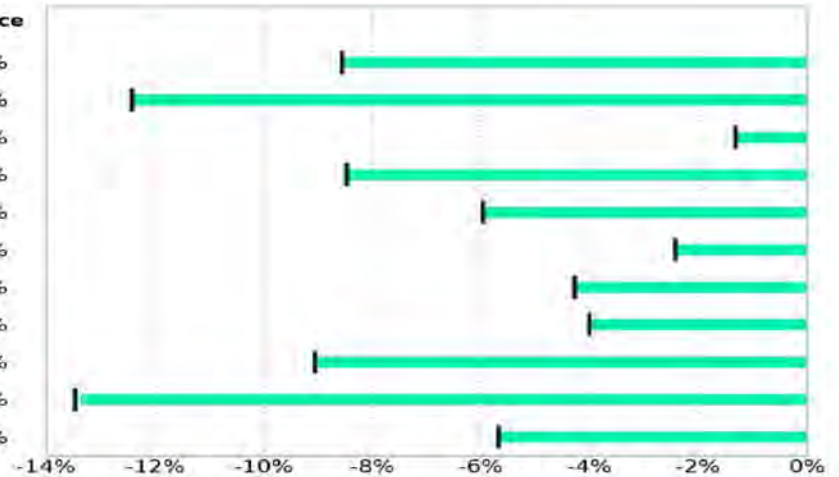
Period 01 Dec 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Russell 1000 Growth Index NL Fund

Benchmark: Russell 1000 Growth Index

Sector	Mandate	Benchmark	Difference
Basic Materials	-8.56%	-8.56%	0.00%
Consumer Discretionary	-12.41%	-12.42%	0.01%
Consumer Staples	-1.32%	-1.32%	0.00%
Energy	-8.46%	-8.47%	0.01%
Financials	-5.97%	-5.96%	-0.01%
Health Care	-2.42%	-2.43%	0.01%
Industrials	-4.28%	-4.28%	0.00%
Real Estate	-3.98%	-4.01%	0.03%
Technology	-9.05%	-9.05%	0.00%
Telecommunications	-13.36%	-13.47%	0.11%
Utilities	-5.68%	-5.68%	0.00%



Effective September 21, 2020, the Russell Global Sector (RGS) scheme migrated to the new ICB industry structure and broke out "Telecommunications" from "Utilities", "Real Estate" from "Financial Services", and reclassified "Financial Services", "Producer Durables" and "Materials & Processing" as "Financials", "Industrials" and "Basic Materials".

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

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**Quarterly Sector Returns** (expressed in USD)

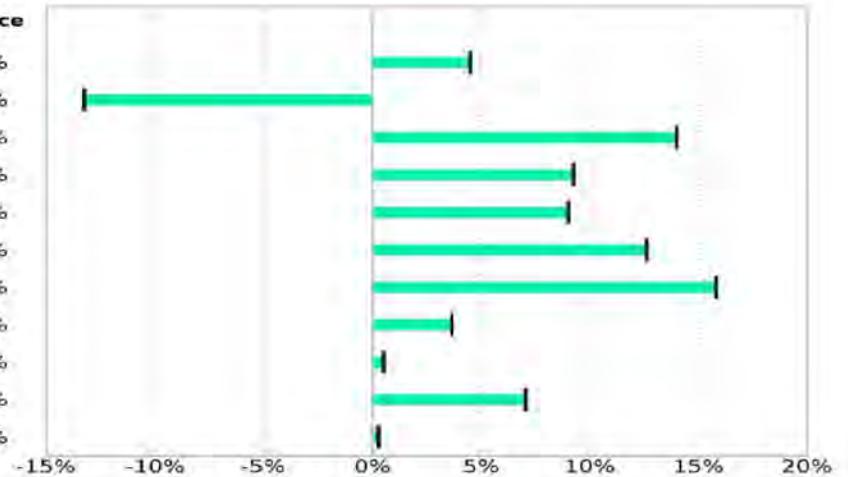
Period 01 Oct 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Russell 1000 Growth Index NL Fund

Benchmark: Russell 1000 Growth Index

Sector	Mandate	Benchmark	Difference
Basic Materials	4.49%	4.50%	-0.01%
Consumer Discretionary	-13.25%	-13.25%	0.00%
Consumer Staples	13.98%	13.99%	-0.01%
Energy	9.23%	9.24%	-0.01%
Financials	8.96%	9.01%	-0.05%
Health Care	12.65%	12.61%	0.04%
Industrials	15.79%	15.80%	-0.01%
Real Estate	3.68%	3.65%	0.03%
Technology	0.49%	0.52%	-0.03%
Telecommunications	7.11%	7.05%	0.06%
Utilities	0.27%	0.28%	-0.01%



Effective September 21, 2020, the Russell Global Sector (RGS) scheme migrated to the new ICB industry structure and broke out "Telecommunications" from "Utilities", "Real Estate" from "Financial Services", and reclassified "Financial Services", "Producer Durables" and "Materials & Processing" as "Financials", "Industrials" and "Basic Materials".



## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Characteristics and Risk Statistics (expressed in USD)

As of 31 Dec 2022

## PACE Industry Union-Management Pension Fund

State Street S&P Global LargeMidCap Natural Resources Index NL Strategy

Benchmark: S&P Global LargeMidCap Commodity and Resources Index

Characteristics	Mandate	Benchmark
Annual Dividend Yield (Trailing 12 Months)	4.13	4.13
Estimated 3-5 Year EPS Growth	11.07	10.98
Total Number of Holdings	235	223
Price/Book Ratio	1.83	1.83
Price/Earnings Ratio (Forward 12 Months)	7.49	7.49
Return on Equity (5 Year Average)	11.44	11.47
Weighted Average Market Cap (M)	95,260.44	94,982.56
Median Market Cap (M)	4,085.10	4,191.11
Price/Earnings Ratio (Trailing 12 Months)	11.99	11.98
Price/Cash Flow (Weighted Harmonic Average)	5.64	5.64
Return on Equity (Trailing 12 Months)	25.78	25.73
Price/Sales (Weighted Average)	1.95	1.94

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Risk Statistics	Mandate
Standard Deviation (Annualized 36 Months)	25.30
Beta (Trailing 36 Months)	0.99
Tracking Error (Trailing 36 Months)	0.55
Information Ratio (Trailing 36 Months)	0.93
Sharpe Ratio (Trailing 36 Months)	1.86

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## Performance and Analysis - PACE Industry Union Management Pension Fund

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Meketa Fiduciary Management, LLC

### Top Holdings (expressed in USD)

As of 31 Dec 2022

#### PACE Industry Union-Management Pension Fund

State Street S&P Global LargeMidCap Natural Resources Index NL Strategy

Benchmark: S&P Global LargeMidCap Commodity and Resources Index

Security	Mandate	Benchmark	Difference
EXXON MOBIL CORP	6.96%	6.97%	-0.01%
ARCHER-DANIELS-MIDLAND CO	6.34%	6.34%	0.00%
BHP GROUP LTD	5.93%	5.93%	0.00%
CORTEVA INC	5.22%	5.22%	0.00%
CHEVRON CORP	4.89%	4.90%	-0.01%
NUTRIEN LTD	4.71%	4.72%	-0.01%
SHELL PLC	3.05%	3.05%	0.00%
GLENCORE PLC	3.04%	3.04%	0.00%
RIO TINTO PLC	2.79%	2.80%	-0.01%
TOTALENERGIES SE	2.36%	2.36%	0.00%

*The mandate percentage is calculated based on the total value of the portfolio excluding cash and derivatives.*

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Monthly Country Contribution to Return (expressed in USD)

Period 01 Dec 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

### State Street S&P Global LargeMidCap Natural Resources Index NL Strategy

Country	Contribution to Return
Malaysia	0.09%
France	0.06%
Turkey	0.05%
Singapore	0.04%
Japan	0.02%
Spain	0.01%
Portugal	0.01%
Egypt	0.01%
Poland	0.01%
Residual*	0.00%
Colombia	0.00%
Philippines	0.00%
Austria	0.00%
Hungary	0.00%
Thailand	0.00%
Peru	0.00%
Pakistan	0.00%
Taiwan	-0.01%
Indonesia	-0.01%
United Arab Emirates	-0.01%
Korea	-0.02%
Cash & Cash Equivalent	-0.02%
Italy	-0.02%
Saudi Arabia	-0.02%

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### PACE Industry Union-Management Pension Fund

#### State Street S&P Global LargeMidCap Natural Resources Index NL Strategy

Country	Contribution to Return
Australia	-0.02%
Sweden	-0.03%
Brazil	-0.05%
Norway	-0.05%
South Africa	-0.07%
India	-0.08%
Mexico	-0.08%
Israel	-0.10%
China	-0.12%
United Kingdom	-0.18%
Chile	-0.27%
Canada	-0.58%
United States	-2.32%
<b>Total</b>	<b>-3.76%</b>

\* Residual may arise in a variety of circumstances, including for example, when there are (i) timing differences in accounting for expenses and income, including but not limited to withholding taxes, tax reclaims, dividend income, security lending income and transaction costs, (ii) pricing differences, including but not limited to price type, price source, fair valuation or other special pricing events or (iii) methodology differences between total return and contribution-to-return calculations when significant inflows/outflows occur at the total portfolio and/or sector/country level. The foregoing is not meant to be a complete list of the circumstances under which residual may arise.

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Quarterly Country Contribution to Return (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

### State Street S&P Global LargeMidCap Natural Resources Index NL Strategy

Country	Contribution to Return
United States	5.79%
United Kingdom	2.65%
Australia	2.12%
Canada	0.64%
France	0.63%
South Africa	0.42%
Norway	0.40%
Malaysia	0.20%
Turkey	0.19%
Italy	0.15%
India	0.15%
Singapore	0.14%
China	0.11%
Residual*	0.11%
Spain	0.10%
Japan	0.10%
Poland	0.07%
Peru	0.06%
Sweden	0.06%
Mexico	0.06%
Austria	0.03%
Thailand	0.03%
Portugal	0.03%
Egypt	0.02%

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### PACE Industry Union-Management Pension Fund

#### State Street S&P Global LargeMidCap Natural Resources Index NL Strategy

Country	Contribution to Return
Korea	0.02%
Hungary	0.01%
Colombia	0.01%
Pakistan	0.01%
Philippines	0.00%
Taiwan	0.00%
Russian Federation	-0.01%
Indonesia	-0.02%
Brazil	-0.04%
United Arab Emirates	-0.04%
Cash & Cash Equivalent	-0.04%
Israel	-0.07%
Chile	-0.10%
Saudi Arabia	-0.12%
<b>Total</b>	<b>13.86%</b>

\* Residual may arise in a variety of circumstances, including for example, when there are (i) timing differences in accounting for expenses and income, including but not limited to withholding taxes, tax reclaims, dividend income, security lending income and transaction costs, (ii) pricing differences, including but not limited to price type, price source, fair valuation or other special pricing events or (iii) methodology differences between total return and contribution-to-return calculations when significant inflows/outflows occur at the total portfolio and/or sector/country level. The foregoing is not meant to be a complete list of the circumstances under which residual may arise.

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

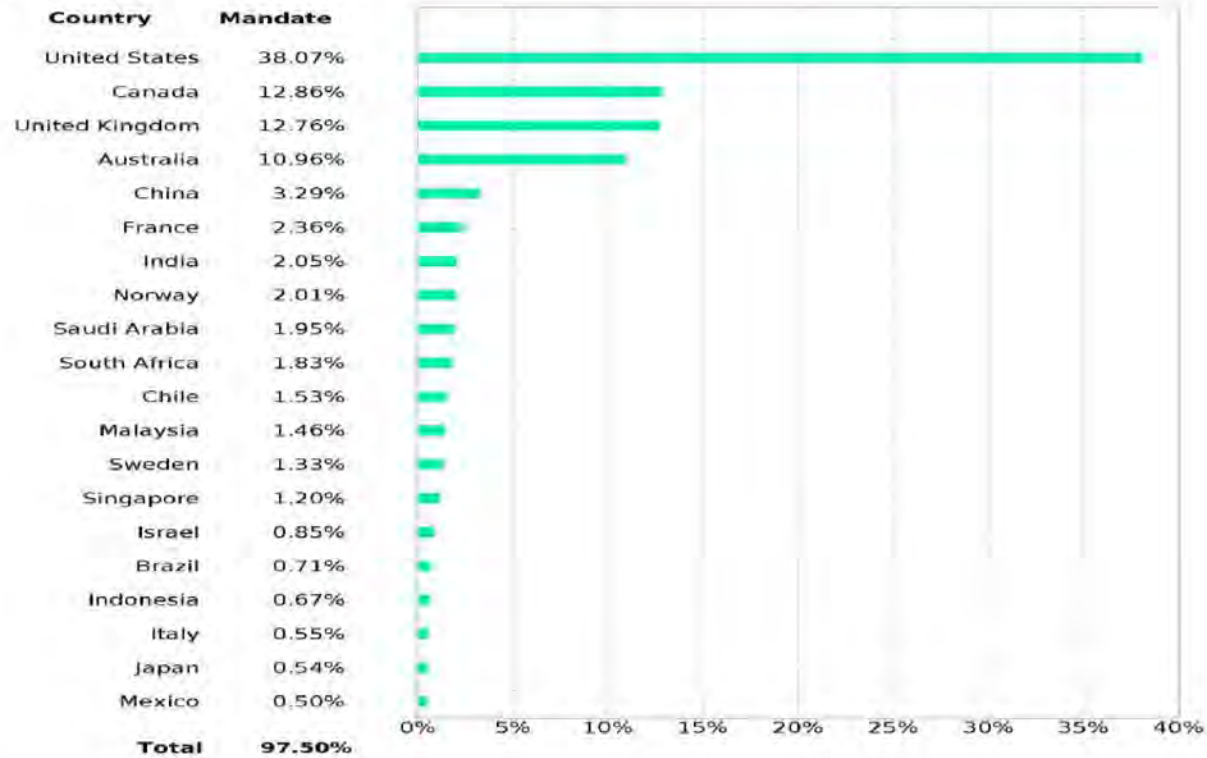
Meketa Fiduciary Management, LLC

**Country Weights** (expressed in USD)

As of 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street S&P Global LargeMidCap Natural Resources Index NL Strategy



The chart displays results for up to 20 countries. The mandate percentage is calculated based on the total value of the portfolio including derivatives but excluding cash and cash equivalents.



## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### Country Weights (expressed in USD)

As of 31 Dec 2022

#### PACE Industry Union-Management Pension Fund

##### State Street S&P Global LargeMidCap Natural Resources Index NL Strategy

Country	Mandate
United States	38.07%
Canada	12.86%
United Kingdom	12.76%
Australia	10.96%
China	3.29%
France	2.36%
India	2.05%
Norway	2.01%
Saudi Arabia	1.95%
South Africa	1.83%
Chile	1.53%
Malaysia	1.46%
Sweden	1.33%
Singapore	1.20%
Israel	0.85%
Brazil	0.71%
Indonesia	0.67%
Italy	0.55%
Japan	0.54%
Mexico	0.50%
Turkey	0.39%
Spain	0.35%
Thailand	0.26%
Korea	0.23%

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### PACE Industry Union-Management Pension Fund

#### State Street S&P Global LargeMidCap Natural Resources Index NL Strategy

Country	Mandate
Peru	0.23%
Poland	0.19%
United Arab Emirates	0.16%
Taiwan	0.15%
Pakistan	0.12%
Austria	0.11%
Egypt	0.09%
Portugal	0.09%
Hungary	0.06%
Colombia	0.04%
Philippines	0.01%
<b>Total</b>	<b>100.00%</b>

*The mandate percentage is calculated based on the total value of the portfolio including derivatives but excluding cash and cash equivalents.*

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

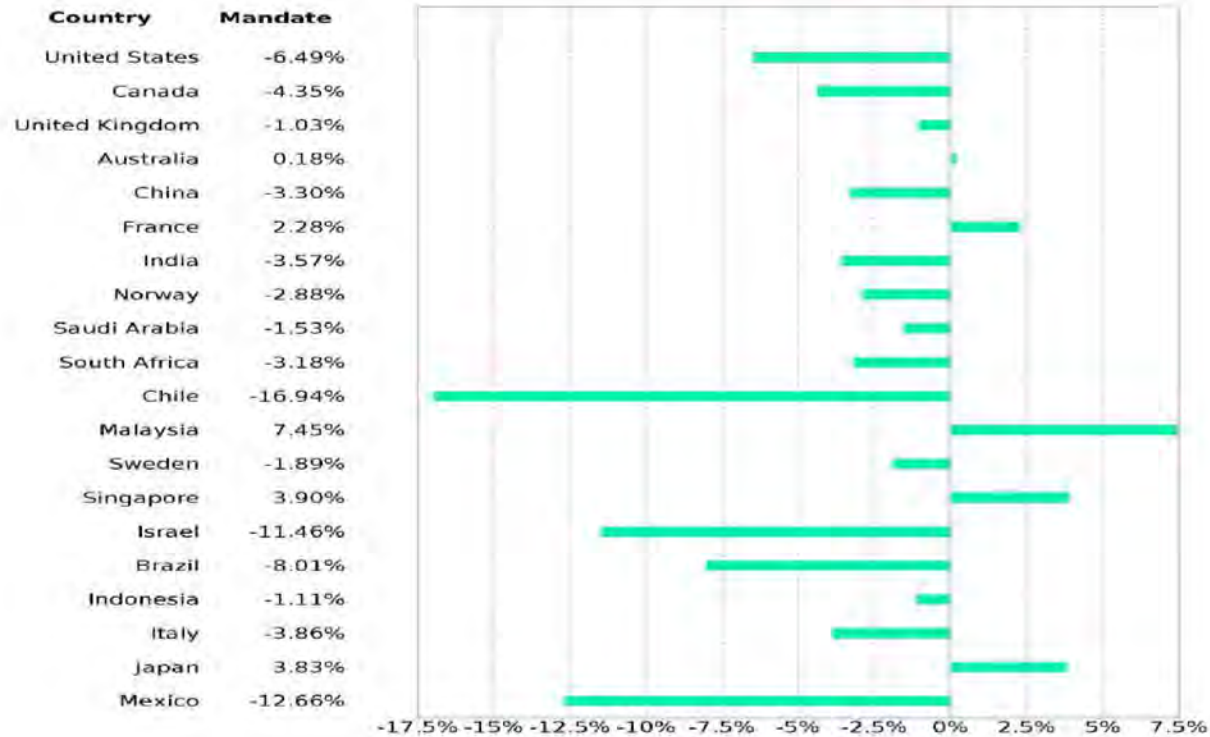
Meketa Fiduciary Management, LLC

### Monthly Country Returns (expressed in USD)

Period 01 Dec 2022 - 31 Dec 2022

#### PACE Industry Union-Management Pension Fund

State Street S&P Global LargeMidCap Natural Resources Index NL Strategy



The chart displays results for up to 20 countries.

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

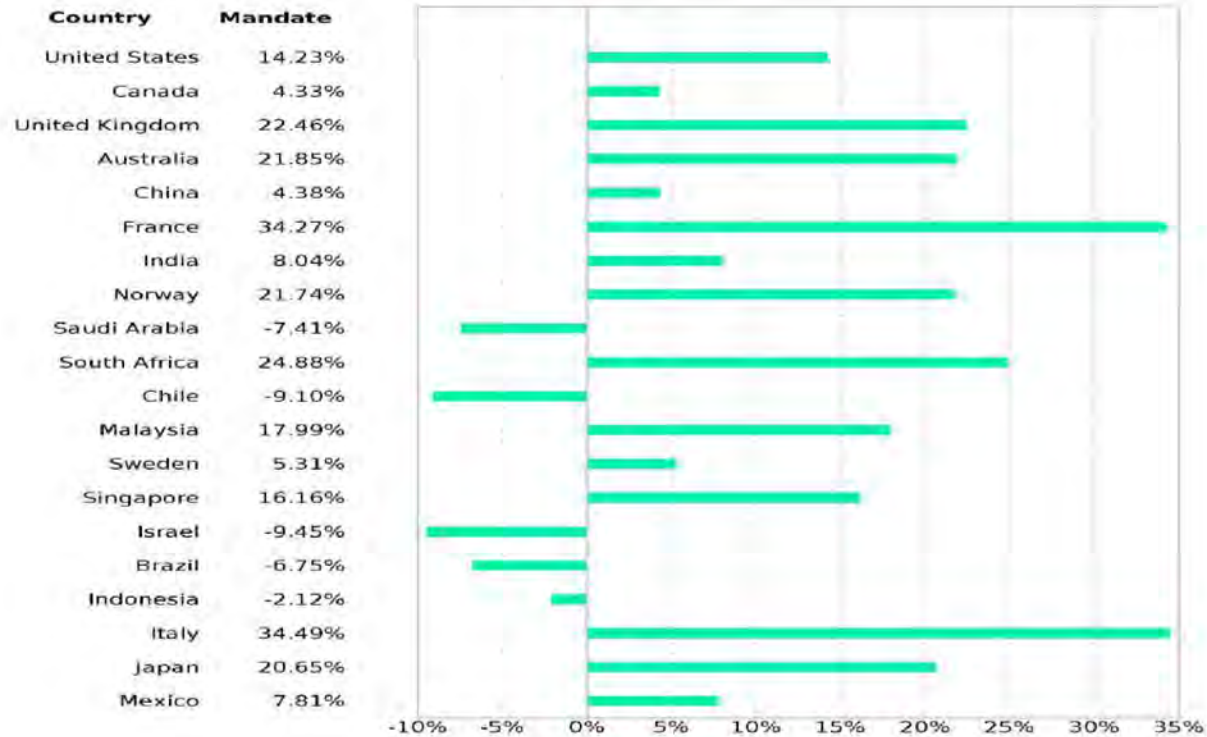
Meketa Fiduciary Management, LLC

### Quarterly Country Returns (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

#### PACE Industry Union-Management Pension Fund

State Street S&P Global LargeMidCap Natural Resources Index NL Strategy



The chart displays results for up to 20 countries.

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Monthly Country Returns (expressed in USD)

Period 01 Dec 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

### State Street S&P Global LargeMidCap Natural Resources Index NL Strategy

Country	Mandate Base Returns	Mandate Currency of Exposure Returns
United States	-6.49%	-6.49%
Canada	-4.35%	-4.40%
United Kingdom	-1.03%	-2.01%
Australia	0.18%	-1.06%
China	-3.30%	-5.89%
France	2.28%	-1.32%
India	-3.57%	-2.04%
Norway	-2.88%	-4.05%
Saudi Arabia	-1.53%	-1.56%
South Africa	-3.18%	-3.08%
Chile	-16.94%	-21.04%
Malaysia	7.45%	6.42%
Sweden	-1.89%	-4.14%
Singapore	3.90%	1.70%
Israel	-11.46%	-9.45%
Brazil	-8.01%	-7.65%
Indonesia	-1.11%	-2.14%
Italy	-3.86%	-7.25%
Japan	3.83%	-1.82%
Mexico	-12.66%	-12.14%
Turkey	15.48%	16.26%
Spain	4.00%	0.34%
Thailand	-0.76%	-2.53%
Korea	-6.38%	-10.24%

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### PACE Industry Union-Management Pension Fund

#### State Street S&P Global LargeMidCap Natural Resources Index NL Strategy

Country	Mandate Base Returns	Mandate Currency of Exposure Returns
Peru	-0.70%	-1.53%
Poland	3.82%	0.30%
United Arab Emirates	-8.27%	-8.28%
Taiwan	-4.45%	-4.97%
Pakistan	-3.74%	-2.74%
Austria	-0.61%	-4.11%
Egypt	11.66%	12.59%
Portugal	10.91%	7.00%
Hungary	-2.10%	-7.73%
Colombia	6.08%	6.78%
Philippines	4.06%	2.53%
Russian Federation	30.23%	15.05%

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### Quarterly Country Returns (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

#### PACE Industry Union-Management Pension Fund

##### State Street S&P Global LargeMidCap Natural Resources Index NL Strategy

Country	Mandate Base Returns	Mandate Currency of Exposure Returns
United States	14.23%	14.23%
Canada	4.33%	2.88%
United Kingdom	22.46%	13.64%
Australia	21.85%	15.53%
China	4.38%	2.33%
France	34.27%	23.25%
India	8.04%	9.87%
Norway	21.74%	10.05%
Saudi Arabia	-7.41%	-7.39%
South Africa	24.88%	18.22%
Chile	-9.10%	-19.16%
Malaysia	17.99%	12.08%
Sweden	5.31%	-1.13%
Singapore	16.16%	8.58%
Israel	-9.45%	-10.18%
Brazil	-6.75%	-8.97%
Indonesia	-2.12%	0.07%
Italy	34.49%	23.45%
Japan	20.65%	10.00%
Mexico	7.81%	4.48%
Turkey	102.23%	104.20%
Spain	37.01%	25.77%
Thailand	13.21%	3.95%
Korea	7.52%	-4.97%



## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### PACE Industry Union-Management Pension Fund

#### State Street S&P Global LargeMidCap Natural Resources Index NL Strategy

Country	Mandate Base Returns	Mandate Currency of Exposure Returns
Peru	30.53%	25.15%
Poland	45.17%	28.92%
United Arab Emirates	-21.74%	-21.74%
Taiwan	0.27%	-2.93%
Pakistan	5.43%	4.75%
Austria	40.22%	28.71%
Egypt	28.04%	62.26%
Portugal	39.83%	28.36%
Hungary	24.47%	8.15%
Colombia	17.24%	23.75%
Philippines	-0.43%	-5.35%
Russian Federation	N/A	N/A

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Monthly Sector Contribution to Return (expressed in USD)

Period 01 Dec 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

### State Street S&P Global LargeMidCap Natural Resources Index NL Strategy

Sector	Contribution to Return
Residual*	0.00%
Cash & Cash Equivalent	-0.02%
Consumer Staples	-0.15%
Energy	-1.00%
Materials	-2.59%
<b>Total</b>	<b>-3.76%</b>

\* Residual may arise in a variety of circumstances, including for example, when there are (i) timing differences in accounting for expenses and income, including but not limited to withholding taxes, tax reclaims, dividend income, security lending income and transaction costs, (ii) pricing differences, including but not limited to price type, price source, fair valuation or other special pricing events or (iii) methodology differences between total return and contribution-to-return calculations when significant inflows/outflows occur at the total portfolio and/or sector/country level. The foregoing is not meant to be a complete list of the circumstances under which residual may arise.

Sector reporting based on the Global Industry Classification Standard ("GICS") which was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by State Street.

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Quarterly Sector Contribution to Return (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

### State Street S&P Global LargeMidCap Natural Resources Index NL Strategy

Sector	Contribution to Return
Materials	6.33%
Energy	6.26%
Consumer Staples	1.20%
Residual*	0.11%
Cash & Cash Equivalent	-0.04%
<b>Total</b>	<b>13.86%</b>

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**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

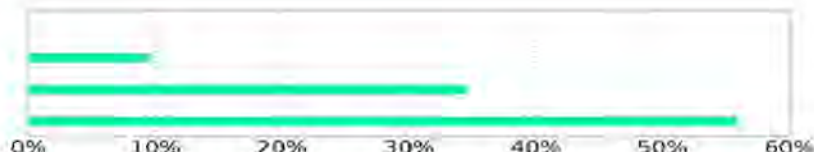
**Sector Weights** (expressed in USD)

As of 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street S&P Global LargeMidCap Natural Resources Index NL Strategy

Sector	Mandate
Consumer Staples	9.58%
Energy	34.56%
Materials	55.87%
<b>Total</b>	<b>100.00%</b>



The mandate percentage is calculated based on the total value of the portfolio excluding cash and derivatives. Sector reporting based on the Global Industry Classification Standard ("GICS") which was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by State Street.

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

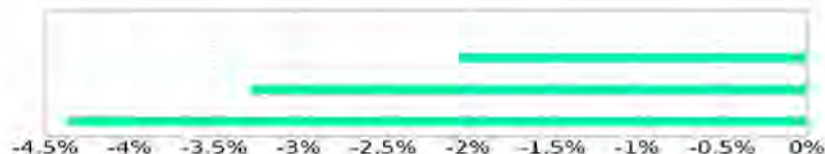
**Monthly Sector Returns** (expressed in USD)

Period 01 Dec 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street S&P Global LargeMidCap Natural Resources Index NL Strategy

Sector	Mandate
Consumer Staples	-2.05%
Energy	-3.28%
Materials	-4.36%



Sector reporting based on the Global Industry Classification Standard ("GICS") which was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by State Street.

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

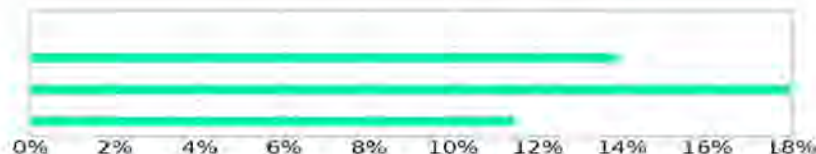
**Quarterly Sector Returns** (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street S&P Global LargeMidCap Natural Resources Index NL Strategy

Sector	Mandate
Consumer Staples	13.89%
Energy	17.95%
Materials	11.45%



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## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

## REIT Characteristics (expressed in USD)

As of 31 Dec 2022

### PACE Industry Union-Management Pension Fund

State Street U.S. REIT Index NL Strategy

Benchmark: Dow Jones U.S. Select REIT Index(SM)

	Mandate	Benchmark
Annual Dividend Yield (Trailing 12 Months)	4.05	4.05
Total Number of Holdings	112	112
Weighted Average Market Cap (M)	31,397.14	31,377.84
Weighted Average Price/NAV	0.87	0.87
Weighted Average Price/FFO	16.77	16.77
Weighted Average FFO Growth	72.92	72.91

*Characteristics presented are calculated using the month end market value of holdings, except for beta and standard deviation, if shown, which use month end return values. Averages reflect the market weight of securities in the portfolio. Estimated and historical market data used for characteristic calculations are provided by SNL Financial & Factset. All other portfolio data provided by SSGA. Characteristics are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.*



## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

## Risk Statistics (expressed in USD)

As of 31 Dec 2022

### PACE Industry Union-Management Pension Fund

State Street U.S. REIT Index NL Strategy

Benchmark: Dow Jones U.S. Select REIT Index(SM)

	Mandate
Standard Deviation (Annualized 36 Months)	24.01
Beta (Trailing 36 Months)	1.00
Tracking Error (Trailing 36 Months)	0.05
Information Ratio (Trailing 36 Months)	0.27
Sharpe Ratio (Trailing 36 Months)	-0.29

Returns based risk statistics are calculated using SSGA month end return values and risk free rates when required (such risk free rates may be applicable in place of LIBOR rates used prior to 31 December 2021). Risk statistics are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### Top Holdings (expressed in USD)

As of 31 Dec 2022

#### PACE Industry Union-Management Pension Fund

State Street U.S. REIT Index NL Strategy

Benchmark: Dow Jones U.S. Select REIT Index(SM)

Security	Mandate	Benchmark	Difference
PROLOGIS INC	11.85%	11.84%	0.01%
EQUINIX INC	6.90%	6.90%	0.00%
PUBLIC STORAGE	5.04%	5.04%	0.00%
REALTY INCOME CORP	4.53%	4.53%	0.00%
SIMON PROPERTY GROUP INC	4.37%	4.37%	0.00%
WELLTOWER INC	3.53%	3.52%	0.01%
DIGITAL REALTY TRUST INC	3.28%	3.28%	0.00%
AVALONBAY COMMUNITIES INC	2.57%	2.57%	0.00%
ALEXANDRIA REAL ESTATE EQUIT	2.48%	2.48%	0.00%
EQUITY RESIDENTIAL	2.29%	2.28%	0.01%

*The mandate percentage is calculated based on the total value of the portfolio excluding cash and derivatives.*

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Monthly Sector Contribution to Return (expressed in USD)

Period 01 Dec 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

### State Street U.S. REIT Index NL Strategy

Sector	Contribution to Return
Derivatives	0.01%
Cash & Cash Equivalent	0.00%
Residual*	0.00%
Factory Outlets	-0.02%
Retail/Other	-0.04%
Malls	-0.04%
Manufactured Homes	-0.07%
Mixed Industrial/Office	-0.08%
Diversified	-0.13%
Strip Centers	-0.28%
Office	-0.44%
Hotels	-0.49%
Self-Storage	-0.57%
Healthcare	-0.67%
Apartments	-1.11%
Industrial	-1.31%
<b>Total</b>	<b>-5.23%</b>

\* Residual may arise in a variety of circumstances, including for example, when there are (i) timing differences in accounting for expenses and income, including but not limited to withholding taxes, tax reclaims, dividend income, security lending income and transaction costs, (ii) pricing differences, including but not limited to price type, price source, fair valuation or other special pricing events or (iii) methodology differences between total return and contribution-to-return calculations when significant inflows/outflows occur at the total portfolio and/or sector/county level. The foregoing is not meant to be a complete list of the circumstances under which residual may arise.

Sector reporting based on Dow Jones Indexes Real Estate Investment Trust (REIT).

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Quarterly Sector Contribution to Return (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

### State Street U.S. REIT Index NL Strategy

Sector	Contribution to Return
Industrial	2.71%
Strip Centers	1.56%
Malls	1.24%
Diversified	0.43%
Healthcare	0.37%
Hotels	0.28%
Manufactured Homes	0.14%
Factory Outlets	0.06%
Derivatives	0.05%
Retail/Other	0.04%
Office	0.04%
Cash & Cash Equivalent	0.01%
Residual*	0.00%
Mixed Industrial/Office	-0.01%
Self-Storage	-0.72%
Apartments	-1.45%
<b>Total</b>	<b>4.75%</b>

\* Residual may arise in a variety of circumstances, including for example, when there are (i) timing differences in accounting for expenses and income, including but not limited to withholding taxes, tax reclaims, dividend income, security lending income and transaction costs, (ii) pricing differences, including but not limited to price type, price source, fair valuation or other special pricing events or (iii) methodology differences between total return and contribution-to-return calculations when significant inflows/outflows occur at the total portfolio and/or sector/county level. The foregoing is not meant to be a complete list of the circumstances under which residual may arise.

Sector reporting based on Dow Jones Indexes Real Estate Investment Trust (REIT).

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

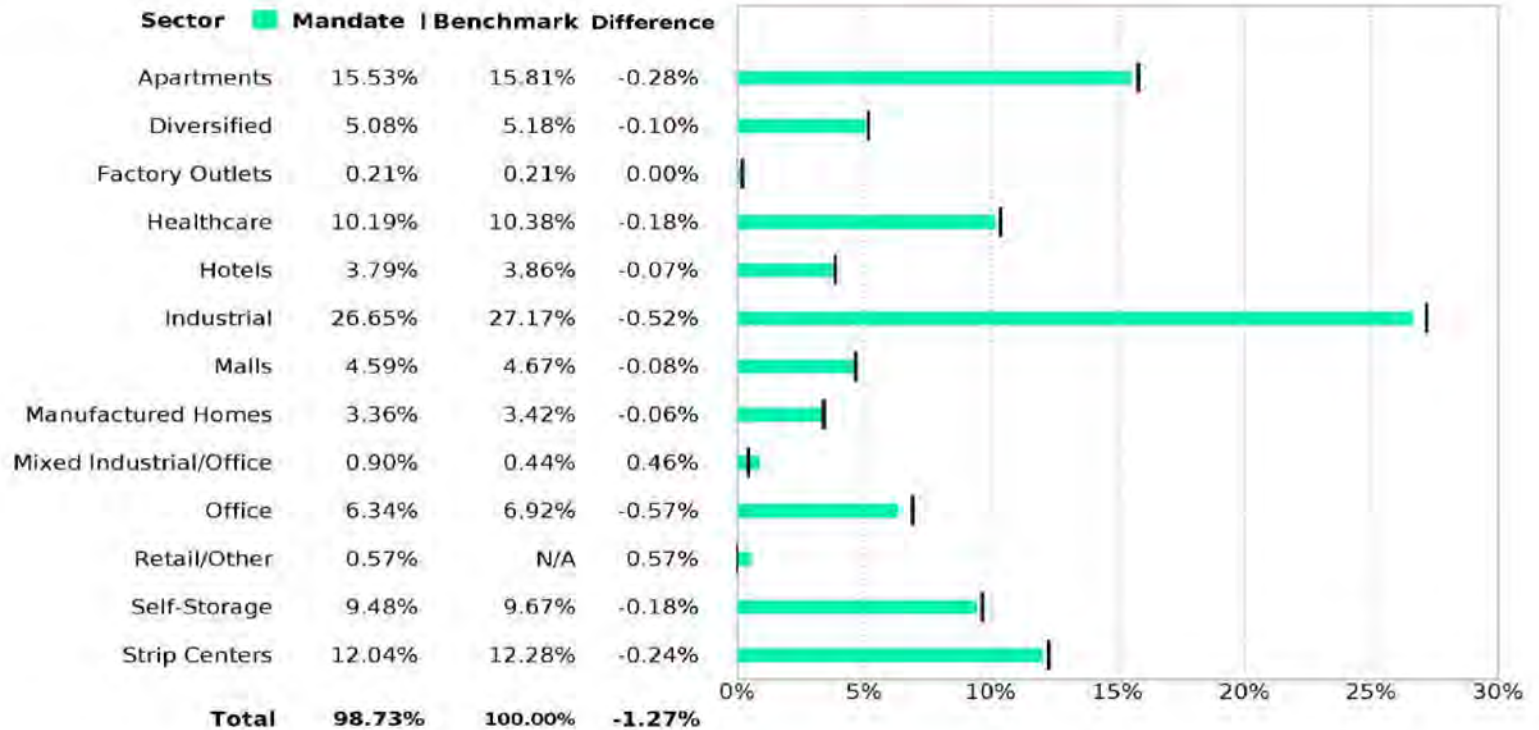
**Sector Weights** (expressed in USD)

As of 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street U.S. REIT Index NL Strategy

Benchmark: Dow Jones U.S. Select REIT Index(SM)



The mandate percentage is calculated based on the total value of the portfolio excluding cash and derivatives. Sector reporting based on Dow Jones Indexes Real Estate Investment Trust (REIT).

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

**Monthly Sector Returns** (expressed in USD)

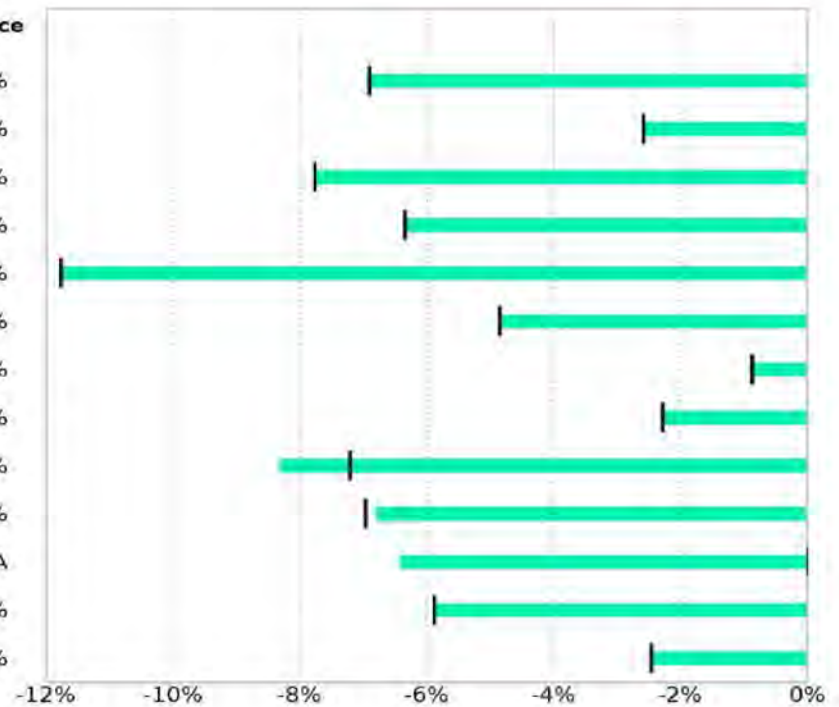
Period 01 Dec 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street U.S. REIT Index NL Strategy

Benchmark: Dow Jones U.S. Select REIT Index(SM)

Sector	Mandate	Benchmark	Difference
Apartments	-6.90%	-6.90%	0.00%
Diversified	-2.57%	-2.58%	0.01%
Factory Outlets	-7.76%	-7.76%	0.00%
Healthcare	-6.34%	-6.34%	0.00%
Hotels	-11.77%	-11.76%	-0.01%
Industrial	-4.85%	-4.85%	0.00%
Malls	-0.88%	-0.87%	-0.01%
Manufactured Homes	-2.28%	-2.28%	0.00%
Mixed Industrial/Office	-8.31%	-7.21%	-1.10%
Office	-6.78%	-6.96%	0.18%
Retail/Other	-6.42%	N/A	N/A
Self-Storage	-5.88%	-5.88%	0.00%
Strip Centers	-2.46%	-2.46%	0.00%



Sector reporting based on Dow Jones Indexes Real Estate Investment Trust (REIT).

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

**Quarterly Sector Returns** (expressed in USD)

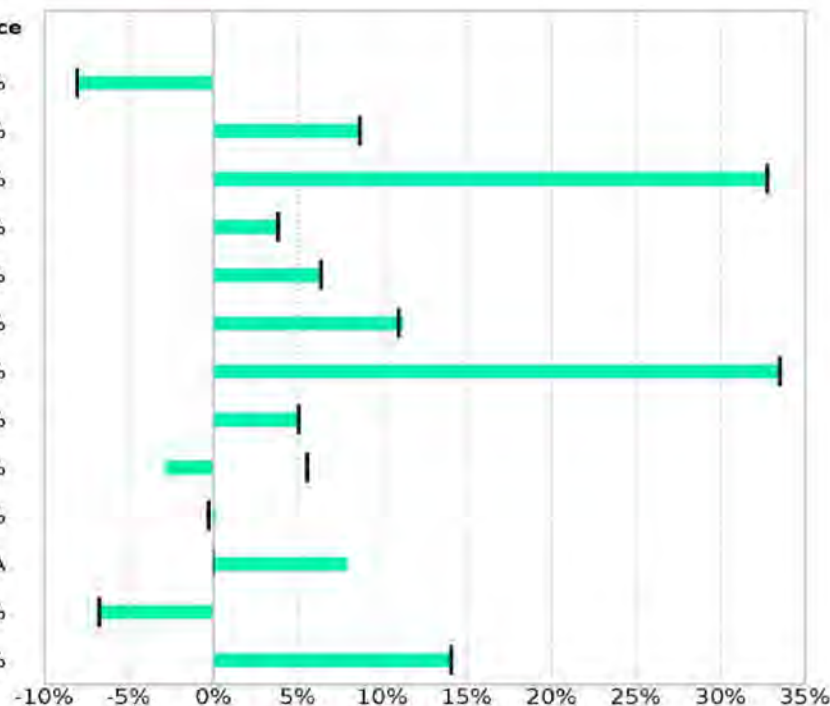
Period 01 Oct 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street U.S. REIT Index NL Strategy

Benchmark: Dow Jones U.S. Select REIT Index(SM)

Sector	Mandate	Benchmark	Difference
Apartments	-8.08%	-8.06%	-0.02%
Diversified	8.67%	8.67%	0.00%
Factory Outlets	32.75%	32.75%	0.00%
Healthcare	3.85%	3.85%	0.00%
Hotels	6.27%	6.37%	-0.10%
Industrial	11.22%	10.96%	0.26%
Malls	33.50%	33.50%	0.00%
Manufactured Homes	5.01%	5.05%	-0.04%
Mixed Industrial/Office	-2.83%	5.56%	-8.39%
Office	0.21%	-0.26%	0.47%
Retail/Other	7.94%	N/A	N/A
Self-Storage	-6.74%	-6.74%	0.00%
Strip Centers	14.05%	14.06%	-0.01%



Sector reporting based on Dow Jones Indexes Real Estate Investment Trust (REIT).



## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Characteristics and Risk Statistics (expressed in USD)

As of 31 Dec 2022

## PACE Industry Union-Management Pension Fund

State Street Daily MSCI EAFE NL Strategy

Benchmark: MSCI EAFE(R) Index

Characteristics	Mandate	Benchmark
Annual Dividend Yield (Trailing 12 Months)	3.24	3.25
Estimated 3-5 Year EPS Growth	8.05	8.06
Total Number of Holdings	802	796
Price/Book Ratio	1.57	1.58
Price/Earnings Ratio (Forward 12 Months)	11.79	11.80
Return on Equity (5 Year Average)	15.37	15.54
Weighted Average Market Cap (M)	65,695.17	66,141.91
Median Market Cap (M)	8,228.97	8,228.97
Price/Earnings Ratio (Trailing 12 Months)	11.62	11.63
Price/Cash Flow (Weighted Harmonic Average)	7.72	7.72
Return on Equity (Trailing 12 Months)	17.64	17.75
Price/Sales (Weighted Average)	3.20	3.21

*Portfolio characteristics are calculated using the month end market value of holdings. Averages reflect the market weight of securities in the portfolio. Market data, prices, and dividend estimates for characteristics calculations provided by FactSet Research Systems, Inc. All other portfolio data provided by SSGA. Characteristics are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.*

Risk Statistics	Mandate
Standard Deviation (Annualized 36 Months)	19.99
Beta (Trailing 36 Months)	1.00
Tracking Error (Trailing 36 Months)	0.16
Information Ratio (Trailing 36 Months)	2.38
Sharpe Ratio (Trailing 36 Months)	0.10

*Returns based risk statistics are calculated using SSGA month end return values and risk free rates when required (such risk free rates may be applicable in place of LIBOR rates used prior to 31 December 2021). Risk statistics are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.*

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### Top Holdings (expressed in USD)

As of 31 Dec 2022

#### PACE Industry Union-Management Pension Fund

State Street Daily MSCI EAFE NL Strategy

Benchmark: MSCI EAFE(R) Index

Security	Mandate	Benchmark	Difference
NESTLE SA-REG	2.24%	2.24%	0.00%
NOVO NORDISK A/S-B	1.57%	1.56%	0.01%
ROCHE HOLDING AG-GENUSSCHEIN	1.55%	1.55%	0.00%
ASML HOLDING NV	1.54%	1.53%	0.01%
ASTRAZENECA PLC	1.47%	1.47%	0.00%
SHELL PLC	1.43%	1.43%	0.00%
LVMH MOET HENNESSY LOUIS VUI	1.41%	1.41%	0.00%
NOVARTIS AG-REG	1.37%	1.37%	0.00%
BHP GROUP LTD	1.10%	1.10%	0.00%
TOTALENERGIES SE	1.09%	1.09%	0.00%

*The mandate percentage is calculated based on the total value of the portfolio excluding cash and derivatives.*

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Monthly Country Contribution to Return (expressed in USD)

Period 01 Dec 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

### State Street Daily MSCI EAFE NL Strategy

Country	Contribution to Return
Hong Kong	0.22%
Denmark	0.18%
Japan	0.07%
Spain	0.05%
Belgium	0.03%
Cash & Cash Equivalent	0.01%
Portugal	0.01%
Ireland	0.01%
Finland	0.00%
Germany	0.00%
New Zealand	0.00%
Austria	0.00%
Italy	0.00%
Residual*	0.00%
Norway	-0.01%
Singapore	-0.01%
France	-0.01%
Sweden	-0.01%
Israel	-0.04%
United Kingdom	-0.06%
Other	-0.07%
Switzerland	-0.07%
Netherlands	-0.11%

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### PACE Industry Union-Management Pension Fund

#### State Street Daily MSCI EAFE NL Strategy

Country	Contribution to Return
Australia	-0.15%
<b>Total</b>	<b>0.03%</b>

*\* Residual may arise in a variety of circumstances, including for example, when there are (i) timing differences in accounting for expenses and income, including but not limited to withholding taxes, tax reclaims, dividend income, security lending income and transaction costs, (ii) pricing differences, including but not limited to price type, price source, fair valuation or other special pricing events or (iii) methodology differences between total return and contribution-to-return calculations when significant inflows/outflows occur at the total portfolio and/or sector/country level. The foregoing is not meant to be a complete list of the circumstances under which residual may arise.  
Country reporting based on MSCI Global Equity Indexes.*

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Quarterly Country Contribution to Return (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

### State Street Daily MSCI EAFE NL Strategy

Country	Contribution to Return
Japan	2.81%
United Kingdom	2.59%
France	2.53%
Germany	1.89%
Australia	1.21%
Switzerland	1.11%
Netherlands	0.86%
Denmark	0.80%
Sweden	0.65%
Italy	0.61%
Spain	0.53%
Other	0.45%
Hong Kong	0.40%
Belgium	0.21%
Finland	0.17%
Singapore	0.14%
Norway	0.14%
Ireland	0.13%
Austria	0.06%
New Zealand	0.04%
Portugal	0.04%
Cash & Cash Equivalent	0.03%
Israel	0.02%

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### PACE Industry Union-Management Pension Fund

#### State Street Daily MSCI EAFE NL Strategy

Country	Contribution to Return
Residual*	-0.01%
<b>Total</b>	<b>17.41%</b>

\* Residual may arise in a variety of circumstances, including for example, when there are (i) timing differences in accounting for expenses and income, including but not limited to withholding taxes, tax reclaims, dividend income, security lending income and transaction costs, (ii) pricing differences, including but not limited to price type, price source, fair valuation or other special pricing events or (iii) methodology differences between total return and contribution-to-return calculations when significant inflows/outflows occur at the total portfolio and/or sector/country level. The foregoing is not meant to be a complete list of the circumstances under which residual may arise.  
Country reporting based on MSCI Global Equity Indexes.

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

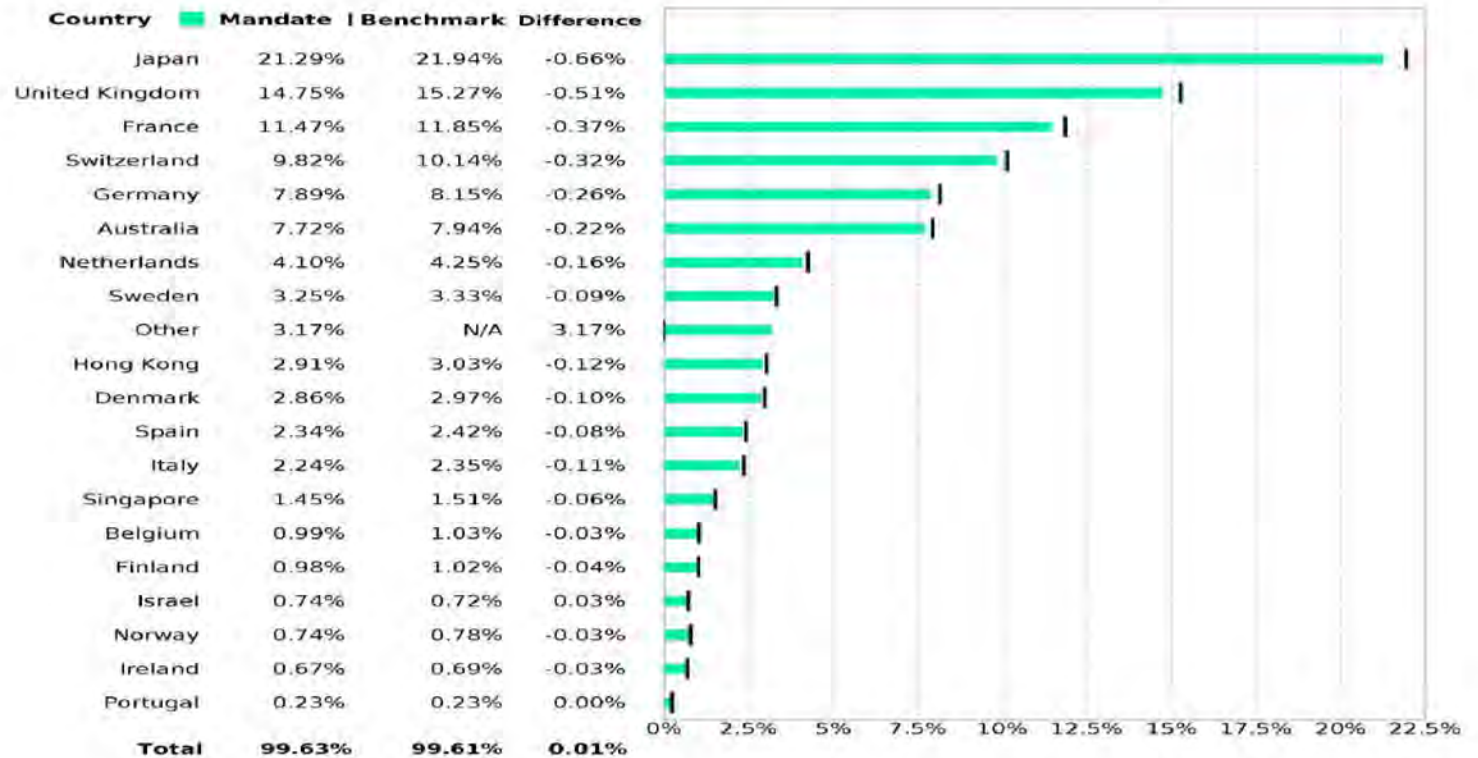
**Country Weights** (expressed in USD)

As of 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Daily MSCI EAFE NL Strategy

Benchmark: MSCI EAFE(R) Index



The chart displays results for up to 20 countries. The mandate percentage is calculated based on the total value of the portfolio including derivatives but excluding cash and cash equivalents. Country reporting based on MSCI Global Equity Indexes.



## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### Country Weights (expressed in USD)

As of 31 Dec 2022

#### PACE Industry Union-Management Pension Fund

State Street Daily MSCI EAFE NL Strategy

Benchmark: MSCI EAFE(R) Index

Country	Ending Weights		
	Mandate	Benchmark	Difference
Japan	21.29%	21.94%	-0.66%
United Kingdom	14.75%	15.27%	-0.51%
France	11.47%	11.85%	-0.37%
Switzerland	9.82%	10.14%	-0.32%
Germany	7.89%	8.15%	-0.26%
Australia	7.72%	7.94%	-0.22%
Netherlands	4.10%	4.25%	-0.16%
Sweden	3.25%	3.33%	-0.09%
Other	3.17%	N/A	3.17%
Hong Kong	2.91%	3.03%	-0.12%
Denmark	2.86%	2.97%	-0.10%
Spain	2.34%	2.42%	-0.08%
Italy	2.24%	2.35%	-0.11%
Singapore	1.45%	1.51%	-0.06%
Belgium	0.99%	1.03%	-0.03%
Finland	0.98%	1.02%	-0.04%
Israel	0.74%	0.72%	0.03%
Norway	0.74%	0.78%	-0.03%
Ireland	0.67%	0.69%	-0.03%
Portugal	0.23%	0.23%	0.00%
Austria	0.19%	0.19%	-0.01%

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### PACE Industry Union-Management Pension Fund

State Street Daily MSCI EAFE NL Strategy

Benchmark: MSCI EAFE(R) Index

Country	Ending Weights		
	Mandate	Benchmark	Difference
New Zealand	0.19%	0.19%	-0.01%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0.00%</b>

*The mandate percentage is calculated based on the total value of the portfolio including derivatives but excluding cash and cash equivalents. Country reporting based on MSCI Global Equity Indexes.*

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

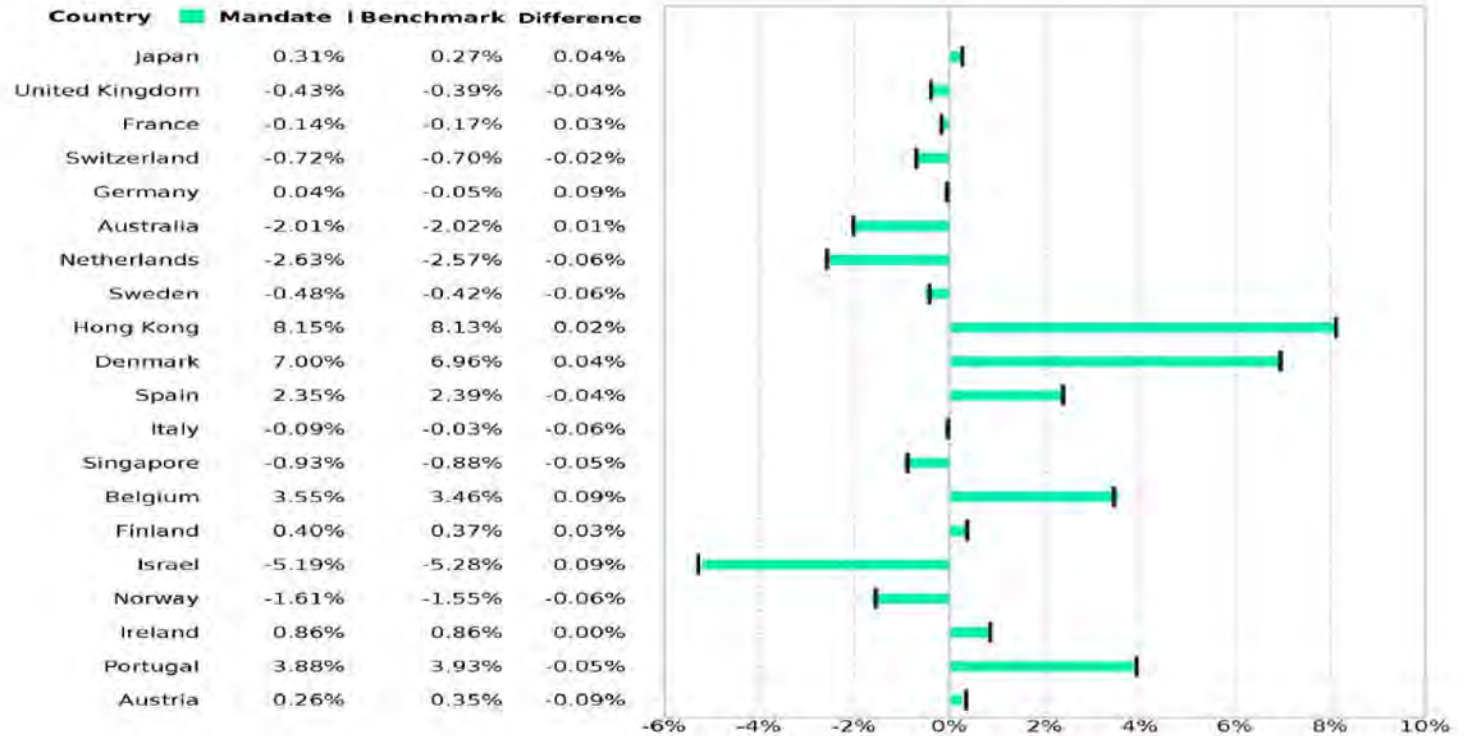
**Monthly Country Returns** (expressed in USD)

Period 01 Dec 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Daily MSCI EAFE NL Strategy

Benchmark: MSCI EAFE(R) Index



The chart displays results for up to 20 countries. Country reporting based on MSCI Global Equity Indexes.

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

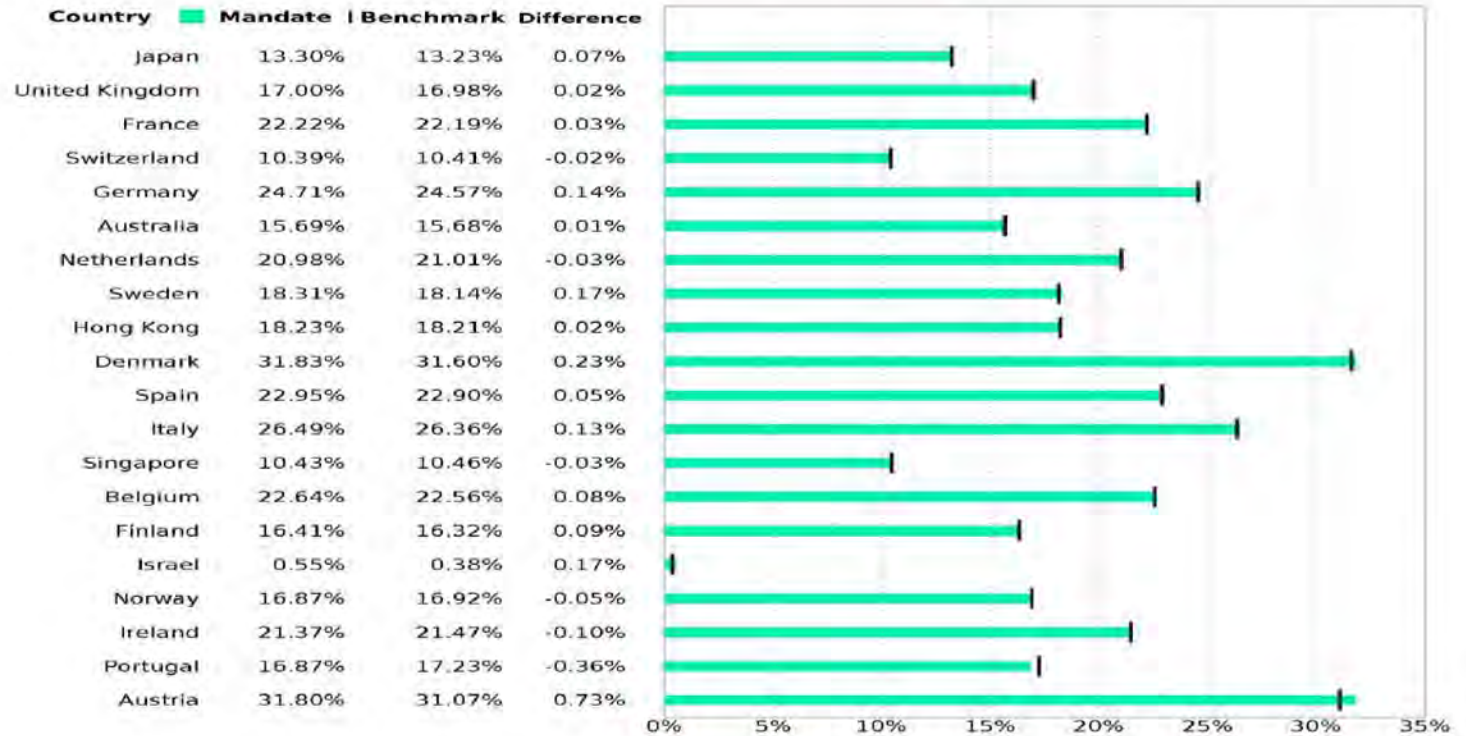
**Quarterly Country Returns** (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Daily MSCI EAFE NL Strategy

Benchmark: MSCI EAFE(R) Index



The chart displays results for up to 20 countries. Country reporting based on MSCI Global Equity Indexes.

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Monthly Country Returns (expressed in USD)

Period 01 Dec 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

State Street Daily MSCI EAFE NL Strategy

Benchmark: MSCI EAFE(R) Index

Country	Base Returns			Currency of Exposure Returns		
	Mandate	Benchmark	Difference	Mandate	Benchmark	Difference
Japan	0.31%	0.27%	0.04%	-5.15%	-5.19%	0.04%
United Kingdom	-0.43%	-0.39%	-0.04%	-1.43%	-1.39%	-0.04%
France	-0.14%	-0.17%	0.03%	-3.66%	-3.69%	0.03%
Switzerland	-0.72%	-0.70%	-0.02%	-3.59%	-3.57%	-0.02%
Germany	0.04%	-0.05%	0.09%	-3.48%	-3.57%	0.09%
Australia	-2.01%	-2.02%	0.01%	-3.23%	-3.24%	0.01%
Netherlands	-2.63%	-2.57%	-0.06%	-6.06%	-6.00%	-0.06%
Sweden	-0.48%	-0.42%	-0.06%	-2.76%	-2.71%	-0.05%
Hong Kong	8.15%	8.13%	0.02%	8.14%	8.12%	0.02%
Denmark	7.00%	6.96%	0.04%	3.21%	3.17%	0.04%
Spain	2.35%	2.39%	-0.04%	-1.25%	-1.21%	-0.04%
Italy	-0.09%	-0.03%	-0.06%	-3.61%	-3.55%	-0.06%
Singapore	-0.93%	-0.88%	-0.05%	-3.03%	-2.99%	-0.04%
Belgium	3.55%	3.46%	0.09%	-0.10%	-0.18%	0.08%
Finland	0.40%	0.37%	0.03%	-3.14%	-3.17%	0.03%
Israel	-5.19%	-5.28%	0.09%	-3.05%	-3.14%	0.09%
Norway	-1.61%	-1.55%	-0.06%	-2.80%	-2.74%	-0.06%
Ireland	0.86%	0.86%	0.00%	-2.69%	-2.69%	0.00%
Portugal	3.88%	3.93%	-0.05%	0.22%	0.26%	-0.04%
Austria	0.26%	0.35%	-0.09%	-3.27%	-3.18%	-0.09%
New Zealand	1.86%	2.27%	-0.41%	0.03%	0.44%	-0.41%

Country reporting based on MSCI Global Equity Indexes.

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### Quarterly Country Returns (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

#### PACE Industry Union-Management Pension Fund

State Street Daily MSCI EAFE NL Strategy

Benchmark: MSCI EAFE(R) Index

Country	Base Returns			Currency of Exposure Returns		
	Mandate	Benchmark	Difference	Mandate	Benchmark	Difference
Japan	13.30%	13.23%	0.07%	3.28%	3.22%	0.06%
United Kingdom	17.00%	16.98%	0.02%	8.58%	8.56%	0.02%
France	22.22%	22.19%	0.03%	12.19%	12.16%	0.03%
Switzerland	10.39%	10.41%	-0.02%	3.76%	3.79%	-0.03%
Germany	24.71%	24.57%	0.14%	14.47%	14.34%	0.13%
Australia	15.69%	15.68%	0.01%	9.69%	9.67%	0.02%
Netherlands	20.98%	21.01%	-0.03%	11.04%	11.07%	-0.03%
Sweden	18.31%	18.14%	0.17%	11.08%	10.92%	0.16%
Hong Kong	18.23%	18.21%	0.02%	17.56%	17.54%	0.02%
Denmark	31.83%	31.60%	0.23%	21.03%	20.82%	0.21%
Spain	22.95%	22.90%	0.05%	12.86%	12.81%	0.05%
Italy	26.49%	26.36%	0.13%	16.11%	15.99%	0.12%
Singapore	10.43%	10.46%	-0.03%	3.21%	3.24%	-0.03%
Belgium	22.64%	22.56%	0.08%	12.57%	12.50%	0.07%
Finland	16.41%	16.32%	0.09%	6.86%	6.77%	0.09%
Israel	0.55%	0.38%	0.17%	-0.26%	-0.42%	0.16%
Norway	16.87%	16.92%	-0.05%	5.65%	5.69%	-0.04%
Ireland	21.37%	21.47%	-0.10%	11.41%	11.50%	-0.09%
Portugal	16.87%	17.23%	-0.36%	7.27%	7.61%	-0.34%
Austria	31.80%	31.07%	0.73%	20.98%	20.31%	0.67%
New Zealand	24.90%	24.51%	0.39%	11.71%	11.36%	0.35%

Country reporting based on MSCI Global Equity Indexes.

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

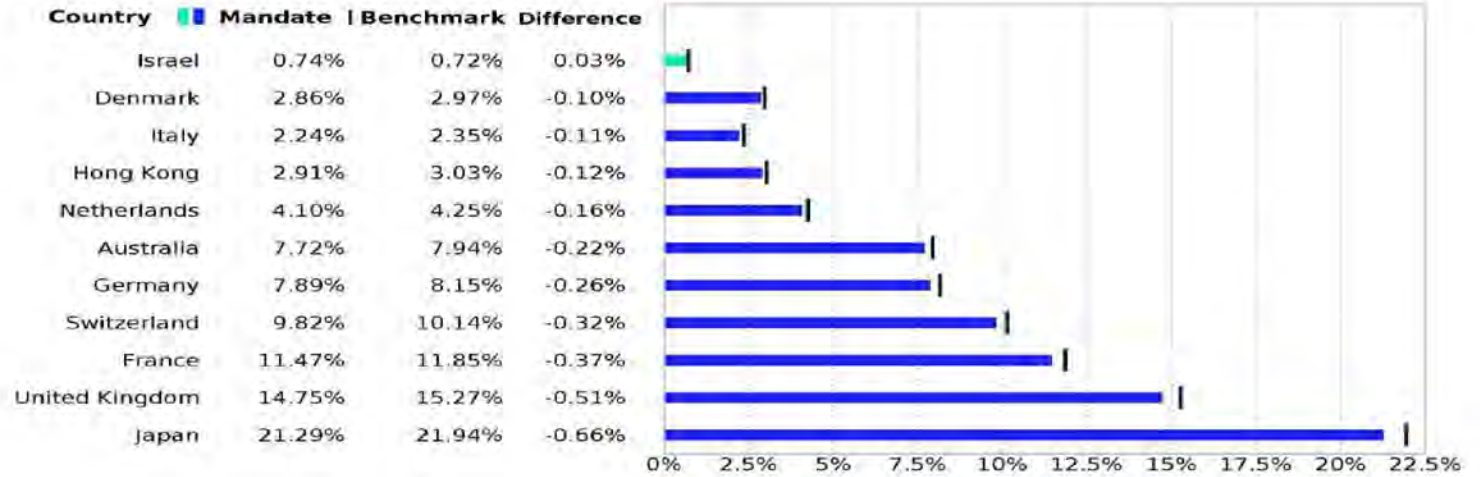
**Country Over/Under Weights** (expressed in USD)

As of 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Daily MSCI EAFE NL Strategy

Benchmark: MSCI EAFE(R) Index



The mandate percentage is calculated based on the total value of the portfolio including derivatives but excluding cash and cash equivalents. Country reporting based on MSCI Global Equity Indexes.



**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

**Monthly Country Over/Under Returns** (expressed in USD)

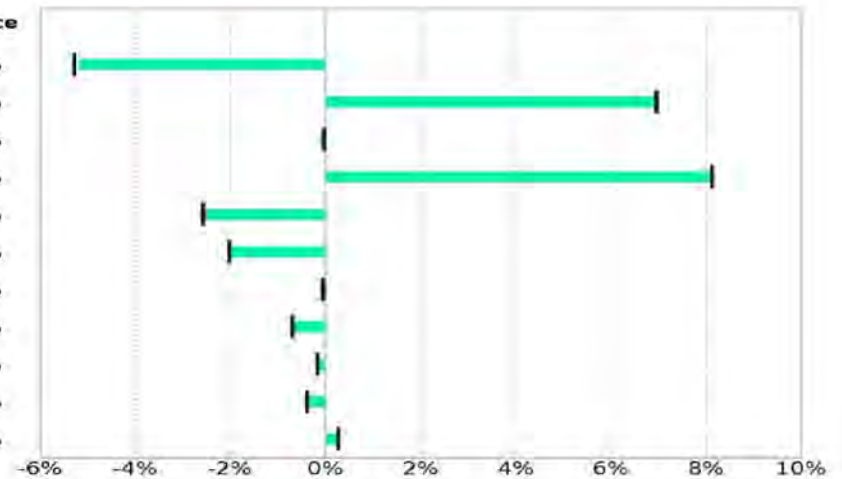
Period 01 Dec 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Daily MSCI EAFE NL Strategy

Benchmark: MSCI EAFE(R) Index

Country	Mandate	Benchmark	Difference
Israel	-5.19%	-5.28%	0.09%
Denmark	7.00%	6.96%	0.04%
Italy	-0.09%	-0.03%	-0.06%
Hong Kong	8.15%	8.13%	0.02%
Netherlands	-2.63%	-2.57%	-0.06%
Australia	-2.01%	-2.02%	0.01%
Germany	0.04%	-0.05%	0.09%
Switzerland	-0.72%	-0.70%	-0.02%
France	-0.14%	-0.17%	0.03%
United Kingdom	-0.43%	-0.39%	-0.04%
Japan	0.31%	0.27%	0.04%



Country reporting based on MSCI Global Equity Indexes.

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

**Sector Weights** (expressed in USD)

As of 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Daily MSCI EAFE NL Strategy

Benchmark: MSCI EAFE(R) Index



The mandate percentage is calculated based on the total value of the portfolio excluding cash and derivatives. Sector reporting based on the Global Industry Classification Standard ("GICS") which was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by State Street.

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

**Monthly Sector Returns** (expressed in USD)

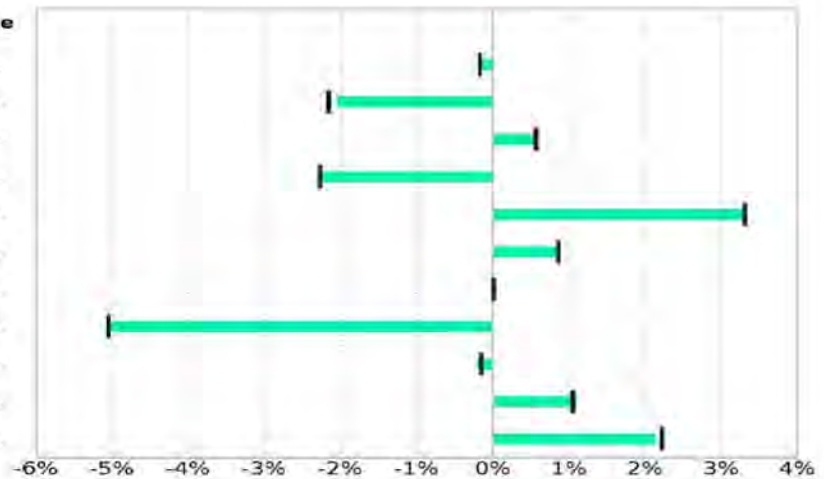
Period 01 Dec 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Daily MSCI EAFE NL Strategy

Benchmark: MSCI EAFE(R) Index

Sector	Mandate	Benchmark	Difference
Communication Services	-0.19%	-0.17%	-0.02%
Consumer Discretionary	-2.04%	-2.16%	0.12%
Consumer Staples	0.57%	0.57%	0.00%
Energy	-2.26%	-2.27%	0.01%
Financials	3.31%	3.31%	0.00%
Health Care	0.85%	0.86%	-0.01%
Industrials	-0.01%	0.01%	-0.02%
Information Technology	-5.03%	-5.05%	0.02%
Materials	-0.20%	-0.15%	-0.05%
Real Estate	1.10%	1.05%	0.05%
Utilities	2.14%	2.22%	-0.08%



*Sector reporting based on the Global Industry Classification Standard ("GICS") which was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by State Street.*

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

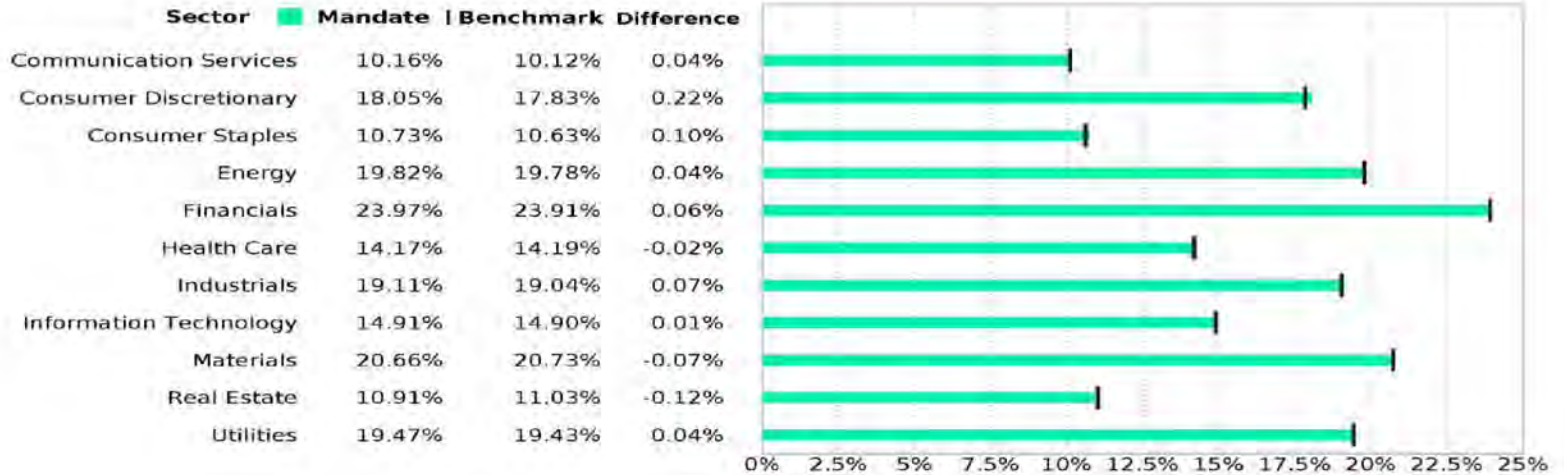
**Quarterly Sector Returns** (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Daily MSCI EAFE NL Strategy

Benchmark: MSCI EAFE(R) Index



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## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Characteristics and Risk Statistics (expressed in USD)

As of 31 Dec 2022

## PACE Industry Union-Management Pension Fund

State Street Daily MSCI Emerging Markets Index NL Fund

Benchmark: MSCI Emerging Markets Index

Characteristics	Mandate	Benchmark
Annual Dividend Yield (Trailing 12 Months)	3.06	3.02
Estimated 3-5 Year EPS Growth	12.34	12.41
Total Number of Holdings	1,423	1,377
Price/Book Ratio	1.55	1.57
Price/Earnings Ratio (Forward 12 Months)	10.43	10.54
Return on Equity (5 Year Average)	16.29	16.29
Weighted Average Market Cap (M)	60,627.20	59,186.82
Median Market Cap (M)	2,533.60	2,520.36
Price/Earnings Ratio (Trailing 12 Months)	10.30	10.37
Price/Cash Flow (Weighted Harmonic Average)	7.58	7.69
Return on Equity (Trailing 12 Months)	15.48	15.45
Price/Sales (Weighted Average)	3.54	3.58

*Portfolio characteristics are calculated using the month end market value of holdings. Averages reflect the market weight of securities in the portfolio. Market data, prices, and dividend estimates for characteristics calculations provided by FactSet Research Systems, Inc. All other portfolio data provided by SSGA. Characteristics are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.*

Risk Statistics	Mandate
Standard Deviation (Annualized 36 Months)	20.80
Beta (Trailing 36 Months)	1.02
Tracking Error (Trailing 36 Months)	2.17
Information Ratio (Trailing 36 Months)	0.01
Sharpe Ratio (Trailing 36 Months)	-0.55

*Returns based risk statistics are calculated using SSGA month end return values and risk free rates when required (such risk free rates may be applicable in place of LIBOR rates used prior to 31 December 2021). Risk statistics are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.*

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### Top Holdings (expressed in USD)

As of 31 Dec 2022

#### PACE Industry Union-Management Pension Fund

State Street Daily MSCI Emerging Markets Index NL Fund

Benchmark: MSCI Emerging Markets Index

Security	Mandate	Benchmark	Difference
TAIWAN SEMICONDUCTOR MANUFAC	5.67%	5.69%	-0.02%
TENCENT HOLDINGS LTD	4.23%	4.23%	0.00%
SAMSUNG ELECTRONICS CO LTD	3.30%	3.31%	-0.01%
ALIBABA GROUP HOLDING LTD	2.60%	2.59%	0.01%
MEITUAN-CLASS B	1.56%	1.56%	0.00%
RELIANCE INDUSTRIES LTD	1.48%	1.48%	0.00%
VALE SA	1.02%	1.02%	0.00%
INFOSYS LTD	0.97%	0.97%	0.00%
JD.COM INC - CL A	0.96%	0.96%	0.00%
CHINA CONSTRUCTION BANK-H	0.95%	0.95%	0.00%

*The mandate percentage is calculated based on the total value of the portfolio excluding cash and derivatives.*

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Monthly Country Contribution to Return (expressed in USD)

Period 01 Dec 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

### State Street Daily MSCI Emerging Markets Index NL Fund

Country	Contribution to Return
China	1.52%
Thailand	0.08%
Turkey	0.05%
Poland	0.05%
Malaysia	0.03%
Hong Kong	0.02%
Greece	0.01%
Colombia	0.01%
Cash & Cash Equivalent	0.00%
Egypt	0.00%
Czech Republic	0.00%
Hungary	0.00%
Chile	-0.01%
Philippines	-0.02%
Peru	-0.02%
KUWAIT	-0.04%
Other	-0.05%
United Arab Emirates	-0.08%
Indonesia	-0.09%
Qatar	-0.11%
Saudi Arabia	-0.13%
South Africa	-0.14%
Brazil	-0.14%
Mexico	-0.16%



## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### PACE Industry Union-Management Pension Fund

#### State Street Daily MSCI Emerging Markets Index NL Fund

Country	Contribution to Return
Korea	-0.59%
Taiwan	-0.78%
India	-0.82%
Residual*	-0.94%
<b>Total</b>	<b>-2.35%</b>

\* Residual may arise in a variety of circumstances, including for example, when there are (i) timing differences in accounting for expenses and income, including but not limited to withholding taxes, tax reclaims, dividend income, security lending income and transaction costs, (ii) pricing differences, including but not limited to price type, price source, fair valuation or other special pricing events or (iii) methodology differences between total return and contribution-to-return calculations when significant inflows/outflows occur at the total portfolio and/or sector/country level. The foregoing is not meant to be a complete list of the circumstances under which residual may arise.  
Country reporting based on MSCI Global Equity Indexes.

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Quarterly Country Contribution to Return (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

### State Street Daily MSCI Emerging Markets Index NL Fund

Country	Contribution to Return
China	3.41%
Korea	2.12%
Taiwan	1.23%
South Africa	0.67%
Residual*	0.59%
India	0.46%
Mexico	0.35%
Thailand	0.34%
Other	0.27%
Poland	0.26%
Turkey	0.25%
Malaysia	0.21%
Brazil	0.19%
Philippines	0.15%
Greece	0.08%
KUWAIT	0.06%
Hungary	0.06%
Peru	0.05%
Chile	0.05%
Colombia	0.02%
Hong Kong	0.02%
Egypt	0.02%
Czech Republic	0.01%
Cash & Cash Equivalent	0.00%

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### PACE Industry Union-Management Pension Fund

#### State Street Daily MSCI Emerging Markets Index NL Fund

Country	Contribution to Return
Russian Federation	0.00%
United Arab Emirates	-0.01%
Indonesia	-0.07%
Qatar	-0.18%
Saudi Arabia	-0.34%
<b>Total</b>	<b>10.28%</b>

*\* Residual may arise in a variety of circumstances, including for example, when there are (i) timing differences in accounting for expenses and income, including but not limited to withholding taxes, tax reclaims, dividend income, security lending income and transaction costs, (ii) pricing differences, including but not limited to price type, price source, fair valuation or other special pricing events or (iii) methodology differences between total return and contribution-to-return calculations when significant inflows/outflows occur at the total portfolio and/or sector/country level. The foregoing is not meant to be a complete list of the circumstances under which residual may arise.*

*Country reporting based on MSCI Global Equity Indexes.*

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

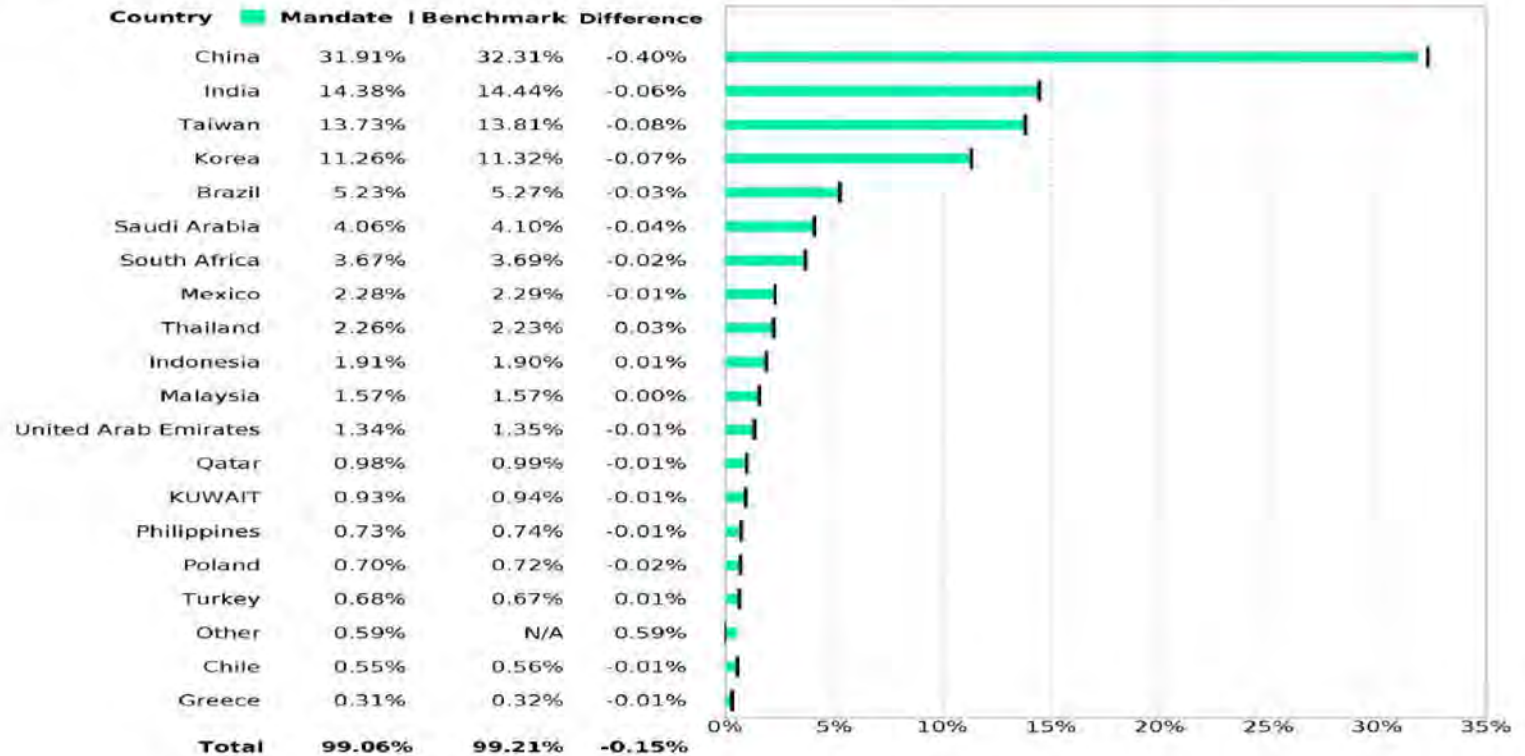
**Country Weights** (expressed in USD)

As of 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Daily MSCI Emerging Markets Index NL Fund

Benchmark: MSCI Emerging Markets Index



The chart displays results for up to 20 countries. The mandate percentage is calculated based on the total value of the portfolio including derivatives but excluding cash and cash equivalents. Country reporting based on MSCI Global Equity Indexes.

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### Country Weights (expressed in USD)

As of 31 Dec 2022

#### PACE Industry Union-Management Pension Fund

State Street Daily MSCI Emerging Markets Index NL Fund

Benchmark: MSCI Emerging Markets Index

Country	Ending Weights		
	Mandate	Benchmark	Difference
China	31.91%	32.31%	-0.40%
India	14.38%	14.44%	-0.06%
Taiwan	13.73%	13.81%	-0.08%
Korea	11.26%	11.32%	-0.07%
Brazil	5.23%	5.27%	-0.03%
Saudi Arabia	4.06%	4.10%	-0.04%
South Africa	3.67%	3.69%	-0.02%
Mexico	2.28%	2.29%	-0.01%
Thailand	2.26%	2.23%	0.03%
Indonesia	1.91%	1.90%	0.01%
Malaysia	1.57%	1.57%	0.00%
United Arab Emirates	1.34%	1.35%	-0.01%
Qatar	0.98%	0.99%	-0.01%
KUWAIT	0.93%	0.94%	-0.01%
Philippines	0.73%	0.74%	-0.01%
Poland	0.70%	0.72%	-0.02%
Turkey	0.68%	0.67%	0.01%
Other	0.59%	N/A	0.59%
Chile	0.55%	0.56%	-0.01%
Greece	0.31%	0.32%	-0.01%
Peru	0.26%	0.26%	0.00%
Hungary	0.19%	0.19%	0.00%
Hong Kong	0.16%	N/A	0.16%

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### PACE Industry Union-Management Pension Fund

State Street Daily MSCI Emerging Markets Index NL Fund

Benchmark: MSCI Emerging Markets Index

Country	Ending Weights		
	Mandate	Benchmark	Difference
Czech Republic	0.14%	0.14%	0.00%
Colombia	0.11%	0.12%	-0.01%
Egypt	0.08%	0.09%	-0.01%
Netherlands	0.00%	N/A	0.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0.00%</b>

*The mandate percentage is calculated based on the total value of the portfolio including derivatives but excluding cash and cash equivalents. Country reporting based on MSCI Global Equity Indexes.*

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

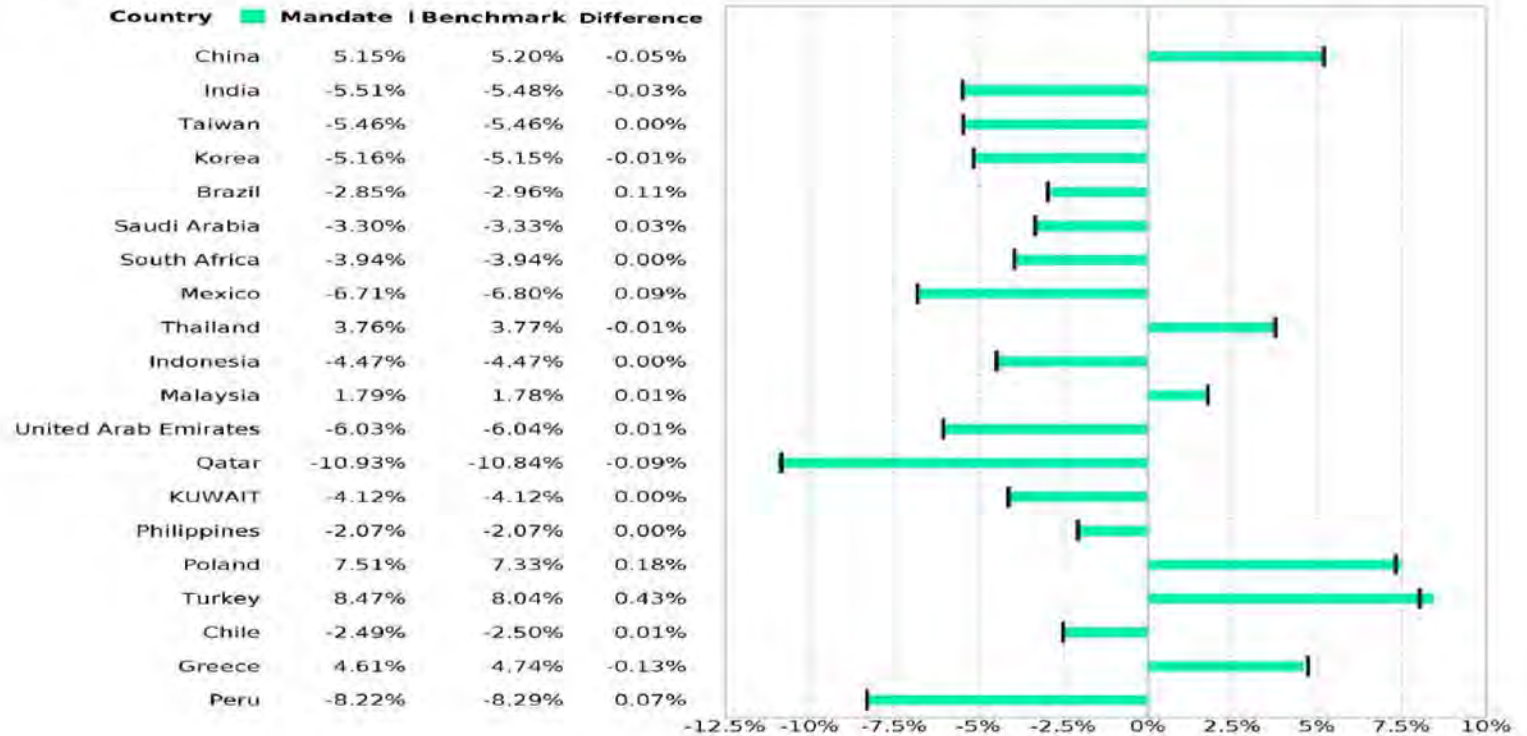
**Monthly Country Returns** (expressed in USD)

Period 01 Dec 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Daily MSCI Emerging Markets Index NL Fund

Benchmark: MSCI Emerging Markets Index



The chart displays results for up to 20 countries. Country reporting based on MSCI Global Equity Indexes.



**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

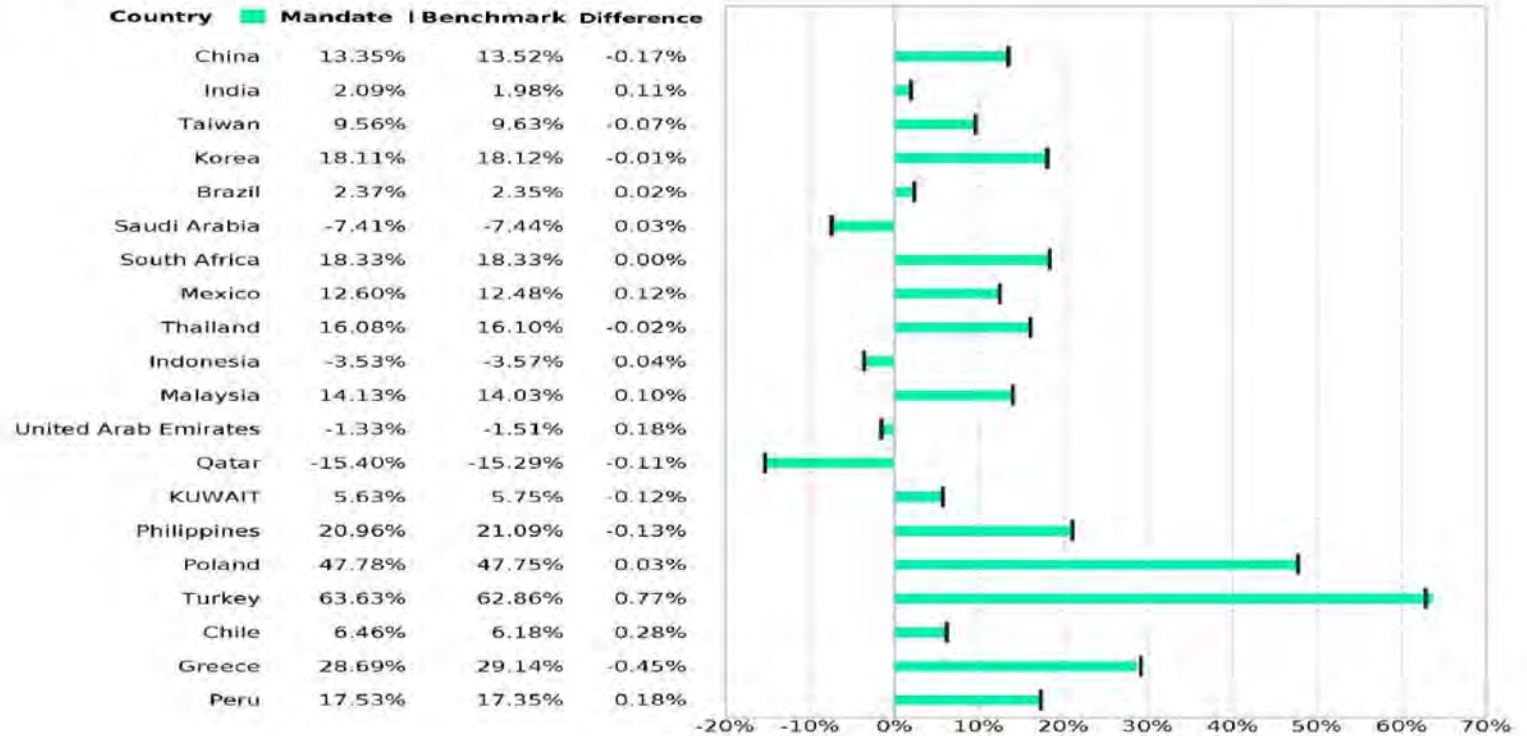
**Quarterly Country Returns** (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Daily MSCI Emerging Markets Index NL Fund

Benchmark: MSCI Emerging Markets Index



The chart displays results for up to 20 countries. Country reporting based on MSCI Global Equity Indexes.

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Monthly Country Returns (expressed in USD)

Period 01 Dec 2022 - 31 Dec 2022

### PACE Industry Union-Management Pension Fund

State Street Daily MSCI Emerging Markets Index NL Fund

Benchmark: MSCI Emerging Markets Index

Country	Base Returns			Currency of Exposure Returns		
	Mandate	Benchmark	Difference	Mandate	Benchmark	Difference
China	5.15%	5.20%	-0.05%	2.38%	2.38%	0.00%
India	-5.51%	-5.48%	-0.03%	-4.01%	-3.97%	-0.04%
Taiwan	-5.46%	-5.46%	0.00%	-5.98%	-5.98%	0.00%
Korea	-5.16%	-5.15%	-0.01%	-9.07%	-9.06%	-0.01%
Brazil	-2.85%	-2.96%	0.11%	-2.46%	-2.58%	0.12%
Saudi Arabia	-3.30%	-3.33%	0.03%	-3.33%	-3.37%	0.04%
South Africa	-3.94%	-3.94%	0.00%	-3.84%	-3.84%	0.00%
Mexico	-6.71%	-6.80%	0.09%	-6.16%	-6.25%	0.09%
Thailand	3.76%	3.77%	-0.01%	1.90%	1.91%	-0.01%
Indonesia	-4.47%	-4.47%	0.00%	-5.47%	-5.47%	0.00%
Malaysia	1.79%	1.78%	0.01%	0.82%	0.81%	0.01%
United Arab Emirates	-6.03%	-6.04%	0.01%	-6.03%	-6.04%	0.01%
Qatar	-10.93%	-10.84%	-0.09%	-10.93%	-10.84%	-0.09%
KUWAIT	-4.12%	-4.12%	0.00%	-4.74%	-4.74%	0.00%
Philippines	-2.07%	-2.07%	0.00%	-3.51%	-3.51%	0.00%
Poland	7.51%	7.33%	0.18%	3.87%	3.70%	0.17%
Turkey	8.47%	8.04%	0.43%	9.20%	8.77%	0.43%
Chile	-2.49%	-2.50%	0.01%	-7.31%	-7.32%	0.01%
Greece	4.61%	4.74%	-0.13%	0.92%	1.05%	-0.13%
Peru	-8.22%	-8.29%	0.07%	-8.99%	-9.06%	0.07%
Hungary	0.43%	0.43%	0.00%	-5.35%	-5.35%	0.00%
Hong Kong	16.66%	N/A	N/A	16.65%	N/A	N/A

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### PACE Industry Union-Management Pension Fund

State Street Daily MSCI Emerging Markets Index NL Fund

Benchmark: MSCI Emerging Markets Index

Country	Base Returns			Currency of Exposure Returns		
	Mandate	Benchmark	Difference	Mandate	Benchmark	Difference
Czech Republic	1.03%	1.03%	0.00%	-3.31%	-3.31%	0.00%
Colombia	7.78%	7.35%	0.43%	8.49%	8.06%	0.43%
Egypt	4.68%	4.80%	-0.12%	5.55%	5.67%	-0.12%
Netherlands	6.90%	N/A	N/A	3.14%	N/A	N/A
Argentina	12.60%	0.00%	12.60%	19.23%	0.00%	19.23%
Russian Federation	0.00%	0.00%	0.00%	-75.00%	0.00%	-75.00%

Country reporting based on MSCI Global Equity Indexes.

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Quarterly Country Returns (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

State Street Daily MSCI Emerging Markets Index NL Fund

Benchmark: MSCI Emerging Markets Index

Country	Base Returns			Currency of Exposure Returns		
	Mandate	Benchmark	Difference	Mandate	Benchmark	Difference
China	13.35%	13.52%	-0.17%	10.99%	11.28%	-0.29%
India	2.09%	1.98%	0.11%	3.82%	3.71%	0.11%
Taiwan	9.56%	9.63%	-0.07%	6.06%	6.13%	-0.07%
Korea	18.11%	18.12%	-0.01%	4.39%	4.40%	-0.01%
Brazil	2.37%	2.35%	0.02%	-0.07%	-0.09%	0.02%
Saudi Arabia	-7.41%	-7.44%	0.03%	-7.38%	-7.42%	0.04%
South Africa	18.33%	18.33%	0.00%	12.03%	12.03%	0.00%
Mexico	12.60%	12.48%	0.12%	9.13%	9.01%	0.12%
Thailand	16.08%	16.10%	-0.02%	6.59%	6.61%	-0.02%
Indonesia	-3.53%	-3.57%	0.04%	-1.37%	-1.42%	0.05%
Malaysia	14.13%	14.03%	0.10%	8.42%	8.32%	0.10%
United Arab Emirates	-1.33%	-1.51%	0.18%	-1.35%	-1.52%	0.17%
Qatar	-15.40%	-15.29%	-0.11%	-15.40%	-15.29%	-0.11%
KUWAIT	5.63%	5.75%	-0.12%	4.30%	4.42%	-0.12%
Philippines	20.96%	21.09%	-0.13%	14.98%	15.10%	-0.12%
Poland	47.78%	47.75%	0.03%	31.24%	31.21%	0.03%
Turkey	63.63%	62.86%	0.77%	65.23%	64.45%	0.78%
Chile	6.46%	6.18%	0.28%	-5.32%	-5.57%	0.25%
Greece	28.69%	29.14%	-0.45%	18.13%	18.54%	-0.41%
Peru	17.53%	17.35%	0.18%	12.68%	12.51%	0.17%
Hungary	36.31%	36.33%	-0.02%	18.43%	18.45%	-0.02%
Hong Kong	16.66%	N/A	N/A	16.65%	N/A	N/A

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### PACE Industry Union-Management Pension Fund

State Street Daily MSCI Emerging Markets Index NL Fund

Benchmark: MSCI Emerging Markets Index

Country	Base Returns			Currency of Exposure Returns		
	Mandate	Benchmark	Difference	Mandate	Benchmark	Difference
Czech Republic	6.98%	6.55%	0.43%	-3.47%	-3.86%	0.39%
Colombia	21.13%	19.71%	1.42%	27.85%	26.36%	1.49%
Egypt	28.63%	28.51%	0.12%	62.96%	62.81%	0.15%
Netherlands	30.10%	N/A	N/A	19.42%	N/A	N/A
Argentina	22.69%	0.00%	22.69%	47.51%	0.00%	47.51%
Russian Federation	0.00%	0.00%	0.00%	-75.00%	0.00%	-75.00%

Country reporting based on MSCI Global Equity Indexes.

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

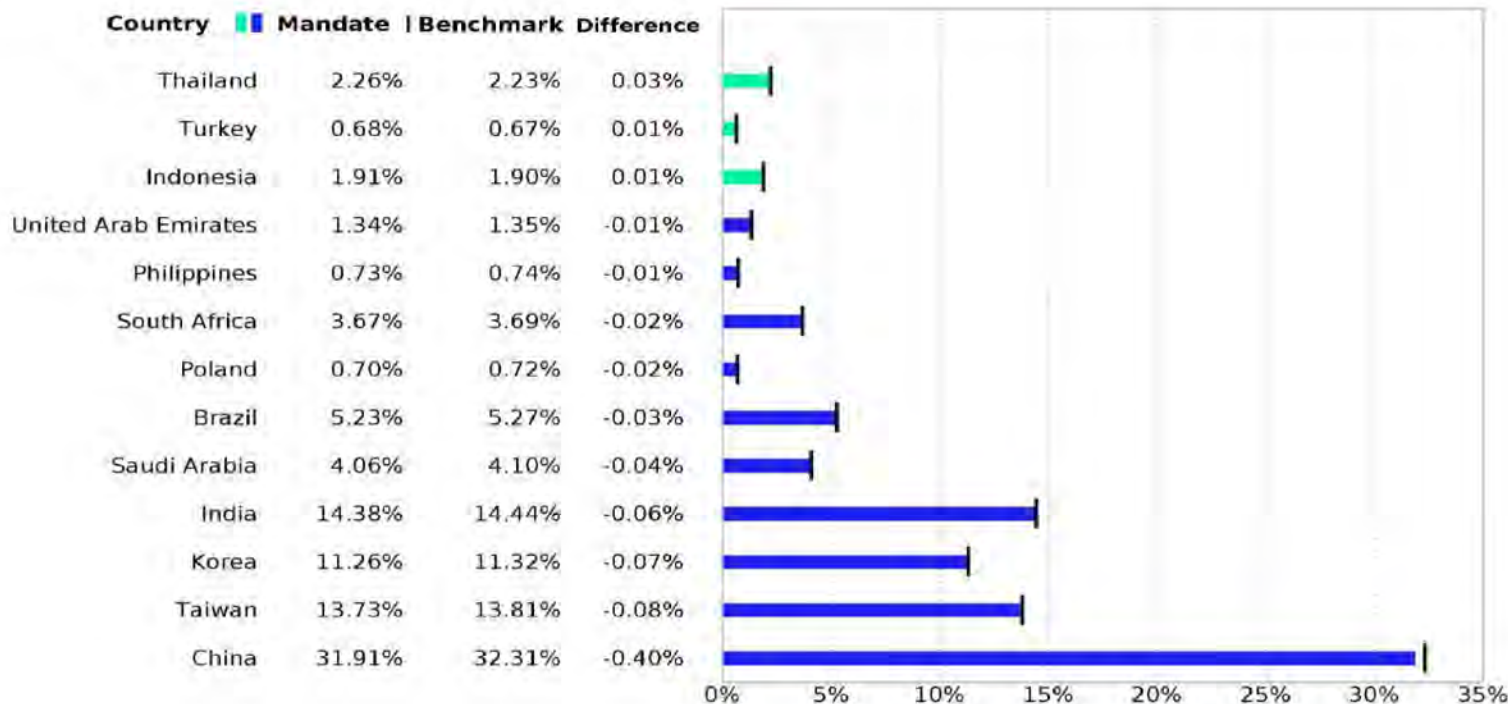
**Country Over/Under Weights** (expressed in USD)

As of 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Daily MSCI Emerging Markets Index NL Fund

Benchmark: MSCI Emerging Markets Index



The mandate percentage is calculated based on the total value of the portfolio including derivatives but excluding cash and cash equivalents. Country reporting based on MSCI Global Equity Indexes.

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

**Monthly Country Over/Under Returns** (expressed in USD)

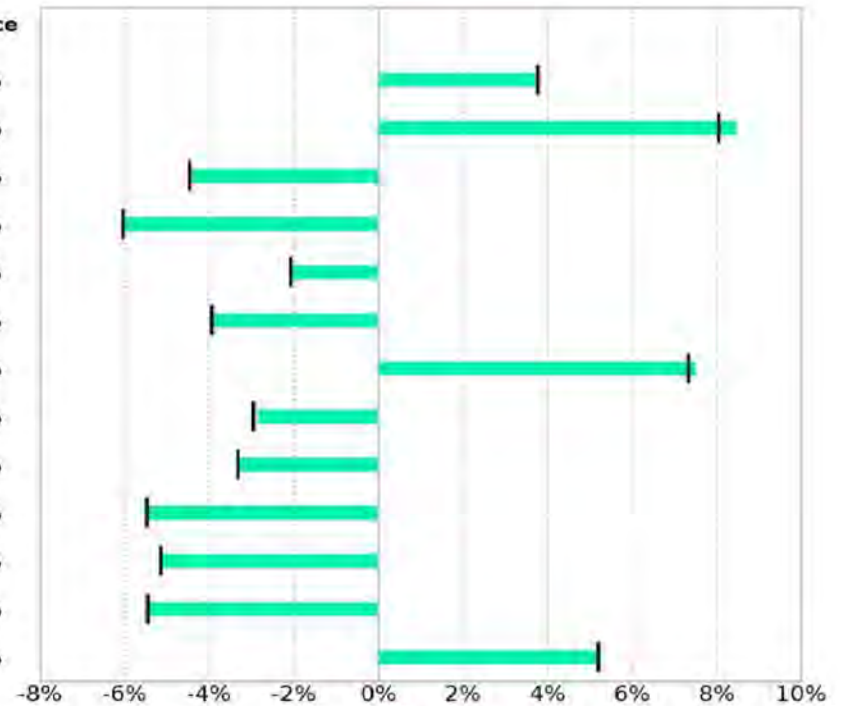
Period 01 Dec 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Daily MSCI Emerging Markets Index NL Fund

Benchmark: MSCI Emerging Markets Index

Country	Mandate	Benchmark	Difference
Thailand	3.76%	3.77%	-0.01%
Turkey	8.47%	8.04%	0.43%
Indonesia	-4.47%	-4.47%	0.00%
United Arab Emirates	-6.03%	-6.04%	0.01%
Philippines	-2.07%	-2.07%	0.00%
South Africa	-3.94%	-3.94%	0.00%
Poland	7.51%	7.33%	0.18%
Brazil	-2.85%	-2.96%	0.11%
Saudi Arabia	-3.30%	-3.33%	0.03%
India	-5.51%	-5.48%	-0.03%
Korea	-5.16%	-5.15%	-0.01%
Taiwan	-5.46%	-5.46%	0.00%
China	5.15%	5.20%	-0.05%



Country reporting based on MSCI Global Equity Indexes.



## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Monthly Sector Contribution to Return (expressed in USD)

Period 01 Dec 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

### State Street Daily MSCI Emerging Markets Index NL Fund

Sector	Contribution to Return
Communication Services	0.59%
Consumer Discretionary	0.30%
Health Care	0.05%
Other	0.02%
Consumer Staples	0.02%
Cash & Cash Equivalent	0.00%
Utilities	-0.04%
Derivatives	-0.05%
Real Estate	-0.07%
Industrials	-0.13%
Energy	-0.25%
Materials	-0.26%
Financials	-0.36%
Residual*	-0.95%
Information Technology	-1.23%
<b>Total</b>	<b>-2.35%</b>

\* Residual may arise in a variety of circumstances, including for example, when there are (i) timing differences in accounting for expenses and income, including but not limited to withholding taxes, tax reclaims, dividend income, security lending income and transaction costs, (ii) pricing differences, including but not limited to price type, price source, fair valuation or other special pricing events or (iii) methodology differences between total return and contribution-to-return calculations when significant inflows/outflows occur at the total portfolio and/or sector/county level. The foregoing is not meant to be a complete list of the circumstances under which residual may arise.

Sector reporting based on the Global Industry Classification Standard ("GICS") which was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by State Street.

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Quarterly Sector Contribution to Return (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

### State Street Daily MSCI Emerging Markets Index NL Fund

Sector	Contribution to Return
Information Technology	2.28%
Financials	1.62%
Communication Services	1.11%
Materials	1.10%
Consumer Discretionary	1.07%
Industrials	0.74%
Residual*	0.59%
Health Care	0.51%
Consumer Staples	0.41%
Derivatives	0.27%
Energy	0.25%
Utilities	0.15%
Real Estate	0.13%
Other	0.04%
Cash & Cash Equivalent	0.00%
<b>Total</b>	<b>10.28%</b>

\* Residual may arise in a variety of circumstances, including for example, when there are (i) timing differences in accounting for expenses and income, including but not limited to withholding taxes, tax reclaims, dividend income, security lending income and transaction costs, (ii) pricing differences, including but not limited to price type, price source, fair valuation or other special pricing events or (iii) methodology differences between total return and contribution-to-return calculations when significant inflows/outflows occur at the total portfolio and/or sector/country level. The foregoing is not meant to be a complete list of the circumstances under which residual may arise.

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**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

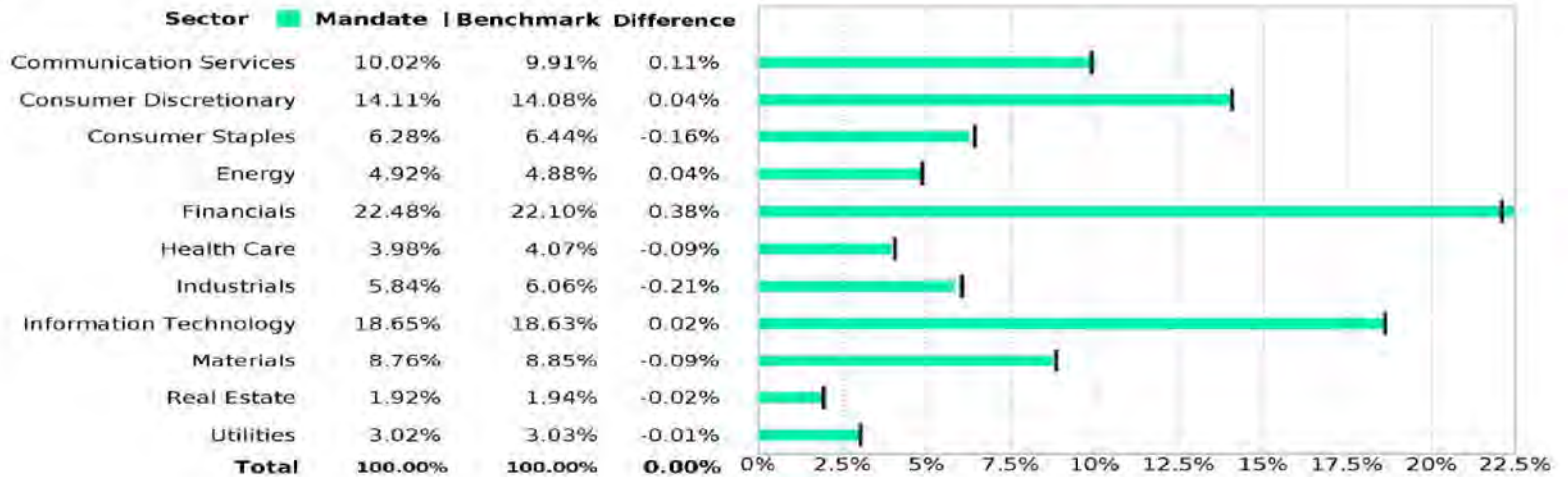
**Sector Weights** (expressed in USD)

As of 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Daily MSCI Emerging Markets Index NL Fund

Benchmark: MSCI Emerging Markets Index



The mandate percentage is calculated based on the total value of the portfolio excluding cash and derivatives. Sector reporting based on the Global Industry Classification Standard ("GICS") which was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by State Street.

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

**Monthly Sector Returns** (expressed in USD)

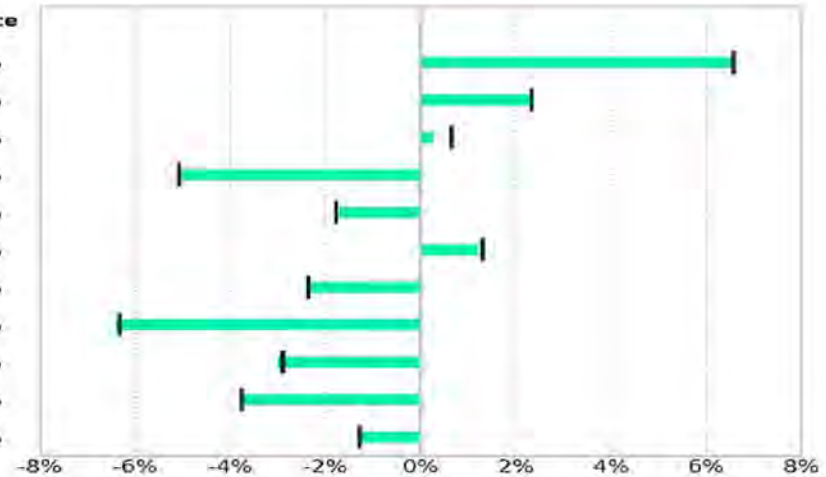
Period 01 Dec 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Daily MSCI Emerging Markets Index NL Fund

Benchmark: MSCI Emerging Markets Index

Sector	Mandate	Benchmark	Difference
Communication Services	6.57%	6.58%	-0.01%
Consumer Discretionary	2.29%	2.33%	-0.04%
Consumer Staples	0.26%	0.65%	-0.39%
Energy	-5.03%	-5.08%	0.05%
Financials	-1.70%	-1.78%	0.08%
Health Care	1.22%	1.30%	-0.08%
Industrials	-2.34%	-2.36%	0.02%
Information Technology	-6.39%	-6.34%	-0.05%
Materials	-3.01%	-2.90%	-0.11%
Real Estate	-3.76%	-3.76%	0.00%
Utilities	-1.29%	-1.28%	-0.01%



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**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

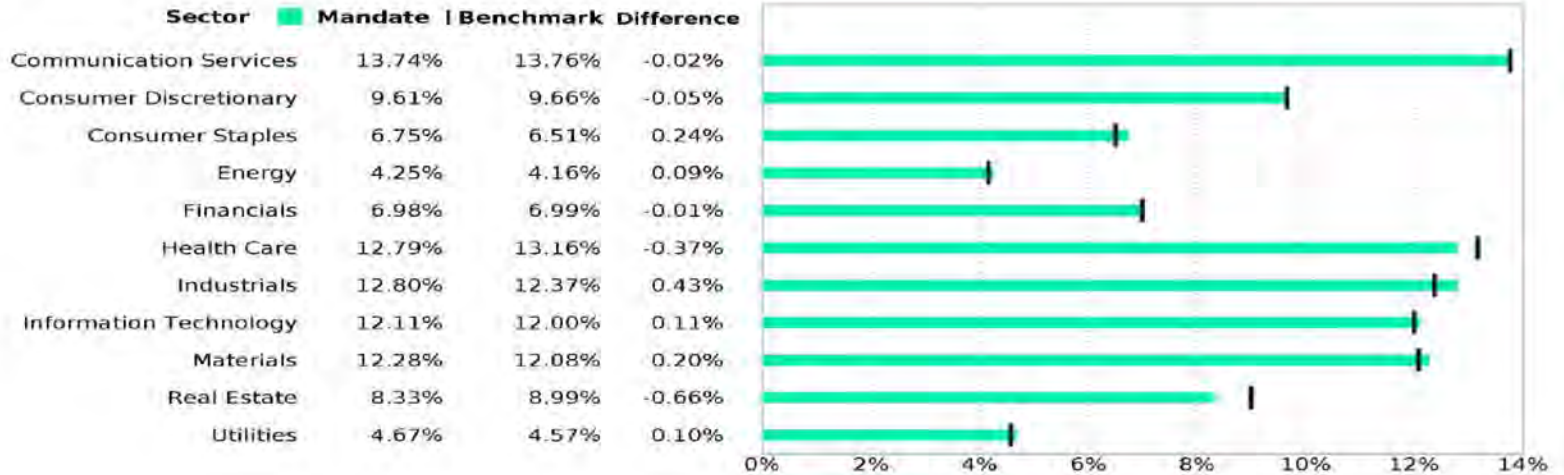
**Quarterly Sector Returns** (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Daily MSCI Emerging Markets Index NL Fund

Benchmark: MSCI Emerging Markets Index



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## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### Fixed Income Characteristics (expressed in USD)

As of 31 Dec 2022

#### PACE Industry Union-Management Pension Fund

State Street Long U.S. Government Bond Index NL Fund

Benchmark: Bloomberg U.S. Long Government Bond Index

	Mandate	Benchmark
Total Number of Holdings	95	100
Average Life	23.09	23.14
Average Yield To Worst	4.09	4.09
Average Yield to Maturity	4.09	4.09
Average Current Yield	3.33	3.34
Average Effective Convexity	3.40	3.40
Effective Duration	16.16	16.15
Option Adjusted Spread	2.11	2.02
Average Price	79.13	79.64
Average Coupon	2.71	2.73
Average Credit Quality	Aa1	Aa1
Average Effective Maturity	23.09	23.14

Market data, prices, and estimates for characteristics calculations provided by Bloomberg PORT®. Average Credit Quality reflects market value weight of all the rated securities held by the portfolio (excludes unrated securities) using the middle rating provided by either S&P, Moody's and Fitch or lower if only two agency ratings are available. All other portfolio data provided by SSGA. Characteristics are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### Fixed Income Duration Bands (expressed in USD)

As of 31 Dec 2022

#### PACE Industry Union-Management Pension Fund

State Street Long U.S. Government Bond Index NL Fund

Benchmark: Bloomberg U.S. Long Government Bond Index

	Mandate	Benchmark
0.00-1 Year	0.10%	0%
1.01-3 Years	0%	0%
3.01-5 Years	0%	0%
5.01-7 Years	0%	0%
7.01-10 Years	0.91%	0.96%
10.01-15 Years	31.07%	31.57%
15.01-20 Years	64.04%	63.75%
20.01-30 Years	3.88%	3.72%
30.01+ Years	0%	0%

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## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### Fixed Income Maturity Range (expressed in USD)

As of 31 Dec 2022

#### PACE Industry Union-Management Pension Fund

State Street Long U.S. Government Bond Index NL Fund

Benchmark: Bloomberg U.S. Long Government Bond Index

	Mandate	Benchmark
0.00 - 1 Year	0.10%	0%
1.01 - 2 Years	0%	0%
2.01 - 3 Years	0%	0%
3.01 - 5 Years	0%	0%
5.01 - 7 Years	0%	0%
7.01 - 10 Years	0%	0%
10.01 - 15 Years	1.50%	1.57%
15.01 - 20 Years	33.36%	34.43%
20.01 - 30 Years	64.86%	63.85%
30.01 + Years	0.17%	0.15%

*Market data, prices, and estimates for characteristics calculations provided by Bloomberg PORT®. Average Credit Quality reflects market value weight of all the rated securities held by the portfolio (excludes unrated securities) using the middle rating provided by either S&P, Moody's and Fitch or lower if only two agency ratings are available. All other portfolio data provided by SSGA. Characteristics are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.*

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### Fixed Income Quality Ratings (expressed in USD)

As of 31 Dec 2022

#### PACE Industry Union-Management Pension Fund

State Street Long U.S. Government Bond Index NL Fund

Benchmark: Bloomberg U.S. Long Government Bond Index

	Mandate	Benchmark
Aaa	99.90%	99.86%
Aa	0.10%	0.14%
A	0%	0%
Baa	0%	0%
Below Baa	0%	0%
Not Rated	0%	0%

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**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

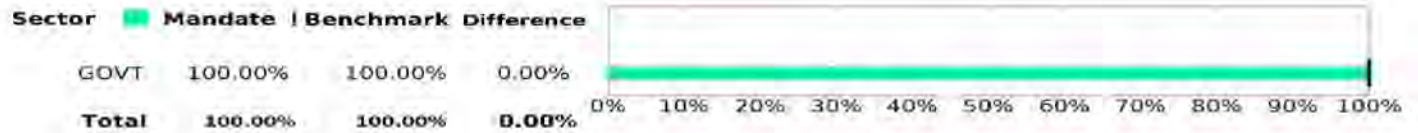
**Sector Weights** (expressed in USD)

As of 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Long U.S. Government Bond Index NL Fund

Benchmark: Bloomberg U.S. Long Government Bond Index



*The mandate percentage is calculated based on the total invested value of the portfolio. Fixed income asset class reporting is based on Bloomberg Barclays Indices and SSGA. Non-U.S. securities classified by Bloomberg Finance L.P. as Government Related Agencies and securities classified by Bloomberg Finance L.P. as Government-Related Sovereign, Local Authority, and Supranational are classified by SSGA as Credit. U.S. securities classified by Bloomberg Finance L.P. as Government Related Agencies are classified by SSGA as Government. Mortgage-Backed Securities (MBS) are classified according to Bloomberg security type. The Bloomberg Barclays Indices are trademarks of Bloomberg Finance L.P. and have been licensed for use by State Street. Bloomberg Finance L.P. or its affiliates shall not be liable for any inaccuracies or errors with respect to any data or Index referenced herein, nor does Bloomberg Finance L.P. sponsor, endorse or promote the Strategy.*

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### Monthly Sector Returns (expressed in USD)

Period 01 Dec 2022 - 31 Dec 2022

#### PACE Industry Union-Management Pension Fund

State Street Long U.S. Government Bond Index NL Fund

Benchmark: Bloomberg U.S. Long Government Bond Index



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**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

**Quarterly Sector Returns** (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Long U.S. Government Bond Index NL Fund

Benchmark: Bloomberg U.S. Long Government Bond Index



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## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Characteristics and Risk Statistics (expressed in USD)

As of 31 Dec 2022

## PACE Industry Union-Management Pension Fund

State Street Russell 1000 Value Index NL Fund

Benchmark: Russell 1000(R) Value Index

Characteristics	Mandate	Benchmark
Annual Dividend Yield (Trailing 12 Months)	2.28	2.29
Estimated 3-5 Year EPS Growth	9.22	9.22
Total Number of Holdings	853	852
Price/Book Ratio	2.24	2.24
Price/Earnings Ratio (Forward 12 Months)	13.89	13.90
Return on Equity (5 Year Average)	14.55	14.54
Weighted Average Market Cap (M)	151,241.83	151,207.93
Median Market Cap (M)	11,123.46	11,123.46
Price/Earnings Ratio (Trailing 12 Months)	14.52	14.53
Price/Cash Flow (Weighted Harmonic Average)	10.35	10.34
Return on Equity (Trailing 12 Months)	17.28	17.26
Price/Sales (Weighted Average)	3.28	3.29

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Risk Statistics	Mandate
Standard Deviation (Annualized 36 Months)	21.25
Beta (Trailing 36 Months)	1.00
Tracking Error (Trailing 36 Months)	0.04
Information Ratio (Trailing 36 Months)	1.20
Sharpe Ratio (Trailing 36 Months)	0.87

*Returns based risk statistics are calculated using SSGA month end return values and risk free rates when required (such risk free rates may be applicable in place of LIBOR rates used prior to 31 December 2021). Risk statistics are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.*

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### Top Holdings (expressed in USD)

As of 31 Dec 2022

#### PACE Industry Union-Management Pension Fund

State Street Russell 1000 Value Index NL Fund

Benchmark: Russell 1000(R) Value Index

Security	Mandate	Benchmark	Difference
BERKSHIRE HATHAWAY INC-CL B	3.04%	3.04%	0.00%
JOHNSON & JOHNSON	2.53%	2.53%	0.00%
EXXON MOBIL CORP	2.48%	2.48%	0.00%
JPMORGAN CHASE & CO	2.14%	2.13%	0.01%
CHEVRON CORP	1.90%	1.89%	0.01%
PFIZER INC	1.58%	1.58%	0.00%
BANK OF AMERICA CORP	1.27%	1.27%	0.00%
META PLATFORMS INC-CLASS A	1.16%	1.16%	0.00%
PROCTER & GAMBLE CO/THE	1.12%	1.12%	0.00%
WALMART INC	1.10%	1.10%	0.00%

*The mandate percentage is calculated based on the total value of the portfolio excluding cash and derivatives.*



## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Monthly Sector Contribution to Return (expressed in USD)

Period 01 Dec 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

### State Street Russell 1000 Value Index NL Fund

Sector	Contribution to Return
Cash & Cash Equivalent	0.00%
Residual*	0.00%
Derivatives	-0.04%
Utilities	-0.06%
Basic Materials	-0.13%
Telecommunications	-0.17%
Consumer Staples	-0.17%
Health Care	-0.20%
Real Estate	-0.24%
Energy	-0.25%
Industrials	-0.45%
Technology	-0.56%
Consumer Discretionary	-0.72%
Financials	-1.04%
<b>Total</b>	<b>-4.04%</b>

\* Residual may arise in a variety of circumstances, including for example, when there are (i) timing differences in accounting for expenses and income, including but not limited to withholding taxes, tax reclaims, dividend income, security lending income and transaction costs, (ii) pricing differences, including but not limited to price type, price source, fair valuation or other special pricing events or (iii) methodology differences between total return and contribution-to-return calculations when significant inflows/outflows occur at the total portfolio and/or sector/country level. The foregoing is not meant to be a complete list of the circumstances under which residual may arise.

Effective September 21, 2020, the Russell Global Sector (RGS) scheme migrated to the new ICB industry structure and broke out "Telecommunications" from "Utilities", "Real Estate" from "Financial Services", and reclassified "Financial Services", "Producer Durables" and "Materials & Processing" as "Financials", "Industrials" and "Basic Materials".

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Quarterly Sector Contribution to Return (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

### State Street Russell 1000 Value Index NL Fund

Sector	Contribution to Return
Financials	2.66%
Health Care	1.99%
Industrials	1.92%
Energy	1.87%
Consumer Discretionary	0.99%
Consumer Staples	0.95%
Telecommunications	0.59%
Basic Materials	0.59%
Utilities	0.44%
Real Estate	0.21%
Technology	0.14%
Derivatives	0.05%
Cash & Cash Equivalent	0.00%
Residual*	0.00%
<b>Total</b>	<b>12.39%</b>

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**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

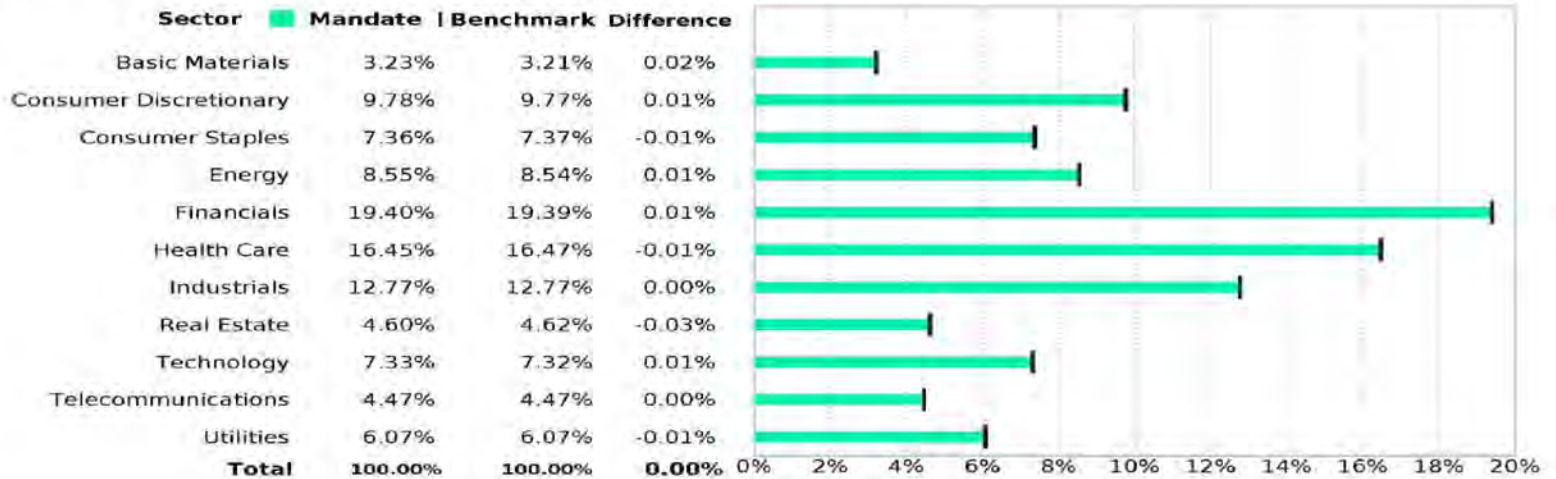
**Sector Weights** (expressed in USD)

As of 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Russell 1000 Value Index NL Fund

Benchmark: Russell 1000 Value Blended Index



The mandate percentage is calculated based on the total value of the portfolio excluding cash and derivatives. Effective September 21, 2020, the Russell Global Sector (RGS) scheme migrated to the new ICB industry structure and broke out "Telecommunications" from "Utilities", "Real Estate" from "Financial Services", and reclassified "Financial Services", "Producer Durables" and "Materials & Processing" as "Financials", "Industrials" and "Basic Materials".

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

**Monthly Sector Returns** (expressed in USD)

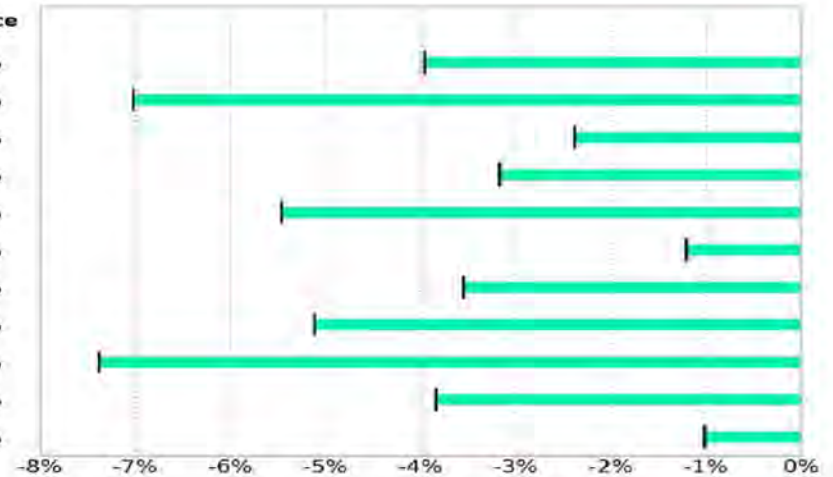
Period 01 Dec 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Russell 1000 Value Index NL Fund

Benchmark: Russell 1000 Value Blended Index

Sector	Mandate	Benchmark	Difference
Basic Materials	-3.96%	-3.96%	0.00%
Consumer Discretionary	-7.02%	-7.02%	0.00%
Consumer Staples	-2.37%	-2.38%	0.01%
Energy	-3.17%	-3.17%	0.00%
Financials	-5.46%	-5.46%	0.00%
Health Care	-1.21%	-1.21%	0.00%
Industrials	-3.54%	-3.55%	0.01%
Real Estate	-5.12%	-5.12%	0.00%
Technology	-7.37%	-7.38%	0.01%
Telecommunications	-3.82%	-3.84%	0.02%
Utilities	-1.02%	-1.02%	0.00%



Effective September 21, 2020, the Russell Global Sector (RGS) scheme migrated to the new ICB industry structure and broke out "Telecommunications" from "Utilities", "Real Estate" from "Financial Services", and reclassified "Financial Services", "Producer Durables" and "Materials & Processing" as "Financials", "Industrials" and "Basic Materials".

**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

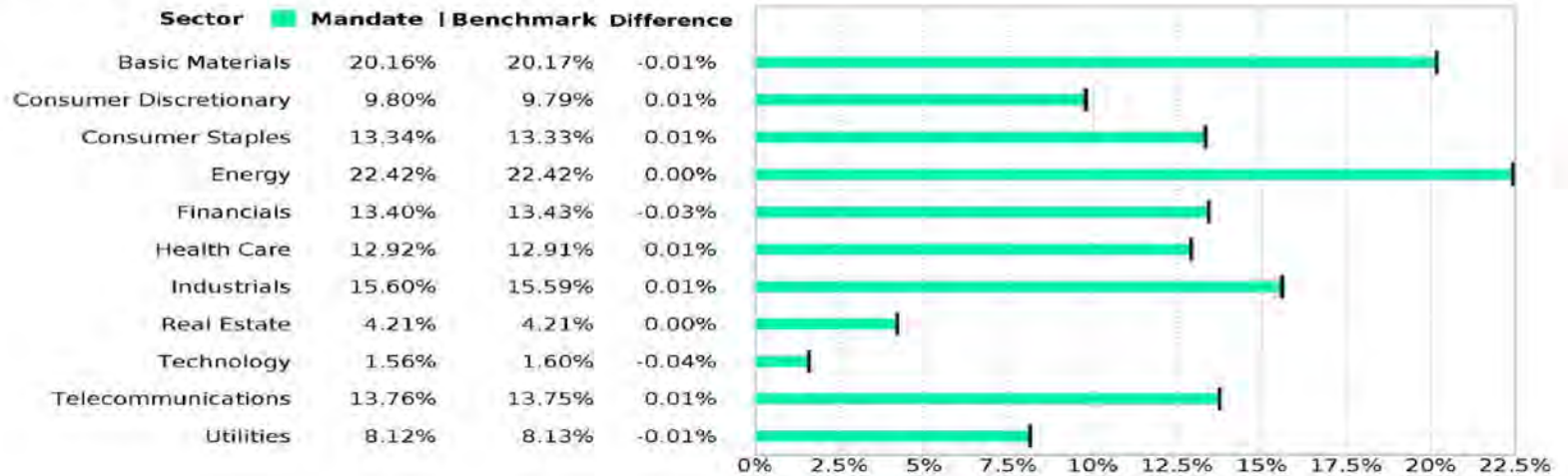
**Quarterly Sector Returns** (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Russell 1000 Value Index NL Fund

Benchmark: Russell 1000 Value Blended Index



Effective September 21, 2020, the Russell Global Sector (RGS) scheme migrated to the new ICB industry structure and broke out "Telecommunications" from "Utilities", "Real Estate" from "Financial Services", and reclassified "Financial Services", "Producer Durables" and "Materials & Processing" as "Financials", "Industrials" and "Basic Materials".

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Characteristics and Risk Statistics (expressed in USD)

As of 31 Dec 2022

## PACE Industry Union-Management Pension Fund

State Street Russell 3000® Index NL Strategy

Benchmark: Russell 3000(R) Index

Characteristics	Mandate	Benchmark
Annual Dividend Yield (Trailing 12 Months)	1.70	1.70
Estimated 3-5 Year EPS Growth	11.87	11.90
Total Number of Holdings	2,715	2,959
Price/Book Ratio	3.22	3.22
Price/Earnings Ratio (Forward 12 Months)	16.26	16.29
Return on Equity (5 Year Average)	19.58	19.54
Weighted Average Market Cap (M)	358,170.82	358,257.61
Median Market Cap (M)	2,389.62	1,954.05
Price/Earnings Ratio (Trailing 12 Months)	17.76	17.78
Price/Cash Flow (Weighted Harmonic Average)	12.61	12.63
Return on Equity (Trailing 12 Months)	28.35	28.93
Price/Sales (Weighted Average)	4.47	4.49

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Risk Statistics	Mandate
Standard Deviation (Annualized 36 Months)	21.46
Beta (Trailing 36 Months)	1.00
Tracking Error (Trailing 36 Months)	0.04
Information Ratio (Trailing 36 Months)	1.39
Sharpe Ratio (Trailing 36 Months)	1.04

*Returns based risk statistics are calculated using SSGA month end return values and risk free rates when required (such risk free rates may be applicable in place of LIBOR rates used prior to 31 December 2021). Risk statistics are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.*

## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### Top Holdings (expressed in USD)

As of 31 Dec 2022

#### PACE Industry Union-Management Pension Fund

State Street Russell 3000® Index NL Strategy

Benchmark: Russell 3000(R) Index

Security	Mandate	Benchmark	Difference
APPLE INC	5.18%	5.18%	0.00%
MICROSOFT CORP	4.76%	4.76%	0.00%
AMAZON.COM INC	1.98%	1.98%	0.00%
BERKSHIRE HATHAWAY INC-CL B	1.48%	1.48%	0.00%
ALPHABET INC-CL A	1.41%	1.41%	0.00%
UNITEDHEALTH GROUP INC	1.31%	1.31%	0.00%
ALPHABET INC-CL C	1.25%	1.25%	0.00%
JOHNSON & JOHNSON	1.23%	1.23%	0.00%
EXXON MOBIL CORP	1.20%	1.20%	0.00%
JPMORGAN CHASE & CO	1.03%	1.04%	-0.01%

The mandate percentage is calculated based on the total value of the portfolio excluding cash and derivatives.



## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Monthly Sector Contribution to Return (expressed in USD)

Period 01 Dec 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

### State Street Russell 3000® Index NL Strategy

Sector	Contribution to Return
Cash & Cash Equivalent	0.01%
Residual*	0.00%
Utilities	-0.05%
Telecommunications	-0.11%
Basic Materials	-0.12%
Derivatives	-0.12%
Consumer Staples	-0.12%
Real Estate	-0.17%
Energy	-0.22%
Health Care	-0.27%
Industrials	-0.52%
Financials	-0.64%
Consumer Discretionary	-1.42%
Technology	-2.09%
<b>Total</b>	<b>-5.85%</b>

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## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

# Quarterly Sector Contribution to Return (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

## PACE Industry Union-Management Pension Fund

### State Street Russell 3000® Index NL Strategy

Sector	Contribution to Return
Industrials	1.87%
Health Care	1.55%
Financials	1.40%
Energy	0.97%
Consumer Staples	0.71%
Basic Materials	0.32%
Telecommunications	0.29%
Utilities	0.23%
Technology	0.23%
Real Estate	0.15%
Derivatives	0.13%
Cash & Cash Equivalent	0.02%
Residual*	0.00%
Consumer Discretionary	-0.65%
<b>Total</b>	<b>7.22%</b>

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**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

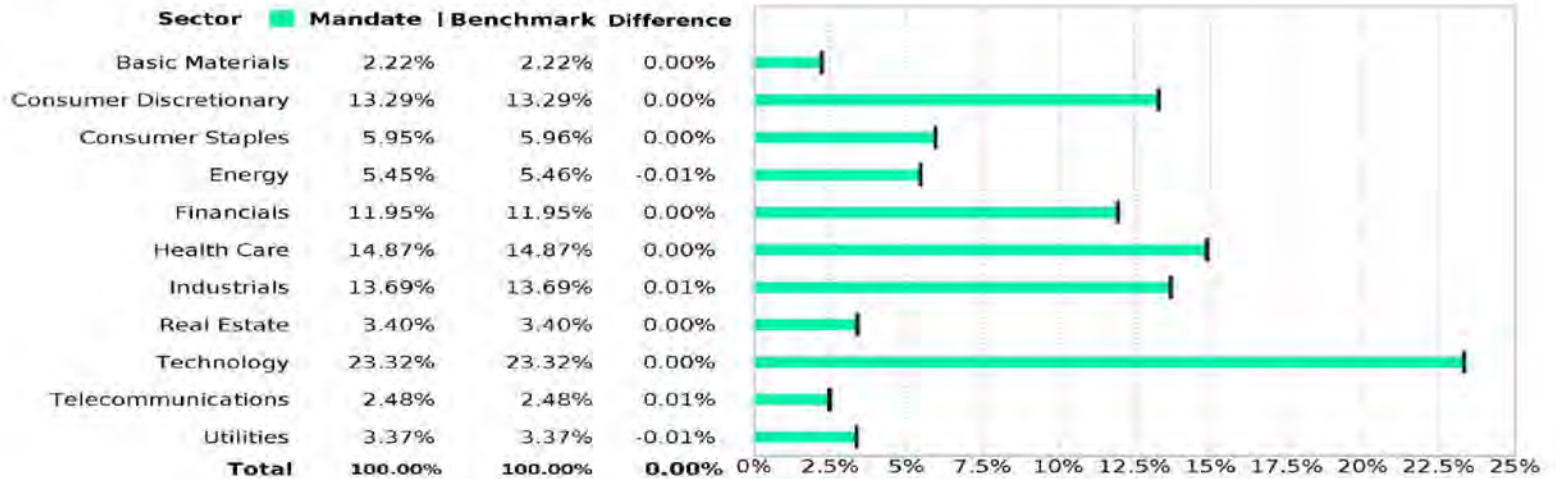
**Sector Weights** (expressed in USD)

As of 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Russell 3000® Index NL Strategy

Benchmark: Russell 3000 Blended Index



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**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

**Monthly Sector Returns** (expressed in USD)

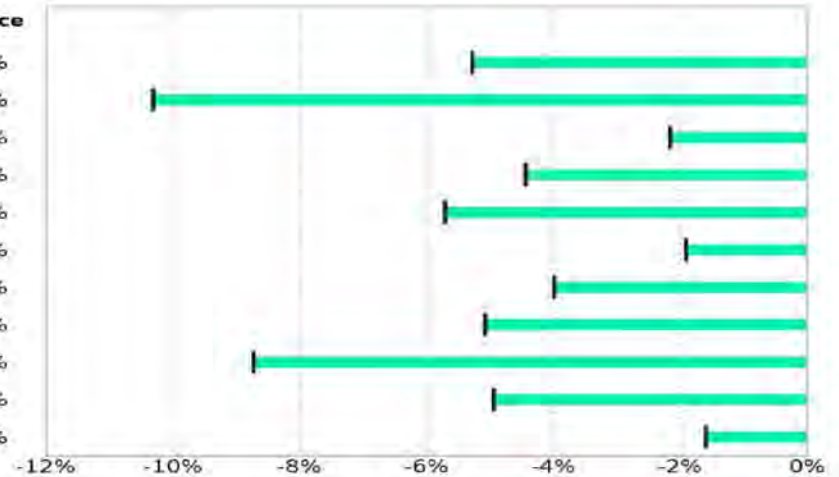
Period 01 Dec 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Russell 3000® Index NL Strategy

Benchmark: Russell 3000 Blended Index

Sector	Mandate	Benchmark	Difference
Basic Materials	-5.29%	-5.28%	-0.01%
Consumer Discretionary	-10.29%	-10.31%	0.02%
Consumer Staples	-2.17%	-2.16%	-0.01%
Energy	-4.43%	-4.44%	0.01%
Financials	-5.72%	-5.71%	-0.01%
Health Care	-1.90%	-1.91%	0.01%
Industrials	-3.98%	-3.99%	0.01%
Real Estate	-5.08%	-5.08%	0.00%
Technology	-8.72%	-8.73%	0.01%
Telecommunications	-4.91%	-4.94%	0.03%
Utilities	-1.60%	-1.60%	0.00%



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**Performance and Analysis - PACE Industry Union Management Pension Fund**

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

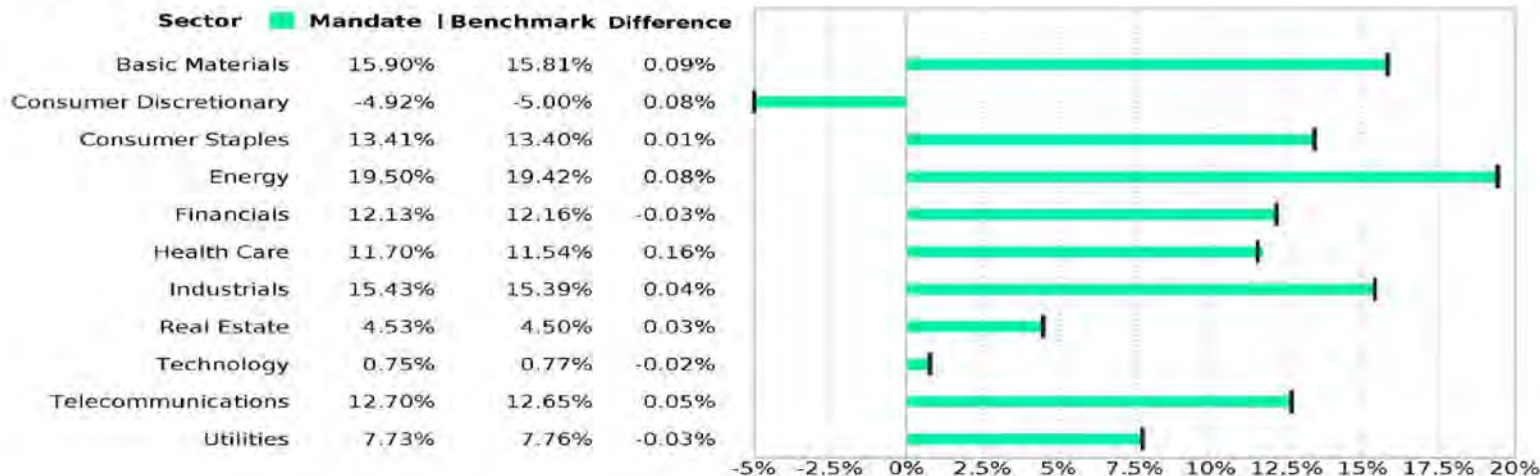
**Quarterly Sector Returns** (expressed in USD)

Period 01 Oct 2022 - 31 Dec 2022

**PACE Industry Union-Management Pension Fund**

State Street Russell 3000® Index NL Strategy

Benchmark: Russell 3000 Blended Index



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## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### Relationship Management Team



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## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

### Important Information

- Past performance is not a guarantee of future results. Performance returns for periods of less than one year are not annualized. Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income.
- All returns in the analytical sections are gross.
- Performance returns are calculated using time-weighted methodologies.
- All returns are annualized for periods greater than one year.
- Appreciation/depreciation includes dividends, interest and realized/unrealized gains and losses.
- Per the Fund Declaration, performance shown may include or exclude the effect of investment management fees and may also net out administrative services fees paid to Recordkeepers. Please refer to the Fund Declaration for specific fee structure details, which is available via Client's Corner or SSGA Relationship Management.
- Projected characteristics are based upon estimates and reflect subjective judgments and assumptions. There can be no assurance that developments will transpire as forecasted and that the estimates are accurate.
- Holdings, sectors, characteristics, and weights are as of the date indicated, are subject to change, and should not be relied upon as current thereafter. This information should not be considered a recommendation to invest in a particular sector or to buy or sell any security shown. It is not known whether the sectors or securities shown will be profitable in the future. Consistent with industry practice, equity characteristics are shown for the strategy's holdings as of the date indicated and screened for holdings that are deemed to be an outlier by SSGA's proprietary outlier screening methodology. The inclusion of these outliers would materially increase or decrease the equity characteristics shown.
- All trademarks are the property of their respective owners.
- The Top Holdings section represents the Top 10 classified securities relative to the benchmark. The percentage is calculated based on the total value of the portfolio, excluding cash, derivatives, and other/unclassified securities, if any.
- The totals shown for ending market weights may not equal 100% due to rounding.
- The following information pertains only to clients that are invested in Common Trust Funds that participate in State Street's securities lending program: The Fund participates in an agency securities lending program sponsored by State Street Bank and Trust Company (the "lending agent") whereby the lending agent may lend up to 100% of the Fund's securities, and invest the collateral posted by the borrowers of those loaned securities in a collateral reinvestment fund (the "Collateral Pool"). The Collateral Pool is not a money market fund registered with the U.S. Securities and Exchange Commission or FDIC-insured bank deposits or otherwise guaranteed by SSGA or State Street Bank and Trust Company or any of their respective affiliates and investors may lose money in the securities lending program. The Fund compensates its lending agent in connection with operating and maintaining the securities lending program. SSGA acts as investment manager for the Collateral Pool and is compensated for its services. The Collateral Pool is managed to a specific investment objective. For more information regarding



## Performance and Analysis - PACE Industry Union Management Pension Fund

As of 31 Dec 2022

Meketa Fiduciary Management, LLC

the Collateral Pool refer to the "US Cash Collateral Strategy Disclosure Document." Securities lending programs and the subsequent reinvestment of the posted collateral are subject to a number of risks, including the risk that the value of the investments held in the Collateral Pool may decline in value, be sold at a loss or incur credit losses. In the event of a material default in the Collateral Pool, the investor would incur losses and the Fund would incur its pro rata share of the loss. Because the net asset value of the Collateral Pool is subject to market and other conditions it will fluctuate and may decrease in the future. If the value of Collateral Pool units is not \$1.00 at the time you redeem your investment in the Fund your redemption proceeds will reflect the lower mark-to-market value of the Collateral Pool units.

- For more information on SSGA's securities lending program and the Collateral Pools, including the "SSGA Securities Lending Program Disclosure", the "US Cash Collateral Strategy Disclosure Document" and the current factsheets for the Collateral Pools (which include the mark-to-market unit prices) are available on Client's Corner and also available upon request from your SSGA Relationship Manager.
- Any non-registered commingled account, fund or common trust fund may use over-the-counter swaps, derivatives or a synthetic instrument (collectively "Derivatives") to increase or decrease exposure in a particular market, asset class or sector to effectuate the fund's strategy. Derivatives agreements are privately negotiated agreements between the fund and the counterparty, rather than an exchange, and therefore Derivatives carry risks related to counterparty creditworthiness, settlement default and market conditions. Derivatives agreements can require that the fund post collateral to the counterparty consistent with the mark-to-market price of the Derivative. SSGA makes no representations or assurances that the Derivatives will perform as intended.
- This material is classified as limited access and is intended solely for the private use of SSGA clients and their designees and is not intended for public dissemination.
- For disclosures, monthly fund holdings for ERISA Commingled and CTF investors, and additional information relating to your investments, please visit our Client's Corner website at [www.ssga.com](http://www.ssga.com). Portfolio holdings are subject to change and should not be considered a recommendation to buy or sell securities.
- Please be advised that SSGA provided an updated net asset value ("NAV") for certain of its sponsored funds that have exposure to open financial markets on Memorial Day (US), 31 May 2021 for purposes of performance and client reporting. The updated NAV was determined by applying the relative index movements, if any, on 31 May 2021 to the net asset value of 28 May 2021. The NAV per share will not be used for transacting participant activity consistent with our standard market holiday practices. This is in alignment with index providers who updated benchmark index data and returns for financial markets open on 31 May 2021.
- If your account holds Russian securities and instruments, then as of the date of this publication, they have been fair valued. Such fair value may be zero. If your portfolio holds such Russian securities and instruments, then the portfolio may not be able to dispose of such securities and instruments depending on the relevant market, applicable sanctions requirements, and/or Russian capital controls or other counter measures. In such circumstances, the portfolio would continue to own and have exposure to Russian-related issuers and markets. Please refer to your portfolio holdings report.

Investment Summary  
December 31, 2022

Account Name **PACE INDUSTRY UNION-MNGT PF**  
Account Number XXXXXXXXXX

*For questions regarding information provided on this statement, please contact your relationship team.*

**Account Appraisal and Activity Detail** **December 31, 2022**

Pool	Units	NAV	Market Value	Total Cost	Unrealized Gain/Loss	Percentage Ownership
WTC CIF II CORE BOND (SERIES 4) PORTFOLIO	9,671,706.489	8.1800	79,114,559.08	83,773,681.70	-4,659,122.62	25.67%
<b>Total</b>			<b>79,114,559.08</b>	<b>83,773,681.70</b>	<b>-4,659,122.62</b>	

Trade Date	Description	Price	Units	Amount	Cost Basis	Realized Gain/Loss
<b>WTC CIF II CORE BOND (SERIES 4) PORTFOLIO</b>						
08/10/22	PURCHASE	8.7700	9,122,006.842	80,000,000.00	80,000,000.00	0.00
08/31/22	DIV REINVEST @ 0.023881	8.5500	25,478.673	217,842.65	217,842.65	0.00
09/30/22	DIV REINVEST @ 0.022504	8.1100	25,382.862	205,855.01	205,855.01	0.00
10/31/22	DIV REINVEST @ 0.023692	7.9700	27,267.704	217,323.60	217,323.60	0.00
11/03/22	PURCHASE	7.9300	1,261,034.048	10,000,000.00	10,000,000.00	0.00
11/30/22	DIV REINVEST @ 0.025073	8.2600	31,754.591	262,292.92	262,292.92	0.00
12/28/22	REDEMPTION	8.2100	-852,618.758	-7,000,000.00	7,386,488.79	-386,488.79
12/30/22	DIV REINVEST @ 0.026644	8.1800	31,400.527	256,856.31	256,856.31	0.00

**Important Notice**

*This Investment Summary reflects economic unrealized and realized gain or loss using market value and average unadjusted book cost for each current pool position. It is for informational purposes only. Taxable investors should consult with their tax advisors along with their Schedule K-1 information (posted to Intralinks) to determine their share of taxable realized gain or loss.*

Investment Summary  
December 31, 2022

Account Name **PACE INDUSTRY UNION-MNGT PF**  
Account Number XXXXXXXXXX

STMT - 82650 - 01 - 05

**Account Activity Summary****December 31, 2022**

	Month-To-Date	Quarter-To-Date	Year-To-Date
<b>Beginning Market Value</b>	86,671,558.19	74,391,962.54	0.00
Purchases	0.00	10,000,000.00	90,000,000.00
Conversion In	0.00	0.00	0.00
Conversion Out	0.00	0.00	0.00
Sales	-7,000,000.00	-7,000,000.00	-7,000,000.00
Income Earned	256,856.31	736,472.83	1,160,170.49
Income Distributed	0.00	0.00	0.00
Realized Gain/Loss	-386,488.79	-386,488.79	-386,488.79
Unrealized Gain/Loss	-427,366.63	1,372,612.50	-4,659,122.62
<b>Ending Market Value</b>	<b>79,114,559.08</b>	<b>79,114,559.08</b>	<b>79,114,559.08</b>

## Explanation of Terms

Beginning Market Value:	When account is opened in the middle of a period, this will be zero
Purchases:	Purchase of pool units
Conversion In/Out:	Value of converted pool units
Sales:	Proceeds from redemption of pool units
Income Earned:	Pool dividends distributed
Income Distributed:	Pool dividends distributed in cash
Realized Gain/Loss:	Net gain or loss from sale of pool units
Unrealized Gain/Loss:	Change in unrealized gain/loss for the period

**Summary of Pool Distributions****December 31, 2022**

Pool	Dividends M-T-D	Q-T-D	Y-T-D
WTC CIF II CORE BOND (SERIES 4) PORTFOLIO	256,856.31	736,472.83	1,160,170.49
<b>Total</b>	<b>256,856.31</b>	<b>736,472.83</b>	<b>1,160,170.49</b>



CONSTITUTION  
Capital Partners

## Capital Account Statement

**Partner Name:** PACE Industry Union Management Pension Fund  
**Fund:** Ironsides Co-Investment Fund VI, L.P.  
**Period End:** September 30, 2022  
**Currency:** USD

**Total Fund:** \$ 641,992,200  
**% of Total Fund:** 4.673%  
**% of LP Commitment:** 4.717%

### Summary of Capital Commitments

<b>Capital Commitment</b>	<b>\$ 30,000,000.00</b>
Less: Cumulative contributions	(30,025,292.40)
Plus: Recalable distributions	452,631.09
<b>Unfunded Capital Commitment</b>	<b>\$ 427,338.69</b>

### Partner's Capital Account Activity in accordance with GAAP

	<u>Quarter to Date</u>	<u>Year to Date</u>	<u>Inception to Date</u>
<b>Beginning Capital</b>	<b>\$ 30,923,607.48</b>	<b>\$ 2,693,618.17</b>	<b>\$ -</b>
<b>Contributions/(Distributions)</b>			
Contributions	3,825,608.50	30,025,292.40	30,025,292.40
Distributions	(243,158.91)	(452,631.09)	(452,631.09)
<b>Net Contributions/(Distributions)</b>	<b>3,582,449.59</b>	<b>29,572,661.31</b>	<b>29,572,661.31</b>
<b>Syndication Costs</b>	<b>667.85</b>	<b>1,826.66</b>	<b>(15,031.78)</b>
<b>Income/(Loss) Allocation</b>			
Management fees (net)	(37,500.00)	(112,500.00)	(248,333.33)
Professional fees and other expenses	(10,298.19)	(65,924.27)	(251,784.70)
Portfolio income/(loss)	(22,409.53)	246,370.58	297,115.23
Realized gain/(loss)	-	-	-
Unrealized gain/(loss)	(382,695.18)	2,113,024.64	5,569,794.72
<b>Total Income/(Loss)</b>	<b>(452,902.90)</b>	<b>2,180,970.95</b>	<b>5,366,791.92</b>
<b>Carried Interest</b>	<b>67,835.29</b>	<b>(327,419.78)</b>	<b>(802,764.14)</b>
<b>Ending Capital</b>	<b>\$ 34,121,657.31</b>	<b>\$ 34,121,657.31</b>	<b>\$ 34,121,657.31</b>

Contributions and Distributions as stated above include all amounts due and payable as of period end.



## Oakley Capital V-B1 SCSp

### Individual Capital Account Statement

For the period ended: 30 September 2022

PACE Industry Union Management Pension Fund

	Year to 30 September 2022 EUR	Inception to 30 September 2022 EUR
Committed	5,300,000	5,300,000
Undrawn commitment	5,141,000	5,141,000
<b>Drawdowns</b>	<b>159,000</b>	<b>159,000</b>
Total Drawdowns	159,000	159,000
Realised Gains/(Losses) on investment	-	-
Unrealised Gains/(Losses) on investment	(18,528)	(18,528)
Carried Interest (including accrued and paid)	-	-
General Partner's share	(67,375)	(67,375)
Other Expenses	(431)	(431)
<b>Total Limited Partner NAV Before Distributions</b>	<b>72,666</b>	<b>72,666</b>
Distributions Paid to Limited Partner	-	-
<b>Total Limited Partner NAV Before Distributions</b>	<b>72,666</b>	<b>72,666</b>

#### Investor Summary

	Total Partnership EUR	Investor's Share EUR	Investor %
Commitment	1,631,510,000	5,300,000	0.32%
Total drawdowns to date	48,479,273	159,000	0.33%
Undrawn commitment	1,583,030,727	5,141,000	0.32%
Total distributed to date	-	-	-

#### Capital drawdowns and distributions

Date	Type	Transaction	EUR
31 May 2022	Drawdown	First Drawdown	159,000
<b>30 September 2022</b>		<b>Total Drawdowns</b>	<b>159,000</b>
<b>30 September 2022</b>		<b>Total Distributions</b>	<b>-</b>

## Capital Account Statement

**Run Date:** 01/23/2023  
**Period Start Date:** 11/30/2022  
**Period End Date:** 12/31/2022  
**Investor ID:** [REDACTED]  
**Account ID:** [REDACTED]  
**Legal Entity ID:** [REDACTED]  
**Currency:** USD

**Account Description** PACE INDUSTRY UNION MANAGEMENT PENSION FUND

### ABS DIRECT EQUITY FUND LLC - CHINA DIRECT PORTFOLIO

	December	Year to Date
Beginning Equity	4,023,234	-
Capital Contributions	-	3,250,000
Capital Withdrawals	-	-
Net Profit/(Loss)	131,976	905,209
Ending Equity	<u>4,155,209</u>	<u>4,155,209</u>
Net Rate of Return for the Period	3.28%	27.85%

Net results reflect the deduction of all operational expenses (including brokerage commissions), management fees and potential profit allocation to the General Partner.

**Note: All trade orders must be submitted in writing. In the event of non-receipt of confirmation within 72 hours, please contact Citco immediately.**

The information on this statement is being provided solely for the benefit of the investor to whom this statement is addressed and is not intended to be relied upon by any third party. If you are not the intended recipient, please delete and destroy all copies in your possession and notify the sender that you have received this statement in error. This is not an offer to sell any securities or a solicitation to buy any securities. The information provided in this statement is unaudited. Such information may vary from the final year-end audited information.

For more information or further inquiries, please contact the Sub-Administrator, Citco (Canada) Inc. Tel: (1-416) 969 6700. Fax: (1-416) 966 0925. Email: [absirtor@citco.com](mailto:absirtor@citco.com)



**Account Number: PACEINDUSTRY  
PACE INDUSTRY UNION - MANAGEMENT  
PENSION FUND CONSOLIDATED ACCOUNT**

**This statement is for the period from December 1, 2022 to December 31, 2022**

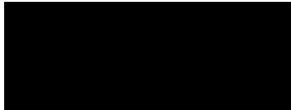
**Questions?**

If you have any questions regarding your account or this statement, please contact your Account Manager.

**Account Manager:  
DANA WEH  
7TH & WASHINGTON  
ST. LOUIS, MO 63101  
Phone: 314-418-1729  
E-mail: [dana.weh@usbank.com](mailto:dana.weh@usbank.com)**

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PACE INDUSTRY UNION-MANAGEMENT  
PENSION FUND  
ATTN: CAROLYN ADAMS-ROSSIGNOL  
1101 KERMIT DRIVE SUITE 800  
NASHVILLE, TN 37217





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**CONSOLIDATED ACCOUNT LISTING**

<b>ACCOUNT</b>	<b>ACCOUNT NAME</b>	<b>12/31/2022 MARKET</b>	<b>12/31/2022 BOOK VALUE</b>	<b>% OF MARKET</b>
██████████	PACE-CASH ACCOUNT	79,391,923.67	79,391,923.67	6.09
██████████	PACE-SSGA EAFE INDEX FUND	90,583,188.02	84,521,746.75	6.95
██████████	(T) PACE-WCM GLOBAL GROWTH	.00	.00	0.00
██████████	PACE-GQG GLOBAL EQUITY	.00	.00	0.00
██████████	(T) PACE-FIRST EAGLE GLOBAL	.00	.00	0.00
██████████	PACE-KOPERNIK GLOBAL	25,837,816.71	17,165,149.69	1.98
██████████	PACE-ALLIANCE BERNSTEIN	74,962,547.18	69,646,962.76	5.75
██████████	PACE-NOMURA HIGH YIELD BOND	15,395,556.04	16,685,267.79	1.18
██████████	PACE-PAYDEN & RYGEL EM MARKETS	20,085,184.89	23,156,672.93	1.54
██████████	PACE-SSGA GLOBAL LG-MID NR INDEX	23,982,806.70	17,829,630.49	1.84
██████████	PACE-SSGA US REIT INDEX	31,240,836.17	31,531,949.78	2.40
██████████	PACE-SSGA BARCLAYS US TIPS INDEX	- 148,295.57	- 148,295.57	- 0.01
██████████	PACE-BH-DG	14,108,955.35	8,840,065.38	1.08
██████████	PACE-36 SOUTH	18,378,740.24	15,409,960.28	1.41
██████████	PACE-VANGUARD S/T TIPS	56,495,609.57	60,871,701.86	4.33
██████████	PACE-SSGA RUSSELL 3000	196,527,237.76	182,876,501.63	15.05
██████████	PACE-VANGUARD TOTAL BOND INDEX	57,793,331.78	69,151,556.99	4.43
██████████	PACE-PACIFIC FUNDS	15,890,205.62	16,279,304.25	1.22
██████████	PACE-SCULPTOR	37,273,253.11	29,000,000.00	2.86
██████████	PACE-ALPSTONE	18,594,584.06	17,880,360.00	1.43
██████████	PACE-FIRST EAGLE LP	51,301,104.08	51,000,000.00	3.93
██████████	PACE-LOMBARD	17,582,162.40	16,500,000.00	1.35



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ACCOUNT PACEINDUSTRY

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Period from December 1, 2022 to December 31, 2022

**CONSOLIDATED ACCOUNT LISTING (continued)**

ACCOUNT	ACCOUNT NAME	12/31/2022 MARKET	12/31/2022 BOOK VALUE	% OF MARKET
██████████	PACE-IRONSIDES CO-INVESTMENT FUND VI	32,898,379.97	29,004,375.39	2.52
██████████	PACE-SSGA LONG US GOVERNMENT	42,966,843.71	53,447,153.01	3.29
██████████	PACE-RIDGEMONT EQUITY PARTNERS	.00	.00	0.00
██████████	PACE-MORGAN STANLEY PRIME	43,314,588.05	45,888,641.44	3.32
██████████	PACE-OAKLEY CAPITAL V	670,569.57	770,498.10	0.05
██████████	PACE-JMI EQUITY XI	.00	.00	0.00
██████████	PACE-CROW HOLDINGS X	.00	.00	0.00
██████████	PACE-SSGA RUSSELL 1000 GROWTH	12,765,892.00	14,423,005.42	0.98
██████████	PACE-WELLINGTON	79,114,559.08	83,773,681.70	6.07
██████████	PACE-ARTISAN GLOBAL OPPORTUNITIES	82,641,469.96	86,000,000.00	6.34
██████████	PACE-INFRASTRUCTURE INVESTMENTS FUND	.00	.00	0.00
██████████	PACE-FEGV LP	99,827,024.78	90,262,709.94	7.65
██████████	PACE-BLACKROCK GLOBAL INFRASTRUCTURE	295,293.00	295,293.00	0.02
██████████	PACE-DRA GRWTH & INC MASTER FD XI	.00	.00	0.00
██████████	PACE-ABS CHINA	4,023,233.53	3,250,000.00	0.31
██████████	PACE-ABS EM EX CHINA	10,448,946.32	9,750,000.00	0.80
██████████	PACE-SSGA RUSSELL 1000	13,379,036.16	11,458,007.14	1.03
██████████	PACE-SSGA MSCI EMERGING	36,625,977.79	44,572,286.21	2.81
██████████	PACE-SFA CASH ACCOUNT	.00	.00	0.00
<b>Total</b>		<b>1,304,248,561.70</b>	<b>1,280,486,110.03</b>	<b>100.00</b>



## MARKET AND COST RECONCILIATION

	12/31/2022 MARKET	12/31/2022 BOOK VALUE
<b>Beginning Market And Cost</b>	<b>1,346,415,628.37</b>	<b>1,283,202,849.04</b>
<b>Investment Activity</b>		
Interest	89,394.76	89,394.76
Dividends	1,833,544.63	1,833,544.63
Income	701,474.33	701,474.33
Realized Gain/Loss	8,410,204.72	8,410,204.72
Change In Unrealized Gain/Loss	- 39,450,327.66	.00
Net Accrued Income (Current-Prior)	58,030.38	58,030.38
<b>Total Investment Activity</b>	<b>- 28,357,678.84</b>	<b>11,092,648.82</b>
<b>Plan Expenses</b>		
Administrative Expenses*	- 7,253.30	- 7,253.30
Other Expenses	- 2,134.53	- 2,134.53
<b>Total Plan Expenses</b>	<b>- 9,387.83</b>	<b>- 9,387.83</b>
<b>Other Activity</b>		
Transfers In	112,214,219.06	112,214,219.06
Miscellaneous Receipts	1,837,226.56	1,837,226.56
Transfers Out	- 126,014,219.06	- 126,014,219.06
Miscellaneous Disbursements	- 1,837,226.56	- 1,837,226.56
<b>Total Other Activity</b>	<b>- 13,800,000.00</b>	<b>- 13,800,000.00</b>
<b>Net Change In Market And Cost</b>	<b>- 42,167,066.67</b>	<b>- 2,716,739.01</b>
<b>Ending Market And Cost</b>	<b>1,304,248,561.70</b>	<b>1,280,486,110.03</b>



PACE-CONSOLIDATED ACCOUNT  
ACCOUNT PACEINDUSTRY

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Period from December 1, 2022 to December 31, 2022

## MARKET AND COST RECONCILIATION MESSAGES

\* Includes Professional Fees, Contract Administrator Fees and Investment Advisory Fees



## CASH RECONCILIATION

<b>Beginning Cash</b>	<b>- 18,500,000.00</b>
<b>Investment Activity</b>	
Interest	89,394.76
Dividends	1,833,544.63
Income	701,474.33
Cash Equivalent Purchases	- 159,539,316.68
Mutual Fund Purchases	- 1,833,544.63
Collective Investment Fund Purchases	- 256,856.31
Other Purchases	- 739,911.02
Cash Equivalent Sales	107,365,922.92
Mutual Fund Sales	13,000,000.00
Collective Investment Fund Sales	55,038,249.73
Other Sales	16,502,134.53
<b>Total Investment Activity</b>	<b>32,161,092.26</b>
<b>Plan Expenses</b>	
Administrative Expenses*	- 7,253.30
Other Expenses	- 2,134.53
<b>Total Plan Expenses</b>	<b>- 9,387.83</b>
<b>Other Activity</b>	
Transfers In	112,214,219.06
Miscellaneous Receipts	1,837,226.56
Transfers Out	- 126,014,219.06
Miscellaneous Disbursements	- 1,837,226.56
<b>Total Other Activity</b>	<b>- 13,800,000.00</b>
<b>Net Change In Cash</b>	<b>18,351,704.43</b>
<b>Ending Cash</b>	<b>- 148,295.57</b>



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Period from December 1, 2022 to December 31, 2022

## CASH RECONCILIATION MESSAGES

\* Includes Professional Fees, Contract Administrator Fees and Investment Advisory Fees





**ASSET CLASS SUMMARY**

	<b>BEGINNING BOOK VALUE</b>	<b>ENDING BOOK VALUE</b>	<b>BEGINNING MARKET</b>	<b>ENDING MARKET</b>	<b>% OF MARKET</b>
Money Markets	43,612,372.76	95,785,766.52	43,612,372.76	95,785,766.52	7.35
Cash	- 18,500,000.00	- 148,295.57	- 18,500,000.00	- 148,295.57	- 0.01
Mutual Funds-Fixed Income	175,584,295.18	162,985,363.00	159,194,581.11	145,572,235.12	11.16
Partnerships/Joint Ventures	391,846,707.16	378,474,661.33	422,145,610.71	400,712,172.25	30.72
Collective Investment Funds	690,570,079.18	643,241,189.61	739,873,669.03	662,179,258.24	50.77
<b>Total Assets</b>	<b>1,283,113,454.28</b>	<b>1,280,338,684.89</b>	<b>1,346,326,233.61</b>	<b>1,304,101,136.56</b>	<b>99.99</b>
Accrued Income	89,394.76	147,425.14	89,394.76	147,425.14	0.01
<b>Grand Total</b>	<b>1,283,202,849.04</b>	<b>1,280,486,110.03</b>	<b>1,346,415,628.37</b>	<b>1,304,248,561.70</b>	<b>100.00</b>

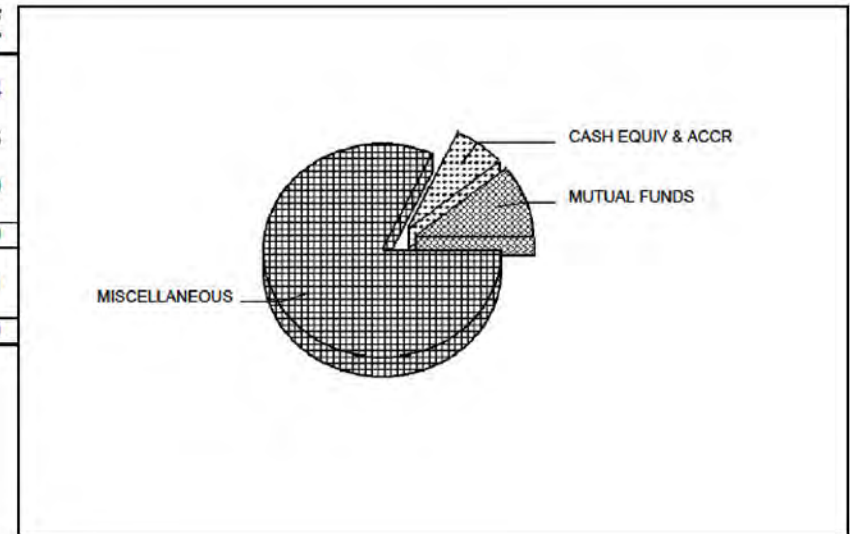


### ASSET SUMMARY

ASSETS	12/31/2022 MARKET	12/31/2022 BOOK VALUE	% OF MARKET
Cash And Equivalents	95,637,470.95	95,637,470.95	7.34
Mutual Funds-Fixed Income	145,572,235.12	162,985,363.00	11.16
Miscellaneous	1,062,891,430.49	1,021,715,850.94	81.49
<b>Total Assets</b>	<b>1,304,101,136.56</b>	<b>1,280,338,684.89</b>	<b>99.99</b>
Accrued Income	147,425.14	147,425.14	0.01
<b>Grand Total</b>	<b>1,304,248,561.70</b>	<b>1,280,486,110.03</b>	<b>100.00</b>

<b>Estimated Annual Income</b>	<b>11,230,307.94</b>
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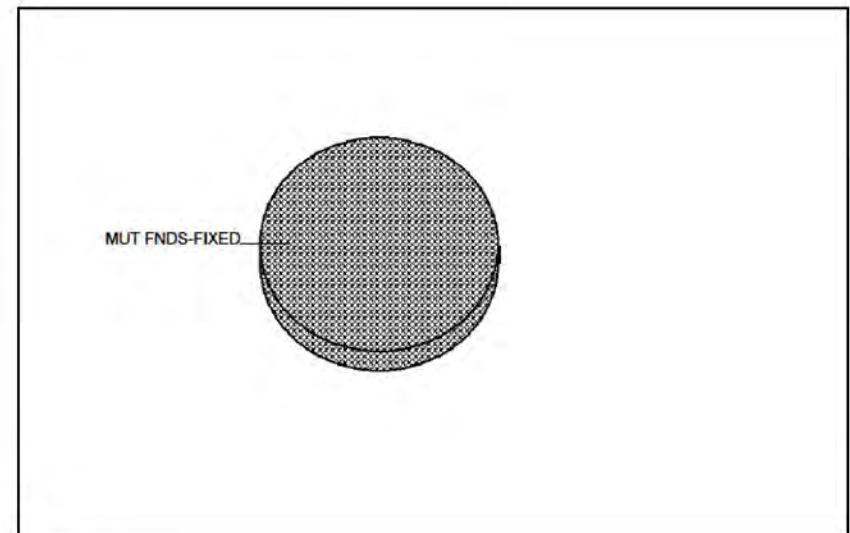


### ASSET SUMMARY MESSAGES

Estimated Annual Income is an estimate provided for informational purposes only and should not be relied on for making investment, trading, or tax decisions. The estimates may not represent the actual value earned by your investments and they provide no guarantee of what your investments may earn in the future.

**Cash Balance for reporting purposes:**

95,637,470.95 (see above)  
147,425.14 (interest received)  
 95,784,896.09





**ASSET DETAIL**

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
<b>Cash And Equivalents</b>						
<b>Money Markets</b>						
First Am Treas Ob Fd Cl Z 31846V542 Asset Minor Code 1 ACCOUNT [REDACTED]	79,285,766.520	79,285,766.52 1.0000	79,285,766.52	.00 .00	106,157.15	4.18
First Am Treas Ob Fd Cl Z 31846V542 Asset Minor Code 1 ACCOUNT [REDACTED]	.000	.00 1.0000	.00	.00 .00	1,217.02	0.00
First Am Treas Ob Fd Cl Z 31846V542 Asset Minor Code 1 ACCOUNT [REDACTED]	.000	.00 1.0000	.00	.00 .00	406.26	0.00
First Am Treas Ob Fd Cl Z 31846V542 Asset Minor Code 1 ACCOUNT [REDACTED]	4,000,000.000	4,000,000.00 1.0000	4,000,000.00	.00 .00	4,087.55	4.18
First Am Treas Ob Fd Cl Z 31846V542 Asset Minor Code 1 ACCOUNT [REDACTED]	.000	.00 1.0000	.00	.00 .00	2,012.28	0.00
First Am Treas Ob Fd Cl Z 31846V542 Asset Minor Code 1 ACCOUNT [REDACTED]	.000	.00 1.0000	.00	.00 .00	455.61	0.00
First Am Treas Ob Fd Cl Z 31846V542 Asset Minor Code 1 ACCOUNT [REDACTED]	.000	.00 1.0000	.00	.00 .00	124.26	0.00



**ASSET DETAIL (continued)**

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
First Am Treas Ob Fd Cl Z 31846V542 Asset Minor Code 1 ACCOUNT [REDACTED]	12,500,000.000	12,500,000.00 1.0000	12,500,000.00	.00 .00	32,965.01	4.18
<b>Total First Am Treas Ob Fd Cl Z</b>	<b>95,785,766.520</b>	<b>95,785,766.52</b>	<b>95,785,766.52</b>	<b>.00 .00</b>	<b>147,425.14</b>	<b>4.18</b>
<b>Total Money Markets</b>	<b>95,785,766.520</b>	<b>95,785,766.52</b>	<b>95,785,766.52</b>	<b>.00 .00</b>	<b>147,425.14</b>	<b>4.18</b>
<b>Cash</b>						
Cash		- 148,295.57	- 148,295.57	This is in error and was removed in January, 2023		
<b>Total Cash</b>	<b>.000</b>	<b>- 148,295.57</b>	<b>- 148,295.57</b>	<b>.00 .00</b>	<b>.00</b>	<b>0.00</b>
<b>Total Cash And Equivalents</b>	<b>95,785,766.520</b>	<b>95,637,470.95</b>	<b>95,637,470.95</b>	<b>.00 .00</b>	<b>147,425.14</b>	<b>4.18</b>
<b>Mutual Funds</b>						
				A - Value used in Financial Statements		
<b>Mutual Funds-Fixed Income</b>						
American Century High Income Fund R6 024932121 Asset Minor Code 99 ACCOUNT [REDACTED]	1,910,118.615	15,395,556.04 8.0600	16,685,267.79	- 1,289,711.75 - 208,914.86	.00	6.40
PI Floating Rate Income I 69447T771 Asset Minor Code 99 ACCOUNT [REDACTED]	1,734,738.605	15,890,205.62 9.1600	16,279,304.25	- 389,098.63 - 86,118.26	.00	5.63



**ASSET DETAIL (continued)**

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Vanguard Total Bond Market Idx Instl 921937785 Asset Minor Code 99 ACCOUNT [REDACTED]	6,096,294.955	57,792,876.17 9.4800	A 69,151,101.38	- 11,358,225.21 267,947.83	.00	2.53
Vanguard Shrt Term Infl Prot Sec Idx 922020607 Asset Minor Code 99 ACCOUNT [REDACTED]	2,410,136.403	56,493,597.29 23.4400	A 60,869,689.58	- 4,376,092.29 - 996,328.52	.00	6.84
<b>Total Mutual Funds-Fixed Income</b>	<b>12,151,288.578</b>	<b>145,572,235.12</b>	<b>162,985,363.00</b>	<b>- 17,413,127.88</b> <b>- 1,023,413.81</b>	<b>.00</b>	<b>4.95</b>
<b>Total Mutual Funds</b>	<b>12,151,288.578</b>	<b>145,572,235.12</b>	<b>162,985,363.00</b>	<b>- 17,413,127.88</b> <b>- 1,023,413.81</b>	<b>.00</b>	<b>4.95</b>

**Miscellaneous**

B- Investment Manager statement used for financial statements  
C- Estimated value based on investment consultant calculations

**Partnerships/Joint Ventures**

Oakley Capital V-B1 Scsp *** 95MSC10Z3 Asset Minor Code 77 Date Last Priced: 09/30/22 ACCOUNT [REDACTED]	670,569.570	670,569.57 1.0000 @	C 770,498.10	- 99,928.53 - 43,372.08	.00	0.00
Morgan Stanley Prime Property Fund *** 95MSC31V7 Asset Minor Code 77 ACCOUNT [REDACTED]	1,936.333	43,314,588.05 22,369.3900	B 45,888,641.44	- 2,574,053.39 - 2,104,906.24	.00	0.00
Artisan Global Opportunities Fund LP *** 95MSC4DJ9 Asset Minor Code 77 ACCOUNT [REDACTED]	2,792,885.095	82,641,469.96 29.5900	B 86,000,000.00	- 3,358,530.04 - 4,943,406.62	.00	0.00



**ASSET DETAIL (continued)**

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Abs Dir Eq Fd China Direct Portfolio *** 95MSC6JF6 Asset Minor Code 77 Date Last Priced: 11/30/22 ACCOUNT [REDACTED]	4,023,233.530	4,023,233.53 B 1.0000 @	3,250,000.00	773,233.53 773,233.53	.00	0.00
Abs Dir Eq Fd Em Xc Direct Portfolio *** 95MSC6JG4 Asset Minor Code 77 Date Last Priced: 11/30/22 ACCOUNT [REDACTED]	10,448,946.320	10,448,946.32 B 1.0000 @	9,750,000.00	698,946.32 698,946.32	.00	0.00
First Eagle Global Equity Fund LP *** 95MSC6132 Asset Minor Code 77 ACCOUNT [REDACTED]	77,729.745	87,294,059.77 B 1,123.0458	77,729,744.93	9,564,314.84 - 3,081,779.88	.00	0.00
Blackrock Glob Infr Fnd IV D *** 95MSC8773 Asset Minor Code 77 Date Last Priced: 12/15/22 ACCOUNT [REDACTED]	295,293.000	295,293.00 A 1.0000 @	295,293.00	.00 .00	.00	0.00
Sculptor Credit Opp Os Inst Fund LP *** 96MSCF0W7 Asset Minor Code 77 Date Last Priced: 11/30/22 ACCOUNT [REDACTED]	37,273,253.110	37,273,253.11 B 1.0000 @	29,000,000.00	8,273,253.11 - 68,139.04	.00	0.00
First Eagle Institutional Gold Fd LP *** 96MSCLHP1 Asset Minor Code 77 ACCOUNT [REDACTED]	51,389.262	51,301,104.08 A 998.2845	51,000,000.00	301,104.08 1,317,589.12	.00	0.00
Alpstone Global MacRo Fund-004 2021 *** 96MSCLR13 Asset Minor Code 77 ACCOUNT [REDACTED]	7,760.360	8,022,679.43 B 1,033.8025	7,760,360.00	262,319.43 23,379.29	.00	0.00

**ASSET DETAIL (continued)**

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Alpstone Global MacRo Fund-007 2021 *** 96MSCPLF9 Asset Minor Code 77 ACCOUNT [REDACTED]	10,120.000	10,571,904.63 B 1,044.6546	10,120,000.00	451,904.63 30,884.88	.00	0.00
1798 Bear Convexity Fund Ltd *** 96MSCSQS0 Asset Minor Code 77 Date Last Priced: 11/30/22 ACCOUNT [REDACTED]	16,500.000	17,582,162.40 B 1,065.5856 @	16,500,000.00	1,082,162.40 181,467.00	.00	0.00
Ironsides Co-Investment Fund VI LP *** 96MSCVPV7 Asset Minor Code 77 Date Last Priced: 09/30/22 ACCOUNT [REDACTED]	32,898,255.710	32,898,255.71 C 1.0000 @	29,004,251.13	3,894,004.58 .00	.00	0.00
Kohinoor Series (Cayman) Fund *** 96MSC8BX9 Asset Minor Code 77 ACCOUNT [REDACTED]	14,643.310	14,374,652.69 A 981.6532	11,405,872.73	2,968,779.96 - 845,288.91	.00	0.00
<b>Total Partnerships/Joint Ventures</b>	<b>88,582,515.345</b>	<b>400,712,172.25</b>	<b>378,474,661.33</b>	<b>22,237,510.92</b> <b>- 8,061,392.63</b>	<b>.00</b>	<b>0.00</b>
<b>Collective Investment Funds</b>						
Ab Global Core Equity Dbt U *** 9SPMTJUV2 Asset Minor Code 17 ACCOUNT [REDACTED]	2,757,770.578	74,962,547.18 A 27.1823	69,646,962.76	5,315,584.42 - 2,426,286.56	.00	0.00
Ssga Daily Msci Emg Mkts Indx NI Fd *** 9SPMTJYT3 Asset Minor Code 17 ACCOUNT [REDACTED]	1,038,298.449	36,625,977.79 B 35.2750	44,572,286.21	- 7,946,308.42 - 883,591.98	.00	0.00





**ASSET DETAIL (continued)**

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT		BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Ssga Russell 1000 (R) Value Indx NI *** 9SPMTJYU0 Asset Minor Code 17 ACCOUNT [REDACTED]	101,771.129	13,379,036.16 131.4620	B	11,458,007.14	1,921,029.02 - 563,710.28	.00	0.00
Wtc Cif II Core Bond (Series 4) Port *** 9SPMTKAZ2 Asset Minor Code 17 ACCOUNT [REDACTED]	9,671,706.489	79,114,559.08 8.1800	A	83,773,681.70	- 4,659,122.62 - 427,366.63	.00	0.00
Ssga Long U.S. Govt Bond Indx NI *** 9SPMTK828 Asset Minor Code 17 ACCOUNT [REDACTED]	1,135,067.462	42,966,843.71 37.8540	B	53,447,153.01	- 10,480,309.30 - 928,485.18	.00	0.00
Ssga Russell 1000 (R) Growth Indx Fd *** 95MSC42A0 Asset Minor Code 17 ACCOUNT [REDACTED]	85,361.462	12,765,892.00 149.5510	B	14,423,005.42	- 1,657,113.42 - 1,058,371.14	.00	0.00
Payden & Rygel Emerging Markets Bond *** 96MSCA0W8 Asset Minor Code 17 ACCOUNT [REDACTED]	1,571,696.798	20,085,184.89 12.7793	A	23,156,672.93	- 3,071,488.04 197,247.95	.00	0.00
Ssga Daily Msci Eafe Indx NI Fund *** 96MSC5WX2 Asset Minor Code 17 ACCOUNT [REDACTED]	3,335,983.906	90,581,971.00 27.1530	B	84,520,529.73	6,061,441.27 - 366,276.59	.00	0.00
Ssga Russell 3000 (R) Indx NI Fund *** 96MSC6270 Asset Minor Code 17 ACCOUNT [REDACTED]	4,439,387.331	196,527,237.76 44.2690	B	182,876,501.63	13,650,736.13 - 12,208,315.16	.00	0.00
Kopernik Global All-Cap Cit Cl 2 *** 96MSC8235 Asset Minor Code 17 ACCOUNT [REDACTED]	1,613,854.885	25,837,816.71 16.0100	A	17,165,149.69	8,672,667.02 - 419,602.27	.00	0.00



**ASSET DETAIL (continued)**

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Bh Dg Sys Trading Er Fd Ltd *** 96MSC8326 Asset Minor Code 17 ACCOUNT [REDACTED]	88,082.959	14,108,549.09 160.1734	A 8,839,659.12	5,268,889.97 20,094.36	.00	0.00
Ssga US Reit Indx NI Fund *** 96MSC8367 Asset Minor Code 17 ACCOUNT [REDACTED]	516,813.118	31,240,836.17 60.4490	B 31,531,949.78	- 291,113.61 - 1,724,380.80	.00	0.00
Ssga S&p Global Largemidcap Natural *** 97MSCCRX1 Asset Minor Code 17 ACCOUNT [REDACTED]	1,376,265.735	23,982,806.70 17.4260	B 17,829,630.49	6,153,176.21 - 9,511,055.21	.00	0.00
Ssga US Tips Indx NI Fund *** 97MSCCRZ6 Asset Minor Code 17 ACCOUNT [REDACTED]	.000	.00 28.5160	.00	.00 - 65,421.73	.00	0.00
<b>Total Collective Investment Funds</b>	<b>27,732,060.301</b>	<b>662,179,258.24</b>	<b>643,241,189.61</b>	<b>18,938,068.63</b> <b>- 30,365,521.22</b>	<b>.00</b>	<b>0.00</b>
<b>Total Miscellaneous</b>	<b>116,314,575.646</b>	<b>1,062,891,430.49</b>	<b>1,021,715,850.94</b>	<b>41,175,579.55</b> <b>- 38,426,913.85</b>	<b>.00</b>	<b>0.00</b>
<b>Total Assets</b>	<b>224,251,630.744</b>	<b>1,304,101,136.56</b>	<b>1,280,338,684.89</b>	<b>23,762,451.67</b> <b>- 39,450,327.66</b>	<b>147,425.14</b>	<b>0.85</b>
<b>Accrued Income</b>	<b>.000</b>	<b>147,425.14</b>	<b>147,425.14</b>			
<b>Grand Total</b>	<b>224,251,630.744</b>	<b>1,304,248,561.70</b>	<b>1,280,486,110.03</b>			



## ASSET DETAIL MESSAGES

Time of trade execution and trading party (if not disclosed) will be provided upon request.

Publicly traded assets are valued in accordance with market quotations or valuation methodologies from financial industry services believed by us to be reliable. Assets that are not publicly traded may be reflected at values from other external sources. Assets for which a current value is not available may be reflected at a previous value or as not valued, at par value, or at a nominal value. Values shown do not necessarily reflect prices at which assets could be bought or sold. Values are updated based on internal policy and may be updated less frequently than statement generation.

For further information, please contact your account manager or relationship manager.

We provide a cash management administrative service for the temporary investment of principal and income balances in your account. The fee for providing this service will not exceed \$0.42 per month for each \$1,000 of the average daily balance invested under the cash management administrative service. The charge for this service has been deducted from your account.

Yield on Market and Accrued Income are estimates provided for informational purposes only and should not be relied on for making investment, trading, or tax decisions. The estimates may not represent the actual value earned by your investments and they provide no guarantee of what your investments may earn in the future.

\*\*\* This asset is held or controlled by the customer or by a third party on behalf of the customer, and is reported for customer recordkeeping purposes only. U.S. Bank does not have actual custody or control of this asset. With the exception of most marketable securities, the description of the asset and its price (or value) may have been provided to U.S. Bank by the customer or a third party and should not be relied upon for any purpose.

@ No current price is available.

The asset categories used in this statement may be general in nature. For example, assets listed under the "Mutual Funds" category may include open-end investment companies registered under the Investment Company Act of 1940 (which are commonly known as "mutual funds") but may also include closed-end investment companies, unit investment trusts, common trust funds, collective trust funds or other investments that are registered with (or not subject to registration with) the Securities and Exchange Commission.



**INCOME ACCRUAL DETAIL**

SHARES/ FACE AMOUNT	DESCRIPTION	EX DATE	PAY DATE	ANN RATE	BEGINNING ACCRUAL	INCOME EARNED	INCOME RECEIVED	ENDING ACCRUAL
<b>Cash And Equivalents</b>								
79,285,766.520	First Am Treas Ob Fd Cl Z 31846V542 ACCOUNT ██████████		01/03/23	0.04	73,162.30	106,157.15	73,162.30	106,157.15
.000	First Am Treas Ob Fd Cl Z 31846V542 ACCOUNT ██████████		01/03/23	0.04	.00	1,217.02	.00	1,217.02
.000	First Am Treas Ob Fd Cl Z 31846V542 ACCOUNT ██████████		01/03/23	0.04	.57	.00	.57	.00
.000	First Am Treas Ob Fd Cl Z 31846V542 ACCOUNT ██████████		01/03/23	0.04	2,036.98	.00	2,036.98	.00
.000	First Am Treas Ob Fd Cl Z 31846V542 ACCOUNT ██████████		01/03/23	0.04	9,274.42	406.26	9,274.42	406.26
4,000,000.000	First Am Treas Ob Fd Cl Z 31846V542 ACCOUNT ██████████		01/03/23	0.04	412.69	4,087.55	412.69	4,087.55
.000	First Am Treas Ob Fd Cl Z 31846V542 ACCOUNT ██████████		01/03/23	0.04	.13	2,012.28	.13	2,012.28
.000	First Am Treas Ob Fd Cl Z 31846V542 ACCOUNT ██████████		01/03/23	0.04	.19	.00	.19	.00
.000	First Am Treas Ob Fd Cl Z 31846V542 ACCOUNT ██████████		01/03/23	0.04	4,382.88	455.61	4,382.88	455.61
.000	First Am Treas Ob Fd Cl Z 31846V542 ACCOUNT ██████████		01/03/23	0.04	124.60	124.26	124.60	124.26





**INCOME ACCRUAL DETAIL (continued)**

SHARES/ FACE AMOUNT	DESCRIPTION	EX DATE	PAY DATE	ANN RATE	BEGINNING ACCRUAL	INCOME EARNED	INCOME RECEIVED	ENDING ACCRUAL
12,500,000.000	First Am Treas Ob Fd Cl Z 31846V542 ACCOUNT [REDACTED]		01/03/23	0.04	.00	32,965.01	.00	32,965.01
<b>Total First Am Treas Ob Fd Cl Z</b>					<b>89,394.76</b>	<b>147,425.14</b>	<b>89,394.76</b>	<b>147,425.14</b>
<b>Total Cash And Equivalents</b>					<b>89,394.76</b>	<b>147,425.14</b>	<b>89,394.76</b>	<b>147,425.14</b>
<b>Mutual Funds-Fixed Income</b>								
1,910,118.615	American Century High Income Fund R6 024932121 ACCOUNT [REDACTED]	05/24/22	12/30/22	0.52	.00	87,794.25	87,794.25	.00
1,734,738.605	PI Floating Rate Income I 69447T771 ACCOUNT [REDACTED]		12/30/22	0.52	.00	113,340.90	113,340.90	.00
6,096,294.955	Vanguard Total Bond Market Idx Instl 921937785 ACCOUNT [REDACTED]	12/30/22	01/03/23	0.24	.00	148,278.91	148,278.91	.00
2,410,136.403	Vanguard Shrt Term Infl Prot Sec Idx 922020607 ACCOUNT [REDACTED]	12/22/22	12/23/22	1.60	.00	1,484,130.57	1,484,130.57	.00
<b>Total Mutual Funds-Fixed Income</b>					<b>.00</b>	<b>1,833,544.63</b>	<b>1,833,544.63</b>	<b>.00</b>
<b>Miscellaneous</b>								
9,671,706.489	Wtc Cif II Core Bond (Series 4) Port 9SPMTKAZ2 ACCOUNT [REDACTED]				.00	256,856.31	256,856.31	.00
1,936.333	Morgan Stanley Prime Property Fund 95MSC31V7 ACCOUNT [REDACTED]				.00	444,618.02	444,618.02	.00
<b>Total Miscellaneous</b>					<b>.00</b>	<b>701,474.33</b>	<b>701,474.33</b>	<b>.00</b>



PACE-CONSOLIDATED ACCOUNT  
ACCOUNT PACEINDUSTRY

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Period from December 1, 2022 to December 31, 2022

**INCOME ACCRUAL DETAIL (continued)**

<b>SHARES/ FACE AMOUNT</b>	<b>DESCRIPTION</b>	<b>EX DATE</b>	<b>PAY DATE</b>	<b>ANN RATE</b>	<b>BEGINNING ACCRUAL</b>	<b>INCOME EARNED</b>	<b>INCOME RECEIVED</b>	<b>ENDING ACCRUAL</b>
<b>Grand Total</b>					<b>89,394.76</b>	<b>2,682,444.10</b>	<b>2,624,413.72</b>	<b>147,425.14</b>



PACE-CONSOLIDATED ACCOUNT  
ACCOUNT PACEINDUSTRY

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Period from December 1, 2022 to December 31, 2022

**INVESTMENT ACTIVITY**

DATE	DESCRIPTION	CASH
<b>Interest</b>		
<b>First Am Treas Ob Fd CI Z</b>		
<b>31846V542</b>		
12/01/2022	Interest From 11/1/22 To 11/30/22 ACCOUNT [REDACTED]	73,162.30
12/01/2022	Interest From 11/1/22 To 11/30/22 ACCOUNT [REDACTED]	.57
12/01/2022	Interest From 11/1/22 To 11/30/22 ACCOUNT [REDACTED]	2,036.98
12/01/2022	Interest From 11/1/22 To 11/30/22 ACCOUNT [REDACTED]	9,274.42
12/01/2022	Interest From 11/1/22 To 11/30/22 ACCOUNT [REDACTED]	412.69
12/01/2022	Interest From 11/1/22 To 11/30/22 ACCOUNT [REDACTED]	.13
12/01/2022	Interest From 11/1/22 To 11/30/22 ACCOUNT [REDACTED]	.19
12/01/2022	Interest From 11/1/22 To 11/30/22 ACCOUNT [REDACTED]	4,382.88
12/01/2022	Interest From 11/1/22 To 11/30/22 ACCOUNT [REDACTED]	124.60
<b>Total First Am Treas Ob Fd CI Z</b>		<b>89,394.76</b>
<b>Total Interest</b>		<b>89,394.76</b>

**Dividends**

**American Century High Income Fund R6**  
**024932121**





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Period from December 1, 2022 to December 31, 2022

**INVESTMENT ACTIVITY (continued)**

<b>DATE</b>	<b>DESCRIPTION</b>	<b>CASH</b>
12/01/2022	Dividend From 12/1/22 To 12/31/22 ACCOUNT [REDACTED]	87,794.25
<b>PI Floating Rate Income I 69447T771</b>		
12/30/2022	Dividend Payable 12.1.22 To 12.31.22 ACCOUNT [REDACTED]	113,340.90
<b>Vanguard Shrt Term Infl Prot Sec Idx 922020607</b>		
12/23/2022	0.561 USD/Share On 2,645,509.042 Shares Due 12/23/22 Dividend Payable 12/23/22 ACCOUNT [REDACTED]	1,484,130.57
<b>Vanguard Total Bond Market Idx Instl 921937785</b>		
12/31/2022	Dividend ACCOUNT [REDACTED]	148,278.91
<b>Total Dividends</b>		<b>1,833,544.63</b>
<b>Income</b>		
<b>Morgan Stanley Prime Property Fund 95Msc31V7</b>		
12/31/2022	Dividend Received ACCOUNT [REDACTED]	444,618.02
<b>Wtc Cif II Core Bond (Series 4) Port 9Spmtkaz2</b>		
12/31/2022	Dividend Received ACCOUNT [REDACTED]	256,856.31
<b>Total Income</b>		<b>701,474.33</b>



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**PLAN EXPENSES**

<b>DATE</b>	<b>DESCRIPTION</b>	<b>CASH</b>
<b>Administrative Expenses</b>		
<b>Investment Advisory And Management Fees</b>		
<b>Management Fee</b>		
12/31/2022	Paid To - Ssga US Reit Indx NI Fund ACCOUNT [REDACTED]	- 6,673.65
12/31/2022	Paid To - Ssga Russell 1000 (R) Growth Indx Fd ACCOUNT [REDACTED]	- 579.65
<b>Total Management Fee</b>		<b>- 7,253.30</b>
<b>Total Investment Advisory And Management Fees</b>		<b>- 7,253.30</b>
<b>Total Administrative Expenses</b>		<b>- 7,253.30</b>
<b>Other Expenses</b>		
<b>Other Fees</b>		
12/31/2022	Paid To - Kohinoor Series (Cayman) Fund ACCOUNT [REDACTED]	- 2,134.53
<b>Total Other Fees</b>		<b>- 2,134.53</b>
<b>Total Other Expenses</b>		<b>- 2,134.53</b>
<b>Total Plan Expenses</b>		<b>- 9,387.83</b>



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**OTHER ACTIVITY**

DATE	DESCRIPTION	CASH
<b>Transfers In</b>		
<b>Transfer From Another Account</b>		
12/01/2022	From [REDACTED] Per Client Request ACCOUNT [REDACTED]	20,000,000.00
12/01/2022	From [REDACTED] Per Client Request ACCOUNT [REDACTED]	17,000,000.00
12/01/2022	From [REDACTED] Per Client Request ACCOUNT [REDACTED]	1,500,000.00
12/02/2022	From [REDACTED] Per Email Dtd 4/12/21 ACCOUNT [REDACTED]	4,009,274.42
12/02/2022	From [REDACTED] Per Email Dtd 4/12/21 ACCOUNT [REDACTED]	1,223,526.20
12/02/2022	From [REDACTED] Per Email Dtd 4/12/21 ACCOUNT [REDACTED]	2,036.98
12/02/2022	From [REDACTED] Per Email Dtd 4/12/21 ACCOUNT [REDACTED]	.19
12/02/2022	From [REDACTED] Per Email Dtd 4/12/21 ACCOUNT [REDACTED]	.13
12/02/2022	From [REDACTED] Per Email Dtd 4/12/21 ACCOUNT [REDACTED]	4,382.88
12/02/2022	From [REDACTED] Per Email Dtd 4/12/21 ACCOUNT [REDACTED]	412.69



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**OTHER ACTIVITY (continued)**

DATE	DESCRIPTION	CASH
12/08/2022	From [REDACTED] Per Email Dtd 4/12/21 ACCOUNT [REDACTED]	.57
12/15/2022	From [REDACTED] Per Client Request ACCOUNT [REDACTED]	6,000,000.00
12/15/2022	From [REDACTED] Per Client Request ACCOUNT [REDACTED]	2,000,000.00
12/16/2022	From [REDACTED] Per Client Request ACCOUNT [REDACTED]	295,293.00
12/30/2022	From [REDACTED] Per Client Request ACCOUNT [REDACTED]	7,000,000.00
12/30/2022	From [REDACTED] Per Client Request ACCOUNT [REDACTED]	4,000,000.00
12/30/2022	From [REDACTED] Per Client Request ACCOUNT [REDACTED]	7,000,000.00
12/30/2022	From [REDACTED] Per Client Request ACCOUNT [REDACTED]	29,000,000.00
12/30/2022	From [REDACTED] Per Client Request ACCOUNT [REDACTED]	13,179,292.00
<b>Total Transfer From Another Account</b>		<b>112,214,219.06</b>
<b>Total Transfers In</b>		<b>112,214,219.06</b>
<b>Miscellaneous Receipts</b>		



**OTHER ACTIVITY (continued)**

<b>DATE</b>	<b>DESCRIPTION</b>	<b>CASH</b>
<b>Transfer From Income</b>		
12/01/2022	ACCOUNT [REDACTED]	85,878.40
12/01/2022	ACCOUNT [REDACTED]	167,986.97
12/01/2022	ACCOUNT [REDACTED]	99,230.05
12/21/2022	ACCOUNT [REDACTED]	.57
12/23/2022	Dividend Vanguard Shrt Term Infl Prot Sec Idx ACCOUNT [REDACTED]	1,484,130.57
<b>Total Transfer From Income</b>		<b>1,837,226.56</b>
<b>Total Miscellaneous Receipts</b>		<b>1,837,226.56</b>
<b>Transfers Out</b>		
<b>Outgoing Domestic Wire</b>		
12/28/2022	Paid To Pace Industry Union Mgmt Pension Benefit Payments ACCOUNT [REDACTED]	- 13,800,000.00
<b>Total Outgoing Domestic Wire</b>		<b>- 13,800,000.00</b>
<b>Transfer To Another Account</b>		
12/01/2022	Paid To [REDACTED] Per Client Request ACCOUNT [REDACTED]	- 17,000,000.00
12/01/2022	Paid To [REDACTED] Per Client Request ACCOUNT [REDACTED]	- 1,500,000.00



PACE-CONSOLIDATED ACCOUNT  
ACCOUNT PACEINDUSTRY

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Period from December 1, 2022 to December 31, 2022

**OTHER ACTIVITY (continued)**

DATE	DESCRIPTION	CASH
12/01/2022	Paid To [REDACTED] Per Client Request ACCOUNT [REDACTED]	- 20,000,000.00
12/02/2022	Paid To [REDACTED] Per Email Dtd 4/12/21 ACCOUNT [REDACTED]	- 2,036.98
12/02/2022	Paid To [REDACTED] Per Email Dtd 4/12/21 ACCOUNT [REDACTED]	- 4,009,274.42
12/02/2022	Paid To [REDACTED] Per Email Dtd 4/12/21 ACCOUNT [REDACTED]	- 412.69
12/02/2022	Paid To [REDACTED] Per Email Dtd 4/12/21 ACCOUNT [REDACTED]	- .13
12/02/2022	Paid To [REDACTED] Per Email Dtd 4/12/21 ACCOUNT [REDACTED]	- .19
12/02/2022	Paid To [REDACTED] Per Email Dtd 4/12/21 ACCOUNT [REDACTED]	- 4,382.88
12/02/2022	Paid To [REDACTED] Per Email Dtd 4/12/21 ACCOUNT [REDACTED]	- 1,223,526.20
12/08/2022	Paid To [REDACTED] Per Email Dtd 4/12/21 ACCOUNT [REDACTED]	- .57
12/15/2022	Paid To [REDACTED] Per Client Request ACCOUNT [REDACTED]	- 6,000,000.00
12/15/2022	Paid To [REDACTED] Per Client Request ACCOUNT [REDACTED]	- 2,000,000.00



**OTHER ACTIVITY (continued)**

<b>DATE</b>	<b>DESCRIPTION</b>	<b>CASH</b>
12/16/2022	Paid To [REDACTED] Per Client Request ACCOUNT [REDACTED]	- 295,293.00
12/30/2022	Paid To [REDACTED] Per Client Request ACCOUNT [REDACTED]	- 29,000,000.00
12/30/2022	Paid To [REDACTED] Per Client Request ACCOUNT [REDACTED]	- 13,179,292.00
12/30/2022	Paid To [REDACTED] Per Client Request ACCOUNT [REDACTED]	- 7,000,000.00
12/30/2022	Paid To [REDACTED] Per Client Request ACCOUNT [REDACTED]	- 4,000,000.00
12/30/2022	Paid To [REDACTED] Per Client Request ACCOUNT [REDACTED]	- 7,000,000.00
<b>Total Transfer To Another Account</b>		<b>- 112,214,219.06</b>
<b>Total Transfers Out</b>		<b>- 126,014,219.06</b>
<b>Miscellaneous Disbursements</b>		
<b>Transfer To Principal</b>		
12/01/2022	ACCOUNT [REDACTED]	- 85,878.40
12/01/2022	ACCOUNT [REDACTED]	- 167,986.97
12/01/2022	ACCOUNT [REDACTED]	- 99,230.05





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**OTHER ACTIVITY (continued)**

<b>DATE</b>	<b>DESCRIPTION</b>	<b>CASH</b>
12/21/2022	ACCOUNT [REDACTED]	- .57
12/23/2022	Dividend Vanguard Shrt Term Infl Prot Sec Idx ACCOUNT [REDACTED]	- 1,484,130.57
<b>Total Transfer To Principal</b>		<b>- 1,837,226.56</b>
<b>Total Miscellaneous Disbursements</b>		<b>- 1,837,226.56</b>
<b>Total Other Activity</b>		<b>- 13,800,000.00</b>



**CORPORATE CHANGES AND ADJUSTMENTS**

<u>DATE</u>	<u>DESCRIPTION</u>	<u>SHARES OR FACE AMOUNT</u>	<u>BOOK VALUE</u>	<u>MARKET VALUE</u>	<u>REALIZED/ UNREALIZED GAIN/LOSS</u>
<b>Adjustments</b>					
12/30/2022	Units Of Oakley Capital V-B1 Scsp Adjusted By -43,372.08 Units Old Units 114,559.35/New Units 71,187.27 9/30 Statement 95MSC10Z3 ACCOUNT ██████████	- 43,372.08	.00	.00	.00
12/30/2022	Units Of Abs Dir Eq Fd China Direct Portfolio Adjusted By 773,233.53 Units Old Units 3,250,000/New Units 4,023,233.53 11/30 Statement 95MSC6JF6 ACCOUNT ██████████	773,233.53	.00	.00	.00
12/30/2022	Units Of Abs Dir Eq Fd Em Xc Direct Portfolio Adjusted By 698,946.32 Units Old Units 9,750,000/New Units 10,448,946.32 11/30 Statement 95MSC6JG4 ACCOUNT ██████████	698,946.32	.00	.00	.00
12/31/2022	Units Of Sculptor Credit Opp Os Inst Fund LP Adjusted By -68,139.04 Units Old Units 37,341,392.15/New Units 37,273,253.11 11/30 Statement 96MSCF0W7 ACCOUNT ██████████	- 68,139.04	.00	.00	.00
<b>Total Adjustments</b>		<b>1,360,668.73</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>
<b>Total Corporate Changes And Adjustments</b>		<b>1,360,668.73</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>



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## PURCHASES

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	CASH	BOOK VALUE
<b>Cash And Equivalents</b>					
12/01/2022	Purchased 1,500,000 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/1/22 31846V542 ACCOUNT [REDACTED]	1,500,000.000	.00	- 1,500,000.00	1,500,000.00
12/02/2022	Purchased 73,162.3 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/2/22 31846V542 ACCOUNT [REDACTED]	73,162.300	.00	- 73,162.30	73,162.30
12/02/2022	Purchased 5,239,633.49 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/2/22 31846V542 ACCOUNT [REDACTED]	5,239,633.490	.00	- 5,239,633.49	5,239,633.49
12/02/2022	Purchased 2,036.98 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/2/22 31846V542 ACCOUNT [REDACTED]	2,036.980	.00	- 2,036.98	2,036.98
12/02/2022	Purchased 9,274.42 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/2/22 31846V542 ACCOUNT [REDACTED]	9,274.420	.00	- 9,274.42	9,274.42
12/02/2022	Purchased 412.69 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/2/22 31846V542 ACCOUNT [REDACTED]	412.690	.00	- 412.69	412.69



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**PURCHASES (continued)**

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	CASH	BOOK VALUE
12/02/2022	Purchased 0.13 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/2/22 31846V542 ACCOUNT [REDACTED]	.130	.00	- .13	.13
12/02/2022	Purchased 0.19 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/2/22 31846V542 ACCOUNT [REDACTED]	.190	.00	- .19	.19
12/02/2022	Purchased 4,382.88 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/2/22 31846V542 ACCOUNT [REDACTED]	4,382.880	.00	- 4,382.88	4,382.88
12/02/2022	Purchased 124.6 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/2/22 31846V542 ACCOUNT [REDACTED]	124.600	.00	- 124.60	124.60
12/08/2022	Purchased 0.57 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/8/22 31846V542 ACCOUNT [REDACTED]	.570	.00	- .57	.57
12/08/2022	Purchased 12,500,000 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/8/22 31846V542 ACCOUNT [REDACTED]	12,500,000.000	.00	- 12,500,000.00	12,500,000.00



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Period from December 1, 2022 to December 31, 2022

**PURCHASES (continued)**

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	CASH	BOOK VALUE
12/09/2022	Purchased 2,000,000 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/9/22 31846V542 ACCOUNT [REDACTED]	2,000,000.000	.00	- 2,000,000.00	2,000,000.00
12/13/2022	Purchased 6,000,000 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/13/22 31846V542 ACCOUNT [REDACTED]	6,000,000.000	.00	- 6,000,000.00	6,000,000.00
12/15/2022	Purchased 8,000,000 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/15/22 31846V542 ACCOUNT [REDACTED]	8,000,000.000	.00	- 8,000,000.00	8,000,000.00
12/23/2022	Purchased 4,000,000 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/23/22 31846V542 ACCOUNT [REDACTED]	4,000,000.000	.00	- 4,000,000.00	4,000,000.00
12/29/2022	Purchased 7,000,000 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/29/22 31846V542 ACCOUNT [REDACTED]	7,000,000.000	.00	- 7,000,000.00	7,000,000.00
12/29/2022	Purchased 4,000,000 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/29/22 31846V542 ACCOUNT [REDACTED]	4,000,000.000	.00	- 4,000,000.00	4,000,000.00



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**PURCHASES (continued)**

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	CASH	BOOK VALUE
12/30/2022	Purchased 60,179,292 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/30/22 31846V542 ACCOUNT [REDACTED]	60,179,292.000	.00	- 60,179,292.00	60,179,292.00
12/30/2022	Purchased 29,000,000 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/30/22 31846V542 ACCOUNT [REDACTED]	29,000,000.000	.00	- 29,000,000.00	29,000,000.00
12/30/2022	Purchased 13,030,996.43 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/30/22 31846V542 ACCOUNT [REDACTED]	13,030,996.430	.00	- 13,030,996.43	13,030,996.43
12/30/2022	Purchased 7,000,000 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/30/22 31846V542 ACCOUNT [REDACTED]	7,000,000.000	.00	- 7,000,000.00	7,000,000.00
<b>Total First Am Treas Ob Fd Cl Z</b>		<b>159,539,316.680</b>	<b>.00</b>	<b>- 159,539,316.68</b>	<b>159,539,316.68</b>
<b>Total Cash And Equivalents</b>		<b>159,539,316.680</b>	<b>.00</b>	<b>- 159,539,316.68</b>	<b>159,539,316.68</b>
<b>Mutual Funds-Fixed Income</b>					
12/01/2022	Purchased 10,892.587 Shares American Century High Income Fund R6 @ 8.06 USD Through Reinvestment Of Cash Dividend Due 12/31/22 024932121 ACCOUNT [REDACTED]	10,892.587	.00	- 87,794.25	87,794.25



**PURCHASES (continued)**

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	CASH	BOOK VALUE
<b>Total American Century High Income Fund R6</b>		<b>10,892.587</b>	<b>.00</b>	<b>- 87,794.25</b>	<b>87,794.25</b>
12/30/2022	Purchased 12,373.461 Shares PI Floating Rate Income I @ 9.16 USD Through Reinvestment Of Cash Dividend Due 12/30/22 69447T771 ACCOUNT [REDACTED]	12,373.461	.00	- 113,340.90	113,340.90
<b>Total PI Floating Rate Income I</b>		<b>12,373.461</b>	<b>.00</b>	<b>- 113,340.90</b>	<b>113,340.90</b>
12/23/2022	Purchased 63,262.173 Shares Vanguard Shrt Term Infl Prot Sec Idx @ 23.46 USD Through Reinvestment Of Cash Dividend Due 12/23/22 922020607 ACCOUNT [REDACTED]	63,262.173	.00	- 1,484,130.57	1,484,130.57
<b>Total Vanguard Shrt Term Infl Prot Sec Idx</b>		<b>63,262.173</b>	<b>.00</b>	<b>- 1,484,130.57</b>	<b>1,484,130.57</b>
12/31/2022	Purchased 15,641.235 Shares Vanguard Total Bond Market Idx Instl @ 9.48 USD Through Reinvestment Of Cash Dividend Due 12/31/22 921937785 ACCOUNT [REDACTED]	15,641.235	.00	- 148,278.91	148,278.91
<b>Total Vanguard Total Bond Market Idx Instl</b>		<b>15,641.235</b>	<b>.00</b>	<b>- 148,278.91</b>	<b>148,278.91</b>
<b>Total Mutual Funds-Fixed Income</b>		<b>102,169.456</b>	<b>.00</b>	<b>- 1,833,544.63</b>	<b>1,833,544.63</b>
<b>Miscellaneous</b>					





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**PURCHASES (continued)**

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	CASH	BOOK VALUE
12/16/2022	Purchased 295,293 Units Of Blackrock Glob Infr Fnd IV D Trade Date 12/16/22 Purchased Through Direct From Issuer 95MSC8773 ACCOUNT [REDACTED]	295,293.000	.00	- 295,293.00	295,293.00
<b>Total Blackrock Glob Infr Fnd IV D</b>		<b>295,293.000</b>	<b>.00</b>	<b>- 295,293.00</b>	<b>295,293.00</b>
12/31/2022	Purchased 19.876 Units Of Morgan Stanley Prime Property Fund Trade Date 12/30/22 Purchased Through Direct From Issuer 95MSC31V7 ACCOUNT [REDACTED]	19.876	.00	- 444,618.02	444,618.02
<b>Total Morgan Stanley Prime Property Fund</b>		<b>19.876</b>	<b>.00</b>	<b>- 444,618.02</b>	<b>444,618.02</b>
12/31/2022	Purchased 31,400.527 Units Of Wtc Cif II Core Bond (Series 4) Port Trade Date 12/30/22 Purchased Through Direct From Issuer 9SPMTKAZ2 ACCOUNT [REDACTED]	31,400.527	.00	- 256,856.31	256,856.31
<b>Total Wtc Cif II Core Bond (Series 4) Port</b>		<b>31,400.527</b>	<b>.00</b>	<b>- 256,856.31</b>	<b>256,856.31</b>
<b>Total Miscellaneous</b>		<b>326,713.403</b>	<b>.00</b>	<b>- 996,767.33</b>	<b>996,767.33</b>
<b>Total Purchases</b>		<b>159,968,199.539</b>	<b>.00</b>	<b>- 162,369,628.64</b>	<b>162,369,628.64</b>



**SALES AND MATURITIES**

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	TRANSACTION PROCEEDS	BOOK VALUE	REALIZED GAIN/LOSS
<b>Cash And Equivalents</b>						
12/01/2022	Sold 20,000,000 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/1/22 31846V542 ACCOUNT [REDACTED]	- 20,000,000.000	.00	20,000,000.00	- 20,000,000.00	.00
12/02/2022	Sold 2,036.98 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/2/22 31846V542 ACCOUNT [REDACTED]	- 2,036.980	.00	2,036.98	- 2,036.98	.00
12/02/2022	Sold 4,009,274.42 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/2/22 31846V542 ACCOUNT [REDACTED]	- 4,009,274.420	.00	4,009,274.42	- 4,009,274.42	.00
12/02/2022	Sold 412.69 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/2/22 31846V542 ACCOUNT [REDACTED]	- 412.690	.00	412.69	- 412.69	.00
12/02/2022	Sold 0.13 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/2/22 31846V542 ACCOUNT [REDACTED]	- .130	.00	.13	- .13	.00
12/02/2022	Sold 0.19 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/2/22 31846V542 ACCOUNT [REDACTED]	- .190	.00	.19	- .19	.00



**SALES AND MATURITIES (continued)**

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	TRANSACTION PROCEEDS	BOOK VALUE	REALIZED GAIN/LOSS
12/02/2022	Sold 4,382.88 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/2/22 31846V542 ACCOUNT [REDACTED]	- 4,382.880	.00	4,382.88	- 4,382.88	.00
12/02/2022	Sold 1,223,526.2 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/2/22 31846V542 ACCOUNT [REDACTED]	- 1,223,526.200	.00	1,223,526.20	- 1,223,526.20	.00
12/15/2022	Sold 6,000,000 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/15/22 31846V542 ACCOUNT [REDACTED]	- 6,000,000.000	.00	6,000,000.00	- 6,000,000.00	.00
12/15/2022	Sold 2,000,000 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/15/22 31846V542 ACCOUNT [REDACTED]	- 2,000,000.000	.00	2,000,000.00	- 2,000,000.00	.00
12/16/2022	Sold 295,293 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/16/22 31846V542 ACCOUNT [REDACTED]	- 295,293.000	.00	295,293.00	- 295,293.00	.00
12/28/2022	Sold 13,800,000 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/28/22 31846V542 ACCOUNT [REDACTED]	- 13,800,000.000	.00	13,800,000.00	- 13,800,000.00	.00



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**SALES AND MATURITIES (continued)**

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	TRANSACTION PROCEEDS	BOOK VALUE	REALIZED GAIN/LOSS
12/30/2022	Sold 29,000,000 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/30/22 31846V542 ACCOUNT [REDACTED]	- 29,000,000.000	.00	29,000,000.00	- 29,000,000.00	.00
12/30/2022	Sold 13,030,996.43 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/30/22 31846V542 ACCOUNT [REDACTED]	- 13,030,996.430	.00	13,030,996.43	- 13,030,996.43	.00
12/30/2022	Sold 7,000,000 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/30/22 31846V542 ACCOUNT [REDACTED]	- 7,000,000.000	.00	7,000,000.00	- 7,000,000.00	.00
12/30/2022	Sold 4,000,000 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/30/22 31846V542 ACCOUNT [REDACTED]	- 4,000,000.000	.00	4,000,000.00	- 4,000,000.00	.00
12/30/2022	Sold 7,000,000 Units Of First Am Treas Ob Fd Cl Z Trade Date 12/30/22 31846V542 ACCOUNT [REDACTED]	- 7,000,000.000	.00	7,000,000.00	- 7,000,000.00	.00
<b>Total First Am Treas Ob Fd Cl Z</b>		<b>- 107,365,922.920</b>	<b>.00</b>	<b>107,365,922.92</b>	<b>- 107,365,922.92</b>	<b>.00</b>
<b>Total Cash And Equivalents</b>		<b>- 107,365,922.920</b>	<b>.00</b>	<b>107,365,922.92</b>	<b>- 107,365,922.92</b>	<b>.00</b>
<b>Mutual Funds-Fixed Income</b>						



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**SALES AND MATURITIES (continued)**

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	TRANSACTION PROCEEDS	BOOK VALUE	REALIZED GAIN/LOSS
12/08/2022	Sold 83,090.985 Shares Of Vanguard Shrt Term Infl Prot Sec Idx Trade Date 12/8/22 83,090.985 Shares At 24.07 USD 922020607 ACCOUNT [REDACTED]	- 83,090.985	.00	2,000,000.00	- 2,102,089.24	- 102,089.24
12/28/2022	Sold 298,634.812 Shares Of Vanguard Shrt Term Infl Prot Sec Idx Trade Date 12/28/22 298,634.812 Shares At 23.44 USD 922020607 ACCOUNT [REDACTED]	- 298,634.812	.00	7,000,000.00	- 7,542,232.17	- 542,232.17
<b>Total Vanguard Shrt Term Infl Prot Sec Idx</b>		<b>- 381,725.797</b>	<b>.00</b>	<b>9,000,000.00</b>	<b>- 9,644,321.41</b>	<b>- 644,321.41</b>
12/28/2022	Sold 421,940.928 Shares Of Vanguard Total Bond Market Idx Instl Trade Date 12/28/22 421,940.928 Shares At 9.48 USD 921937785 ACCOUNT [REDACTED]	- 421,940.928	.00	4,000,000.00	- 4,788,155.40	- 788,155.40
<b>Total Vanguard Total Bond Market Idx Instl</b>		<b>- 421,940.928</b>	<b>.00</b>	<b>4,000,000.00</b>	<b>- 4,788,155.40</b>	<b>- 788,155.40</b>
<b>Total Mutual Funds-Fixed Income</b>		<b>- 803,666.725</b>	<b>.00</b>	<b>13,000,000.00</b>	<b>- 14,432,476.81</b>	<b>- 1,432,476.81</b>
<b>Miscellaneous</b>						
12/31/2022	Sold 10,939.765 Units Of First Eagle Global Equity Fund LP Trade Date 12/7/22 Sold Through Direct From Issuer 95MSC6132 ACCOUNT [REDACTED]	- 10,939.765	.00	12,500,000.00	- 10,939,764.99	1,560,235.01



**SALES AND MATURITIES (continued)**

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	TRANSACTION PROCEEDS	BOOK VALUE	REALIZED GAIN/LOSS
<b>Total First Eagle Global Equity Fund LP</b>		<b>- 10,939.765</b>	<b>.00</b>	<b>12,500,000.00</b>	<b>- 10,939,764.99</b>	<b>1,560,235.01</b>
12/31/2022	Sold 4,072.5854 Units Of Kohinoor Series (Cayman) Fund Trade Date 12/22/22 Sold Through Direct From Issuer 96MSC8BX9 ACCOUNT [REDACTED]	- 4,072.585	.00	4,002,134.53	- 3,172,191.86	829,942.67
<b>Total Kohinoor Series (Cayman) Fund</b>		<b>- 4,072.585</b>	<b>.00</b>	<b>4,002,134.53</b>	<b>- 3,172,191.86</b>	<b>829,942.67</b>
12/31/2022	Sold 217,228.943 Units Of Ssga Daily Msci Eafe Indx NI Fund Trade Date 12/9/22 Sold Through Direct From Issuer 96MSC5WX2 ACCOUNT [REDACTED]	- 217,228.943	.00	6,000,000.00	- 5,503,715.20	496,284.80
<b>Total Ssga Daily Msci Eafe Indx NI Fund</b>		<b>- 217,228.943</b>	<b>.00</b>	<b>6,000,000.00</b>	<b>- 5,503,715.20</b>	<b>496,284.80</b>
12/31/2022	Sold 3.655 Units Of Ssga Russell 1000 (R) Growth Indx Fd Trade Date 12/14/22 Sold Through Direct From Issuer 95MSC42A0 ACCOUNT [REDACTED]	- 3.655	.00	579.65	- 617.56	- 37.91
<b>Total Ssga Russell 1000 (R) Growth Indx Fd</b>		<b>- 3.655</b>	<b>.00</b>	<b>579.65</b>	<b>- 617.56</b>	<b>- 37.91</b>
12/31/2022	Sold 1,664,198.119 Units Of Ssga S&p Global Largemidcap Natural Trade Date 12/28/22 Sold Through Direct From Issuer 97MSCCRX1 ACCOUNT [REDACTED]	- 1,664,198.119	.00	29,000,000.00	- 21,559,817.09	7,440,182.91



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**SALES AND MATURITIES (continued)**

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	TRANSACTION PROCEEDS	BOOK VALUE	REALIZED GAIN/LOSS
<b>Total Ssga S&amp;p Global Largemidcap Natural</b>		<b>- 1,664,198.119</b>	<b>.00</b>	<b>29,000,000.00</b>	<b>- 21,559,817.09</b>	<b>7,440,182.91</b>
12/31/2022	Sold 105.396 Units Of Ssga US Reit Indx NI Fund Trade Date 12/14/22 Sold Through Direct From Issuer 96MSC8367 ACCOUNT [REDACTED]	- 105.396	.00	6,673.65	- 6,430.45	243.20
<b>Total Ssga US Reit Indx NI Fund</b>		<b>- 105.396</b>	<b>.00</b>	<b>6,673.65</b>	<b>- 6,430.45</b>	<b>243.20</b>
12/31/2022	Sold 462,691.069 Units Of Ssga US Tips Indx NI Fund Trade Date 12/28/22 Sold Through Direct From Issuer 97MSCCRZ6 ACCOUNT [REDACTED]	- 462,691.069	.00	13,030,996.43	- 13,128,676.79	- 97,680.36
<b>Total Ssga US Tips Indx NI Fund</b>		<b>- 462,691.069</b>	<b>.00</b>	<b>13,030,996.43</b>	<b>- 13,128,676.79</b>	<b>- 97,680.36</b>
12/31/2022	Sold 852,618.758 Units Of Wtc Cif II Core Bond (Series 4) Port Trade Date 12/28/22 Sold Through Direct From Issuer 9SPMTKAZ2 ACCOUNT [REDACTED]	- 852,618.758	.00	7,000,000.00	- 7,386,488.79	- 386,488.79
<b>Total Wtc Cif II Core Bond (Series 4) Port</b>		<b>- 852,618.758</b>	<b>.00</b>	<b>7,000,000.00</b>	<b>- 7,386,488.79</b>	<b>- 386,488.79</b>
<b>Total Miscellaneous</b>		<b>- 3,211,858.290</b>	<b>.00</b>	<b>71,540,384.26</b>	<b>- 61,697,702.73</b>	<b>9,842,681.53</b>
<b>Total Sales And Maturities</b>		<b>- 111,381,447.935</b>	<b>.00</b>	<b>191,906,307.18</b>	<b>- 183,496,102.46</b>	<b>8,410,204.72</b>





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ACCOUNT PACEINDUSTRY

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## **SALES AND MATURITIES MESSAGES**

Realized gain/loss should not be used for tax purposes.



usbank.com

February 15, 2023

Dear Carolyn,

Please see wire transfer and cash deposit information below:

Account Number: [REDACTED]

Account Name: PACE – Special Financial Assistance Fund Cash

**Point of Contact:**

Dana Weh  
AVP, Account Manager  
dana.weh@usbank.com  
314-418-1729  
505 N 7<sup>th</sup> St Saint Louis, MO 63101  
Mail Code: SL-MO-IT10R

Ryan Bollinger  
Vice President, Relationship Manager  
ryan.bollinger@usbank.com  
314-418-2921  
505 N 7<sup>th</sup> St Saint Louis, MO 63101  
Mail Code SL-MO-IT10R

\*\*\*Please notify Dana Weh prior to initiating transfers\*\*\*

**Wire Transfers:**

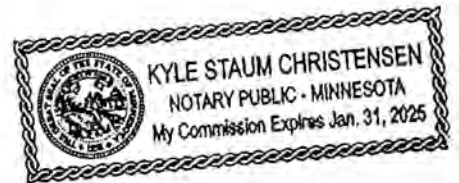
ABA: 091000022  
U.S. Bank Minnesota  
BNF: Institutional Trust - St. Louis  
Attn: Dana Weh  
A/C: [REDACTED]  
OBI: Acct# and account name

**ACH Transfers:**

ABA: 091000022  
U.S. Bank Minnesota  
DDA: [REDACTED]  
Addenda information: Trust Acct # &  
account name

Sincerely,

Ryan Bollinger  
Relationship Manager, U.S. Bank Institutional Trust & Custody  
(314) 418-2921  
ryan.bollinger@usbank.com



Kyle Christensen  
KLC  
State of Minnesota  
Anoka County  
02/21/2023